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No. 83.

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5th Session, 8th Parliament, 63 Victoria;

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BILL.

An Act respecting the Dominion Atlantic  
Railway Company.

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First reading, March 12, 1900.

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(PRIVATE BILL.)

MR. HALE

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OTTAWA

Printed by S. E. DAWSON  
Printer to the Queen's most Excellent Majesty  
1900

## An Act respecting the Dominion Atlantic Railway Company

**W**HEREAS the Dominion Atlantic Railway Company, Preamble.  
hereinafter called "the Company," was incorporated  
by chapter 47 of the statutes of 1895, for the purposes, 1895, c. 47.  
among others, of acquiring and operating the undertakings  
5 formerly known as the Windsor and Annapolis Railway, the  
Yarmouth and Annapolis Railway and the Cornwallis Valley  
Railway, all known now and operated as the Dominion  
Atlantic Railway; and whereas by section 8 of the said Act  
it was enacted that the capital stock of the Company should  
10 be five hundred thousand pounds, divided into thirteen  
thousand five hundred preference shares of twenty pounds  
each, and eleven thousand five hundred ordinary shares of  
twenty pounds each; and whereas by sub-section 4 of the said  
section 8 the directors were, upon the application of any  
15 shareholder, empowered to convert into preference stock any  
number of preference shares held by him, and into ordinary stock  
ordinary shares held by him, provided that the stock should  
only take the place of an equal amount at par of the shares of the  
same kind for which it was issued, and that the holders of such  
20 stock should have the same rights and privileges as to divi-  
dends, voting at meetings of shareholders and qualification  
to become directors of the Company, as if they were holders  
of an equal amount at par of the shares of the Company of the  
same class; and whereas the capital of the Company was by  
25 the directors, at the request and with the consent of the  
persons entitled thereto, all in fact issued as stock and not as  
shares, and the amount of such stock so issued was the  
amount authorized by the said section 8, namely, of preference  
stock two hundred and seventy thousand pounds and of  
30 ordinary stock two hundred and thirty thousand pounds,  
making five hundred thousand pounds in all, and it is  
expedient to ratify and confirm the action of the Company  
with regard to the said stocks; and whereas, in exercise of  
the powers conferred upon the Company by the said Act, the  
35 Company has acquired the said undertakings formerly known  
as the Windsor and Annapolis Railway, the Yarmouth and  
Annapolis Railway, and the Cornwallis Valley Railway, upon  
the terms and conditions set forth and expressed in the deed of  
conveyance set forth in schedule A to this Act; and whereas  
40 the Company has exercised the borrowing powers conferred  
upon it by the said chapter 47 of the statutes of 1895 by creating  
and issuing the sum of five hundred thousand pounds of four per  
cent First Debenture Stock, and by creating and in part issuing  
three hundred and fifty thousand pounds of four per cent

Second Debenture Stock, part of an intended total aggregate issue of four hundred and forty thousand pounds of four per cent second debenture stock, secured by deeds of trust bearing date respectively the seventeenth day of March, one thousand eight hundred and ninety-six, and the seventeenth day of April, one thousand eight hundred and ninety-six; and the Company has prayed that it be enacted as hereinafter set forth, and it is expedient to grant the prayer of the said petition: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Schedule A confirmed.

**1.** The deed of conveyance set forth in schedule A to this Act, dated the thirty-first day of December, one thousand eight hundred and ninety-five, is hereby ratified and confirmed and declared to be valid and binding on the parties thereto.

Schedule B confirmed.

**2.** The deed of trust dated the seventeenth day of March, one thousand eight hundred and ninety-six, set forth in schedule B to this Act, is hereby ratified and confirmed and declared to be valid and binding upon the Company, and the debenture stock issued by the Company upon the terms and conditions mentioned in the said deed is hereby declared to be valid and binding upon the Company as First Debenture Stock to the amount of five hundred thousand pounds, in the said deed mentioned.

Schedule C confirmed.

**3.** The deed of trust dated the seventeenth day of April, one thousand eight hundred and ninety-six, set forth in schedule C to this Act, is hereby ratified and confirmed, and the debenture stock issued and hereafter to be issued by the Company upon the terms and conditions mentioned in the said deed is hereby declared to be valid and binding upon the Company as Second Debenture Stock to the amount of four hundred and forty thousand pounds, in the said deed mentioned.

Issue of existing capital stock confirmed.

**4.** The issue of the existing capital stock of the Company, consisting of five hundred thousand pounds of stock, of which two hundred and seventy thousand pounds is preference stock and two hundred and thirty thousand pounds is ordinary stock, is hereby confirmed and declared to be valid and binding upon the Company.

1895, c. 47, s. 8 repealed,

**5.** Section 8 of chapter 47 of the statutes of 1895 is repealed.

Capital stock.

**6.** The capital stock of the Company shall consist of the said five hundred thousand pounds of stock, of which two hundred and seventy thousand pounds is preference stock and two hundred and thirty thousand pounds is ordinary stock, and shall have the qualifications and incidents hereinafter mentioned.

Preference stock.

**2.** The said preference stock shall, up to five per cent per annum, entitle the holders thereof to rank first for dividends on the net profits of the Company; but if, in any year, the net profits of the Company shall not be sufficient to pay a dividend of five per cent to the holders of the preference stock the holders

of such stock shall not be entitled to any cumulative preference in ranking for dividends upon the net profits of the next or any succeeding year, and the deficiency of any year shall not be paid or made good out of the income of any succeeding  
5 year.

3. Any profits remaining after payment of the dividend upon the preference stock, and divisible among the holders of ordinary stock as dividend (subject to the provisions of section 70 of *The Railway Act*), shall be divided amongst the  
10 holders of ordinary stock. Dividends to ordinary stockholders.

4. The Company may, by by-law, make provision for the registration of the holders of the capital stock, the form and mode of transfer and all other regulations in reference thereto. Transfers of stock.

5. Every holder of preference and ordinary stock shall  
15 have one vote for each twenty pounds of stock held by him, subject to the regulations of the Company from time to time in force requiring registration, and all the provisions of *The Railway Act* shall apply to holders of twenty pounds and upwards of capital stock as if they were shareholders. Voting.

20 7. The capital stock of the Company may be increased from time to time in the manner hereinafter provided. The additional stock so authorized to be created may be either preference or ordinary stock, or may consist partly of preference and partly of ordinary stock, and may be issued upon  
25 such terms and conditions, and with such rights, privileges and priorities annexed thereto, as may be sanctioned by the stockholders. The amount of such increase and the proportion which shall be issued as preference stock or ordinary stock, respectively, and the terms and conditions upon which the  
30 same shall be issued, and the rights, privileges and priorities to be annexed thereto, shall be fixed and determined by a by-law of the directors, which shall be subject to the approval of the Governor in Council; provided that the said by-law shall have been first sanctioned by a vote of two-thirds in  
35 amount of the stockholders who are present or represented, by proxy at a meeting expressly called for that purpose by a notice in writing to each stockholder, delivered to him personally, or properly directed to him and deposited in the post office, at least twenty days previous to such meeting, stating  
40 the time, place and object of such meeting and the amount of the proposed increase, and the proceedings of such meeting shall be entered in the minutes of the proceedings of the Company, and thereupon the capital stock may, with such approval, be increased to the amount sanctioned by such vote. Power to increase capital.

45 8. Any additional capital authorized to be issued under the powers contained in section 7 of this Act may be called up by the directors from time to time as they deem necessary, but no one call shall exceed fifty per cent on the stock subscribed. Approval of shareholders and Governor in Council.

50 9. The directors may, from time to time, set aside out of the profits of the Company such sums as they think proper as reserved funds to meet contingencies, or for equalizing dividends, or for repairing, maintaining, renewing or extending any property or works belonging to or connected with the Reserve fund.

business of the Company, or any part thereof, or for an insurance fund against loss or damage of the property of the Company either by fire or by perils of the sea, or for any other purposes of the Company, and may invest the sums so set apart as reserved funds in the business of the Company, or upon such securities as the directors may select, and they shall submit their action in regard to such reserved funds to the stockholders at the annual meeting for their approval. 5

Amount and application to be determined by by-law.

**10.** The amount of such reserved funds, the purposes to which the same shall or may be applied, and such other provisions or regulations as may be deemed advisable with regard to the conservation, investment and management thereof, shall from time to time be fixed and determined by by-law of the directors, but every such by-law and every repeal, amendment or re-enactment thereof, shall be subject to the approval of the stockholders at the annual general meeting, or at a meeting expressly called for that purpose by a notice in writing to each stockholder, delivered to him personally, or properly directed to him and deposited in the post office at least twenty days previous to such meeting, stating the time, place and object of such meeting, the amount so intended to be set apart as a reserved fund and the purposes of such funds. 10 15 20

Election of directors.

**11.** At the annual meeting the subscribers for the capital stock assembled, who have paid all calls due on their shares, shall choose three persons to be directors of the Company. 25

Increase of directors.

**2.** The Company may, from time to time, by by-law, increase the number of directors to any number not exceeding four, and may also, from time to time, by by-law diminish the number of directors, but so that they shall not be less than three. 30

Voting by proxy.

**12.** Every stockholder may vote by proxy at any meeting of the Company if he sees fit, and the form of appointment may be given in the words, or to the effect, of the form in section 44 of *The Railway Act*, or in the form, or to the effect, prescribed by the by-laws of the Company. 35

Borrowing powers.

**13.** The directors may, from time to time, and as often as they deem it expedient so to do, borrow money for the purposes of the Company, provided that the sum so borrowed shall not at any time exceed in the aggregate seventy-five thousand pounds in addition to the debenture stock of the Company. 40

Power to mortgage.

**14.** In addition to the powers conferred upon the directors by the preceding section, the directors, under the authority of a resolution of the stockholder may, from time to time, at their discretion, and as often as they deem it expedient, borrow such sums of money for the purposes of the Company at such rates of interest and upon such terms as the stockholders determine, or, in default, as the directors think proper, and may secure the repayment of the said moneys in such manner and upon such terms and conditions as they see fit, and, for such purposes, may mortgage, pledge, hypothecate or charge the ships or vessels of the Company and all or any of 45 50

the assets and property of the Company not comprised in the mortgages from time to time created and charged upon the railway of the Company to secure the Company's issue or issues of debenture stock.

5 2. The borrowing powers contained in subsection 1 of this section shall be exercised only under the authority of two-thirds in amount of the stockholders present or represented by proxy at any special general meeting called for the purpose in the manner provided by section 41 of *The Railway Act*.

Approval of shareholders.

10 15. Subject to the provisions of section 242 of *The Railway Act*, the Company may, upon its lines of railway and steamships, charge and collect such rates for the carriage of express matter as are usually charged by express companies, and generally may carry on the usual business of such companies, and section 227 of *The Railway Act* shall not apply to the Company's charges for the carriage of express matter.

Charges for express matter.

1888, c. 29, ss. 227, 242.

16. The Company may charge on all property placed with it, or in its custody, such fair remuneration as may be fixed upon by the directors for storage, warehousing, wharfage, dockage, cooperage, or any other care or labour in and about any such property on the part of the Company over and above the regular freight and primage upon the said property which shall have been carried or may be carried by them.

Charges for storage, etc.

17. The Company may recover all charges and moneys paid or assumed by it subject to which goods come into its possession, and, without any formal transfer, shall have the same lien for the amount thereof upon such goods as the persons to whom such charges were originally due had upon such goods while in their possession, and the Company shall be subrogated by such payment to the rights and remedies of such persons for such charges.

Recovery of charges.

Lien.

18. The Company, in the event of non-payment of freight advances and other charges when due upon goods or property in its possession or under its control, may sell at public auction the goods whereupon such advances and other charges have been made, and may retain the proceeds, or so much thereof as is due to the Company, together with the costs and expenses incurred in and about such sale, returning the surplus (if any) to the owner of such goods or property, but, before any such sale takes place, thirty days' notice of the time and place of such sale and of the amount of the charges or moneys payable to the Company in respect of such goods or property shall be given by registered letter, transmitted through the post office to the last known address of the owner of any such goods or property, except in the case of perishable goods or effects which may be sold after the expiration of one week, or sooner, if necessary, unless otherwise provided in the contract between the parties.

Sale of goods for charges.

Notice of sale.

19. The Company may become a party to promissory notes and bills of exchange for sums less than one hundred dollars, and section 98 of *The Railway Act* shall extend and apply to

Promissory notes.

promissory notes and bills of exchange to which the Company shall or may become a party, whether such bills of exchange or promissory notes are, or are not, less than one hundred dollars.

Security  
from officers.

20. Notwithstanding anything contained in section 59 of *The Railway Act* it shall not be obligatory upon the directors to take the security required by the said section. 5

## SCHEDULE A.

THIS INDENTURE made the thirty-first day of December in the year of our Lord one thousand eight hundred and ninety-five in eight original parts between The Windsor and Annapolis Railway Company Limited incorporated in England as The Windsor and Annapolis Railway Company Limited and having its registered office at No. 6 Great Winchester Street London England (hereinafter called the "Windsor Company") of the first part Charles Fitch Kemp of 73 Lombard Street London England Accountant and William Ross Campbell of No. 6 Great Winchester Street aforesaid gentleman the liquidators of the Windsor Company (hereinafter called the "Liquidators") of the second part The Dominion Atlantic Railway Company a company incorporated by an Act of the Parliament of Canada 48 and 59 Victoria chapter 47 having its head office in England at No. 6 Great Winchester Street aforesaid (hereinafter called the "Dominion Company") of the third part and Francis Tothill of the Grove Stoke Bishop England Thomas Robert Ronald of Richmond Surrey England and Robert Lee Campbell of 40 St. Augustine's Road Camden Town in the County of London England (hereinafter called the "Provisional Board") of the fourth part Whereas the Windsor Company was on the 1st day of March 1867 incorporated and registered in England under *The Companies' Act, 1862* as a limited Company and whereas the said company having found that the powers contained in its memorandum of association required to be enlarged was for that reason and other reasons desirous of winding up the Windsor Company as incorporated in England under *The Companies' Act 1862* and of organizing a Canadian company to be incorporated under an Act or Acts of the Parliament of Canada and by such Act or Acts obtaining power for such company to take over the undertakings of the Windsor Company with all its assets liabilities and obligations and for other purposes as in such Act appears and whereas at an extraordinary general meeting of the members of the Windsor Company duly convened and held at the Cannon Street Hotel London England on the 12th day of March 1895 the following resolutions with another not necessary to be herein recited were duly passed and at a subsequent extraordinary general meeting of the members of the said company duly convened and held at the offices of the Company 6 Great Winchester Street in the said city of London on the 29th March 1895 the same resolutions were duly confirmed as special resolutions *i. e.* (1) That it is desirable to reconstruct the Company and accordingly that the Company be wound up voluntarily and that Charles Fitch



Kemp and Willian Ross Campbell be and are hereby appointed liquidators for the purposes of such winding up (2) That the draft bills now submitted to this meeting having for their object obtaining from the Parliament of Canada power for the above-named Company to sell and transfer its undertaking railways and effects to a company to be constituted in Canada for taking over the same and also to wind up the affairs of the above-named Company in the Dominion as such drafts have already been approved by the directors be and the same are hereby approved and that the liquidators be and they are hereby authorised to proceed with the petitions and applications for obtaining the passing into law by the Canadian Parliament of the said bills with power to consent to such modifications of the said drafts as they may think expedient (3) That in the event of the said bills with or without modification becoming Acts of the Parliament of Canada the liquidators shall forthwith proceed to sell and transfer to the Company authorised to be incorporated in Canada all the undertakings of the above named Company on the terms and conditions in such Acts contained and to wind up and dissolve the above named Company as directed by such Acts or either of them and under the Winding-up Acts affecting it" And whereas a printed copy of such resolutions was forwarded to the Registrar of Joint Stock Companies and the same was duly recorded by him on the 2nd day of April 1895 and notice of the winding-up of the Windsor Company and of the appointment of the liquidators under the same was given by advertisement thereof in the *London Gazette* of the 31st day of May 1895 and also in the *Canada Gazette* published at Ottawa and the *Royal Gazette* published at Halifax Nova Scotia. And whereas the two bills, drafts whereof were by the said resolutions approved have with such alterations only as the liquidators approved been passed into law by the Parliament of Canada and both received the Royal Assent on the 22nd day of July 1895 the one being chapter forty-seven of the Dominion Statutes of 1895 and entitled "An Act to incorporate the Dominion Atlantic Railway Company" and the other being chapter sixty-nine of the Dominion Statutes of 1895 and entitled "Act respecting the Windsor and Annapolis Railway Company Limited and whereas the said parties of the second part are the liquidators of the Windsor Company duly appointed under the provisions of "The Companies' Acts" for that purpose and whereas by the said Act of Parliament of Canada chapter forty-seven of the Dominion Statutes 1895 the said parties of the fourth part were appointed to be the provisional Directors of the Dominion Company And whereas by the said Act of the Parliament of the Dominion of Canada chapter sixty-nine of the Dominion Statutes of 1895 the Windsor Company were authorised to sell for the considerations and upon the terms and conditions set forth in the said Act and upon such other terms and conditions as should be mutually agreed upon between the Windsor Company or its liquidators and any company authorised to purchase the same All and singular the property and undertakings therein and hereinafter mentioned And whereas by the said Act of the Parliament of Canada chapter forty-seven of the Dominion Statutes of 1895 the Dominion Company was incorporated and

was thereby authorised to purchase for the consideration and upon the terms and conditions therein and hereinafter mentioned All and singular the property and undertakings hereinafter mentioned and described And whereas by the said in part recited Acts it was provided that the consideration for the said sale and purchase should be the sum of five hundred thousand pounds (£500000) to be paid at the option of the Dominion Company in cash or shares subject to the existing debt of the Windsor Company created by the issue of debenture stock amounting to the sum of five hundred thousand pounds (£500000) secured by a mortgage to trustees dated the 3rd day of September 1894 and registered in the office of the Secretary of State for Canada on the 31st day of October 1894 and a further deed supplemental thereto dated the 28th day of March 1895 and in addition thereto that the Dominion Company should pay and discharge the costs and expenses mentioned in section 2 of the said chapter 69 above recited and whereas the Dominion Company has elected to pay the consideration for the said purchase (except such part thereof as may be required to meet the claims of dissentient shareholders [if any] which they have agreed to pay in cash as hereinafter provided) by the issue of capital stock of the Dominion Company to the aggregate amount of £500000 representing thirteen thousand five hundred (13500) fully paid up preference shares of twenty pounds (£20) each making a nominal sum of two hundred and seventy thousand pounds (£270000) and eleven thousand five hundred (11500) fully paid up ordinary shares of twenty pounds (£20) each making the further nominal sum of two hundred and thirty thousand pounds (£230000) the certificates for all such stock to be issued by the Provisional Board or the Board of Directors of the Company on behalf of and as representing the Dominion Company and to be delivered to the liquidators as representing the Windsor Company or as the liquidators shall direct for distribution among the shareholders in the Windsor Company according to their rights thereto respectively as provided by the fourth section of the agreement of the Twelfth day of October 1893 set forth in the schedule to the Act, chapter 69 of the statutes of Canada for the year 1894. And whereas in exercise of the powers conferred upon them by the said Act of the Parliament of Canada chapter 47 of the statutes of 1895 and all other (if any) the powers thereunto them enabling the provisional board and the board of directors of the Company have on or before the execution of these presents issued the said capital stock amounting to £500,000 and representing the said thirteen thousand five hundred (13500) fully paid-up preference shares in the capital of the Dominion Company and the said eleven thousand five hundred (11500) fully paid-up ordinary shares in the said capital to the liquidator or to the shareholders of the Windsor Company as directed by the liquidators and have handed over to the liquidators or by their direction to the shareholders of the Windsor Company who have surrendered their respective certificates of shares in the Windsor Company for cancellation and exchange all the certificates for the said capital stock of the Dominion Company Now this indenture witnesseth that for the pur-

pose of effecting the reconstruction of the said Windsor Company and in consideration of the capital stock of the Dominion Company issued as aforesaid (the receipt whereof and the handing over of the respective certificates to the persons and in the manner aforesaid the liquidators do hereby acknowledge) and in consideration of the premises and the agreements and covenants hereinafter contained the Windsor Company by and with the consent and direction of the liquidators acting as such doth hereby grant and assign unto the Dominion Company all the property of the Windsor Company with its lands franchises powers rights privileges equipments stations plant rolling stock materials stores and appurtenances and generally the undertakings formerly known as the Windsor and Annapolis Railway and the Yarmouth and Annapolis Railway and now jointly known and operated under the name of the Dominion Atlantic Railway as defined by section 8 of the Act of the Parliament of the Dominion of Canada chapter 69 of the Statutes of 1894 and also the undertaking and property of the Cornwallis Valley Railway together with all its lands franchises powers, rights privileges and equipments stations plant rolling stock materials stores and appurtenances now owned by the Windsor Company and all rights liberties privileges easements profits commodities emoluments hereditaments and appurtenances whatsoever to the lands of the said Windsor Company belonging or in anywise appertaining or with the same demised held used occupied and enjoyed or taken or known as part thereof and also the reversion and reversions remainder and remainders yearly and other rents issues and profits of the said lands and of every part and parcel thereof and all the estate right title interest inheritance use trust property profit possession claim and demand whatsoever of the Windsor Company in to out of or upon the said lands and every part and parcel thereof with their and every of their appurtenances And also all and singular the goods chattels credits debts and effects of the Windsor Company in the United Kingdom or the Dominion of Canada or elsewhere and the business and goodwill of the said railways together with the benefit of all contracts and agreements heretofore made or entered into by the Windsor Company or by anyone on their behalf or inuring to the benefit of the said Company and of all securities for debts and choses in action to which the Windsor Company is or may be entitled and all the real and personal property of the Windsor Company whatsoever and wheresoever situate except such parts thereof as passed by delivery and have on or before the execution of these presents been delivered or handed over by the liquidators to the Dominion Company subject nevertheless as to all the said premises whether the same be excepted or not to the existing debt of the Windsor Company created by the issue of debenture stock amounting to five hundred thousand pounds (£500,000) secured by the aforesaid mortgage to trustees dated the 3rd day of September 1894 and the indenture supplemental thereto dated the 28th day of March 1895 and to all other mortgages charges liens and incumbrances affecting the same premises or any part or parts thereof To have and to hold the same premises as to such parts thereof as are of a freehold tenure unto and to the use of the Dominion Company its successors and assigns for ever

in fee simple and as to all other parts thereof unto the Dominion Company and its assigns absolutely And the Windsor Company for the considerations aforesaid and in pursuance of the authority expressed and contained in the said Act chapter 47 section 17 of the statutes of 1895 under the direction and with the consent of the liquidators doth hereby assign unto the Dominion Company and its assigns All and singular the agreement respecting the lease of the Windsor Branch of the Intercolonial Railway dated the 13th day of December 1892 and made between Her Majesty represented therein by the Minister of Railways and Canals of the one part and the Windsor Company of the other part To hold the same unto the Company and its assigns absolutely subject to the payment of the rents and to the performance of the covenants provisoes and conditions contained in the said Agreement of Lease And in further consideration of the premises the Dominion Company doth hereby for itself and its successors and assigns covenant with the Windsor Company and with the liquidators to pay and discharge the debt of the Windsor Company created by the issue of five hundred thousand pounds (£500,000) Debenture Stock of the Windsor Company secured as aforesaid and also to pay and discharge all the costs and expenses both of the Windsor Company and of the Dominion Company connected with the obtaining of the said two Acts of the Parliament of Canada chapters 47 and 69 of the Statutes of 1895 and of any other Acts which may be passed or applied for to enable the Dominion Company to purchase and acquire the undertaking of the Windsor Company and also the costs and expenses of the Windsor Company and of the liquidators and of the provisional board of the Dominion Company in connection with the sale and purchase aforesaid and also the cost of winding up and dissolving the Windsor Company And the Dominion Company doth hereby for itself its successors and assigns further covenant with the Windsor Company and with the liquidators that if the liquidators in order to carry the sale aforesaid into effect shall have occasion to purchase the interest of any dissentient member or members of the Windsor Company under the provisions of sections 161 and 162 of The Companies Act 1862 or otherwise then and in every such case the Dominion Company will pay to the liquidators such sum or sums as may be necessary to purchase the interests of such dissentients and to cover all costs and expenses incurred by the liquidators in and about such dissent and purchase of the interest aforesaid and any sums so paid shall be reckoned as part of the consideration aforesaid and the liquidators shall hold the shares in the capital stock of the Dominion Company and the certificates thereof which would have been distributed to the dissentient members if they had not dissented in trust for the Dominion Company to deal with the same in such manner as the Dominion Company may direct And the liquidators hereby covenant with the Dominion Company that they the liquidators will at the cost of the Dominion Company forthwith apportion and distribute to and among those shareholders of the Windsor Company who have not yet surrendered their shares in the capital of the Windsor Company for cancellation and exchange for shares in the

capital stock of the Dominion Company such of the certificates of the said capital stock of the Dominion Company handed over to the liquidators as aforesaid as represent the proportion either of the said thirteen thousand five hundred (13500) fully paid-up preference shares in the capital stock of the Dominion Company or of the eleven thousand five hundred (11,500) fully paid-up ordinary shares in the same capital to which such shareholders of the Windsor Company are respectively entitled on the surrender of their shares in the capital of the Windsor Company and will divide the same in the proportions in which the said shareholders respectively may be entitled thereto and will upon application by any such shareholders hand over to them him or her the certificates to which they respectively may be entitled, and will until such application and distribution hold the said certificates in trust for the persons ultimately entitled thereto and will so far as is practicable obtain from every such shareholder prior to the delivery to him or her of the certificate of shares in the Dominion Company the surrender of the certificate of the shares in the Windsor Company held by him or her in respect of which the several shares in the Dominion Company are appropriated to him or her respectively and will hand over to the Dominion Company all certificates of shares in the Windsor Company thus received in exchange and as to certificates representing any part of the capital stock of the Dominion Company handed over to the liquidators and not required for such distribution the liquidators shall hold the same as part of the property of the Windsor Company hereby transferred to the Dominion Company to be dealt with as the Dominion Company shall direct In witness whereof the said Windsor Company the party hereto of the first part hath hereunto set its corporate seal and the said liquidators the parties hereto of the second part have executed the same under their hands and seals respectively and the said Dominion Company the party hereto of the third part hath hereunto set its corporate seal and the

said Provisional Board the parties hereto of the fourth part have executed the same under their hands and seals respectively the day and year first above written.

The Common Seal of The Windsor and Annapolis Railway Company Limited was hereunto affixed in the presence of

Seal of the  
Windsor and  
Annapolis  
Railway  
Company.

C. FITCH KEMP }  
W. R. CAMPBELL } Liquidators.

Signed sealed and delivered by }  
the above-named Charles } C. FITCH KEMP. [L.S.]  
Fitch Kemp in the presence }  
of }  
T. O. CHAPMAN,  
50 Old Broad Street,  
London, E.C.,  
Solicitor.

Signed sealed and delivered by }  
the above-named William } W. R. CAMPBELL, [L.S.]  
Ross Campbell in the pre- }  
sence of }  
T. O. CHAPMAN.

The Seal of The Dominion  
Atlantic Railway Company  
was hereunto affixed.  
FRANCIS TOTHILL,  
President.

Seal of The  
Dominion  
Atlantic  
Railway  
Company.

Signed sealed and delivered }  
by the above-named Fran- } FRANCIS TOTHILL. [L.S.]  
cis Tothill in in the pre- }  
sence of }  
FRANK WALFORD,  
6 Great Winchester Street,  
London, E.C.,  
Clerk.

Signed sealed and delivered }  
by the above-named Thos. } TH. R. RONALD. [L.S.]  
Robert Ronald in the pre- }  
sence of }  
FRANK WALFORD

Signed sealed and delivered }  
by the above-named Robert } R. LEE CAMPBELL. [L.S.]  
Lee Campbell in the pre- }  
sence of }  
FRANK WALFORD

ENGLAND }  
County of Middlesex }  
City of London. }

We Charles Fitch Kemp and William Ross Campbell both of the City of London and County of Middlesex aforesaid gentlemen do severally make oath and severally say as follows:—

We are the liquidators of the Windsor and Annapolis Railway Company Limited within mentioned and have personal knowledge of the matters hereinafter deposed to. The said Windsor and Annapolis Railway Company Limited is the Grantor mentioned in the accompanying transfer. The consideration for the within Deed is truly and honestly set forth therein and the said Deed was executed in good faith and not for the purpose of protecting the property mentioned therein against the creditors of the said Windsor and Annapolis Railway Company Limited or of preventing the creditors of said company from obtaining payment of any claims against it.

Severally sworn to by the said Charles Fitch Kemp and William Ross Campbell in the City of London in the County of Middlesex aforesaid this 8th day of January A.D. 1896	}	C. FITCH KEMP.  W. R. CAMPBELL.
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Before me

JNO. BRIDGES

A Notary Public residing and practising in the  
City of London aforesaid.

IN TESTIMONY whereof I have hereunto subscribed my hand and affixed my Official Seal the day and year first above written.



JNO. BRIDGES  
Not. Pub.

## SCHEDULE B.

THIS INDENTURE made the seventeenth day of March 1896 between the Dominion Atlantic Railway Company having its head office at No. 6 Great Winchester street in the city of London England (hereinafter called "the Company") of the first part Charles Emanuel Leonino of 21 Via Borgo Nuovo Milan in the Kingdom of Italy Esquire and Charles Fitch Kemp of 73 Lombard street in the said city of London Esquire of the second part and the said Charles Emanuel Leonino and Charles Fitch Kemp and William Sopper of 30 Throgmorton street in the said city Esquires of the third part Whereas the Company was incorporated by the Act of Parliament of Canada 58 and 59 Vict. c. 47 (1895) having for its objects (among other things) the acquisition and working of the several railways formerly known as the Windsor and Annapolis Railway the Yarmouth and Annapolis Railway and the Cornwallis Valley Railway (and which were then together

operated and known as the Dominion Atlantic Railway) with the right by agreement with Her Majesty as hereinafter mentioned to work the railway extending from Windsor to Windsor Junction all in the Province of Nova Scotia Dominion of Canada and to exercise running powers over the Intercolonial Railway between the said Windsor Junction and Halifax in said Province of Nova Scotia all which railways were then worked by the Windsor and Annapolis Railway Company Limited as then incorporated in Canada under the name of the Dominion Atlantic Railway Company And whereas in exercise of the powers conferred on the Company by the said Act the Company has purchased the railways and all other the property movable and immovable hereinafter expressed to be hereby granted conveyed and assigned and the same is vested in the Company by an Indenture dated the 31st day of December 1895 made between the Windsor and Annapolis Railway Company Limited of the first part the Liquidators of such last mentioned Company of the second part the Company of the third part and Francis Tothill Thomas Robert Ronald and Robert Lee Campbell of the fourth part for the considerations and subject as therein mentioned And whereas such purchase was made subject to the then and now existing debt of the said Windsor and Annapolis Railway Company Limited (hereinafter referred to as the Windsor Company) created by the issue of £4 per cent Terminable Debenture Stock for the sum of £500 000 secured by a Mortgage to Trustees dated the 3rd day of September 1894 made between the Windsor Company of the one part and the said Charles Emanuel Leonino and Charles Fitch Kemp of the other part and registered in the office of the Secretary of State for Canada on the 31st day of October 1894 and an Indenture supplemental thereto dated the 2nd day of March 1895 made between the same parties and registered in the same office on the 8th day of June 1895 and to all other mortgages charges liens and incumbrances affecting the same premises or any part or parts thereof And whereas among the conditions of issue of such last mentioned terminable debenture stock it was provided that if the Windsor Company should be reconstituted or be amalgamated with or transferred to any other railway company in the Dominion of Canada the Windsor Company might give notice to the stockholders requiring them to surrender their Stock and the Certificates for the same in exchange for a like amount of £4 per cent. terminable debenture stock in the Company as reconstituted or in such other railway company as the Windsor Company should be amalgamated with or transferred to and for such purpose might require surrender of the Stock Certificates and every such requisition should be binding upon the stockholders provided that in case of any terminable debenture stock and the Certificate therefor to be given in exchange the same should bear the same rate of interest and be subject to the like incidents of repayment and redemption as the £4 per cent. terminable debenture stock of the Windsor Company and be secured by a trust deed approved by the Trustees of the above-mentioned Trust Deed And whereas by the said Act of the Parliament of Canada 58 and 59 Vict. c. 47 the Company was empowered to borrow money in the manner prescribed by



section 93 of The Railway Act and to secure the repayment of any money so borrowed as in the said Act is provided and to issue bonds debentures or debenture stock and to mortgage the property of the Company as security with provisions for the voting of the shareholders of the Company at a meeting convened to authorize any borrowing or issue of bonds debentures or debenture stock and provided the amount of money so borrowed should not exceed in all the sum of £5000 per mile of the said railway and branches constructed or under contract to be constructed including the debenture stock representing the existing debt And whereas the number of miles of railway and branches belonging to the Company already constructed is 188 miles and the borrowing powers extend to a sum of £940000 no portion of which has yet been raised except as hereinafter appears And whereas at a special meeting of the Company duly convened and held on the 17th day of March 1896 the Company authorized the directors to create and issue £4 per cent. First debenture stock of the nominal amount of £500000 to be issued to the registered holders for the time being of the terminable £4 per cent. Debenture stock of the Windsor and Annapolis Railway Company Limited in exchange for a like amount of such last mentioned stock as held by them respectively and as to any residue of the same £4 per cent. First debenture stock not required for exchange as aforesaid to be dealt with as the directors should think fit And whereas the directors of the company have resolved and thought fit in exercise of the authorities conferred upon them as foresaid to create and issue £4 per cent First debenture stock of an aggregate amount of £500000 and to secure the same and the interest thereof by a trust deed of the property of the Company hereinafter expressed to be hereby conveyed and assigned in the manner and upon the terms and conditions hereinafter appearing And whereas the said Charles Emanuel Leonino and Charles Fitch Kemp the present Trustees of the said Indenture of the 3rd day of September 1894 have agreed to join in these presents to express their approval thereof as a Trust Deed for securing the said £4 per cent. first debenture stock and also for other the purposes hereinafter appearing.

Now this indenture witnesseth and it is hereby agreed covenanted and declared as follows:—

1. (a) In these presents and in the Schedules hereto unless there is something in the subject or context inconsistent therewith the words "the trustees hereof" shall refer to and describe and the same shall in all cases be constructed to mean the person or persons or the Company who for the time being shall be charged with the execution of the trusts of these presents whether such person or persons or company shall be the said persons party hereto of the third part or the survivors or survivor of them or the successors or a successor or the said persons party hereto of the third part or any or either of them respectively.

(b.) "The stock" means the aggregate amount of the said £500000 £4 per cent. first debenture stock for the time being issued and not redeemed. "The stockholders" means the several persons or companies for the time being entered in the register hereinafter mentioned as holders of any part of the stock.

(c.) The stockholders are to be regarded as beneficial owners of their respective parts of the stock and the company as and when the stock or any part thereof ought to be redeemed or paid off in accordance with the provisions in the body of these presents or the conditions in the first schedule hereto contained will pay to the stockholders whose stock ought to be redeemed the full nominal amount of the stock held by them respectively at the rate and in the manner hereinafter provided and such payment shall operate in satisfaction of the amount of the stock so redeemed or paid off and the amount for the time being unredeemed shall bear interest at the rate of £4 per cent.

per annum payable as in these presents and in the said first schedule mentioned.

(d.) The stock and every part thereof shall be held subject to the conditions and regulations set forth in the first and second schedules hereto and such conditions and regulations shall be binding on the company and the stockholders and every of them and all persons claiming through them respectively.

2. The company hereby covenants with the trustees hereof that the company will duly and punctually pay the interest and principal of the stock as and when the same becomes due and payable according to the provisions of these presents and the schedules hereto and will observe and perform all the stipulations and provisions of these presents which on the part of the company ought to be observed and performed.

3. In consideration of the premises the company with the consent hereby testified of the said Charles Emanuel Leonino and Charles Fitch Kemp doth hereby grant convey and assign unto the said persons party hereto of the third part their heirs executors administrators and assigns as trustees hereof All and singular its undertaking now operated and known as the Dominion Atlantic Railway in the Dominion of Canada including the Railways formerly known as the Windsor and Annapolis Railway the Yarmouth and Annapolis Railway and the Cornwallis Valley Railway together with all the lands and hereditaments belonging to the company as incorporated by the act of the parliament of the Dominion of Canada 58-59 Vic. c. 47 and the franchises powers rights privileges rolling stock plant tools and revenue and all other the property real and personal moveable and immoveable now owned by the company wheresoever the same be situate (save and except any steamer or other vessel now or at any time hereafter owned by the company or in which it may have or acquire an interest) and all the estate right title interest claim and demand of the company in to and upon the premises and every part thereof with their and every of their appurtenances and also all the right title and interest of the company of in and to the Windsor branch under and by virtue of an agreement between Her Majesty and the Windsor company dated the 13th day of December 18 2 and also all the right title and interest of the Company in the running powers over the Intercolonial Railway between the said Windsor Junction and Halifax as in the said agreement mentioned and all other the rights easements liberties and privileges conferred upon the Company by the said agreement subject to the

payment to Her Majesty of one-third of the gross earnings as provided by the said agreement and to the covenants provisoes and conditions in the said agreement mentioned and expressed and subject as to all the said premises to the said indenture dated the 3rd day of September 1894 and the said indenture supplemental thereto dated the 28th day of March 1895 until all the £4 per cent terminable debenture stock of the Windsor Company thereby secured shall be exchanged or redeemed. And also to the other charges liens and encumbrances affecting the same premises or any part or parts thereof referred to in the said indenture dated the 3rd day of September 1894 so far as at the date of these presents such charges liens and encumbrances are subsisting To Have and to hold the said undertaking railway franchises powers rights privileges rolling stock plant tolls and revenues and all other property and premises real and personal moveable and immoveable (except as aforesaid) hereby granted conveyed and assigned or expressed so to be unto and to the use of the said persons party hereto of the third part their heirs executors administrators and assigns forever according to the tenure and nature thereof as joint tenants and not as tenants in common but upon and for the trusts and purposes hereinafter expressed of and concerning the same.

4. The said premises hereinbefore expressed to be hereby granted conveyed and assigned subject as aforesaid are together herein called "the mortgaged premises" and shall as and from the date hereof to be held by the trustees hereof upon the trusts following i.e. upon trust to permit the Company to retain possession of the said undertakings railways and property and all other the mortgaged premises and to manage the same and to operate the said railways and every part thereof and to receive and take all the tolls revenue and income thereof and to carry on the business of the Company and to sell or otherwise dispose of any portions of the surplus lands of the Company and such parts of the machinery plant chattels and property of the Company at any time used in carrying on the business of the Company as it shall consider to be unfit or unnecessary for the said business so long as the Company shall punctually pay all the principal moneys and interest which ought to be paid in accordance with these presents and shall keep fulfil and observe all the covenants conditions and stipulations herein contained and to be kept fulfilled and observed by the Company and upon further trust upon default in payment of the principal moneys or of the interest moneys secured hereby or of any portion of the said principal or interest for the space of three calendar months after such principal moneys or interest shall respectively become payable according to the tenor of these presents or upon default for the space aforesaid in the keeping fulfilling and observing by the Company of any of the terms and conditions herein stipulated to be kept fulfilled and observed by the Company then so that if the trustees hereof shall see fit they may forthwith with or without any notice to the Company but subject to the rights (if any) then subsisting of the trustees of the said indenture dated the 3rd day of September 1894 and the indenture supplemental thereto dated the 28th day of March 1895 and any other then subsisting charges liens and incumbrances aforesaid

take possession of the said railways undertakings property and mortgaged premises and every or any part thereof and thereupon as the trustees hereof manage operate and control the same and after providing for all expenses incident to the working of the said railways and keeping the mortgaged premises in a condition suitable for the business they shall subject as aforesaid apply the net proceeds of any sale of the mortgaged premises for the purposes of the trust herein contained and upon the further trust that upon default in payment of the principal moneys or of the interest moneys secured hereby or any part thereof for the space of three months after such principal moneys or interest moneys shall respectively become payable according to the tenor of these presents and upon a requisition in writing signed by stockholders representing or being a majority in value of the holders of the stock the trustees hereof shall subject as aforesaid sell the said undertakings railways franchises property and other the mortgaged premises or some part thereof and for the purposes aforesaid or any of them make execute and do all such agreements assurances and things as the trustees hereof shall see fit Provided that after such default and requisition as aforesaid the trustees hereof shall give at least two calendar months' notice to the Company of their intention to exercise the aforesaid power of sale by serving a copy of such notice on the president or secretary of the Company for the time being and by publishing an advertisement for the period of four weeks at least which period may be wholly or in part accurrent with that of the notice last aforesaid showing the time place and particulars of the said intended sale such advertisements to be published in two issues at least in each week of one daily newspaper published in London England and in Halifax, Nova Scotia; and also in *The Canada Gazette* or some other official paper circulating in the Dominion of Canada.

5. Provided further that the trustees hereof shall have full power to sell the mortgaged premises either by public auction or private contract and upon every such sale to make any special or other stipulations as to title or evidence or commencement of title or otherwise which the trustees hereof shall deem proper and to buy in or rescind or vary any contract for sale of the mortgaged premises or any part thereof and to resell the same without being responsible for any loss which may be occasioned thereby and with full power to compromise and effect composition and for the purposes aforesaid or any of them to execute and do all such assurance and things as they shall think fit but so that the railway and undertaking of the Company shall not be sold except in one parcel or in sections capable of being separately worked to the intent that the railways or several sections thereof offered for sale may be so far as practicable be continued and operated as a going concern or concerns or be capable of being so operated Provided always that any lands or chattels not required for the use and operation of the railway or any parts thereof may be sold in separate parcels at the discretion of the trustees thereof.

7. Provided nevertheless that if before any such sale shall have actually taken place the Company shall have paid to all the holders of the said £4 per cent First debenture stock then unredeemed the principal moneys if any then payable

and the interest moneys in default as aforesaid and shall have given notice thereof to the trustees hereof and shall further pay to the trustees hereof all such further sums as shall then be chargeable by them against the trust by reason of the entering upon operating or managing the said railways or otherwise and all costs charges and expenses by the trustees hereof incurred in or about the proceedings connected with such sale then the trustees hereof shall not proceed with any such sale but shall immediately discontinue all proceedings to carry out the same.

7. Provided always that the trustees hereof may from time to time and so often as may be necessary on default as aforesaid and upon receiving a requisition signed as aforesaid proceed to exercise the aforesaid power of sale.

8. Upon any sale made in pursuance of the aforesaid power or trust in that behalf the purchaser or purchasers shall not be bound to see or enquire whether any such requisition in writing has been given by or on behalf of the Stockholders as aforesaid nor whether any default has been made by the Company in payment of any principal moneys or interest secured by these presents nor as to the necessity or expediency of the stipulations and conditions subject to which any such sale shall have been made nor otherwise as to the propriety or regularity of any such sale and notwithstanding any impropriety or irregularity whatsoever in any such sale the same shall so far as regards the safety and protection of the purchaser or purchasers be deemed to be valid and effectual accordingly and the remedy of the Company and its assigns in respect of any impropriety or irregularity whatsoever in the execution of the said trusts for sale shall be in damages only.

9. Upon any such sale as aforesaid the receipt of the trustees hereof for the purchase-money of the premises sold and for any other moneys paid to them shall effectually discharge the purchaser or purchasers or other person or persons paying the same therefrom and from being concerned to see to the application or being answerable for the loss or misapplication thereof.

10. The trustees hereof shall hold the moneys which shall arise from any sale made in pursuance of the aforesaid trusts in that behalf upon trust that they in the first place shall by and out of the same reimburse themselves or pay and discharge the costs charges and expenses incurred in or about such sale or in the execution of the foregoing trusts or otherwise payable to them under or in respect of these presents and in the next place shall subject to the rights of any persons entitled to any interest in the mortgaged premises under the said Indenture of the 3rd day of September 1894 or the said Indenture of the 28th day of March 1895 or otherwise as aforesaid apply the residue of such moneys first in or towards payment to the stockholders *pari passu* in proportion to the amount due to them respectively of all arrears of interest remaining unpaid on the stock held by them respectively and secondly in or towards payment to the Stockholders *pari passu* in proportion to the amount of the stock held by them respectively and without preference or priority on account of priority of issue or otherwise howsoever of all principal moneys unpaid in respect of the stock held by them respectively and that

whether the same shall or shall not then be payable which said principal moneys and interest the said Stockholders shall then be bound to accept And lastly shall pay the residue of the said moneys in any to the Company or its assigns.

11. Provided always and it is hereby declared that if the moneys to arise from any sale or sales of the mortgaged premises or any parts thereof shall be insufficient after payment of the said costs charges and expenses incurred in or about such sale or sales or otherwise incurred or payable by or to the trustees hereof under or in respect of these presents to pay in full the principal moneys and interest owing on the security of these presents then the residue of the moneys to arise from any such sale or sales after payment of the costs charges and expenses aforesaid shall be apportioned rateably and without preference or priority among all the stockholders according to the amount of stock held by them and shall be paid to them accordingly which said moneys the stockholders shall then be bound to accept provided however that interest shall have priority over principal money.

12. It is hereby agreed and declared that on payment by the Company of all the principal moneys and interest secured hereby or upon cancellation and release of all the said stock the trustees hereof shall reconvey to the Company its successors or assigns the said mortgaged premises or so much thereof as shall not have been disposed of under any of the trusts hereof.

13. The trustees hereof shall give not less than fourteen days' notice by letter addressed to the stockholders at their registered addresses and posted which posting shall be counted as notice and also by advertisement in the *Times* and in at least one other daily London newspaper of the day fixed for any payment to the stockholders under either of the clauses 10 and 11 hereof and after the day so fixed and notified the holder of the stock shall be entitled to interest on the balance only (if any) of the principal moneys due on such stock after deducting the amount (if any) payable in respect thereof on the day so fixed.

14. The receipt of each stockholder or of one of several joint holders for the principal moneys and interest payable by the trustees hereof to him or them in respect of such stock shall be a good discharge to the trustees hereof.

15. At any time before the trustees hereof shall have entered into possession of the mortgaged premises or any part thereof in pursuance of the trust aforesaid the trustees hereof may upon the application and at the cost of the company acquire or concur in acquiring a new or renewed lease or tenancy or new or renewed leases or tenancies of all or any of the mortgaged premises not vested in them in fee simple to be held for such term or period or respective terms or periods and at such rents and subject to such covenants and conditions and with such indemnity as they shall think fit And for that purpose may surrender or concur in surrendering any existing lease or leases tenancy or tenancies And any such new or renewed lease may be granted either to the trustees hereof or to any nominee or nominees of the Company but so that in the latter case the lessees or lessee do execute a declaration of trust for the Company subject to the provisions of these pre-

sents and every such new or renewed lease or tenancy and the premises comprised therein shall become and be in all respects subject to the trusts and provisions herein contained as though the interest of the company therein had been hereby assured to the trustees hereof.

16. After the trustees hereof shall have made such entry as aforesaid and until the whole of the mortgaged premises shall be sold and conveyed under the said trust for sale the trustees hereof may if they shall think fit so to do but not otherwise operate all or any of the said railways and generally carry on the business of the Company in and with the mortgaged premises or any of them and may manage and conduct the said railways and business as they shall in their discretion think fit and for the purposes of operating the said Railways and managing the said business may employ such agents managers receivers accountants servants and workmen upon such terms as to remuneration and otherwise as they shall think proper and may renew such of the said rolling stock engines permanent way plant machinery and effects as they may consider it advisable to renew and generally may do or cause to be done all such acts and things and may enter into such arrangements respecting the mortgaged premises or the operation and management of the said railways and business or any part thereof as they could do if they were absolutely entitled thereto and without being responsible for any loss or damage which may arise or be occasioned thereby.

17. Provided always that the Trustees hereof shall by and out of the rents and profits and income of the mortgaged premises and the moneys received by them in operating the said railway or carrying on the said business pay and discharge the expenses incurred in and about such operation and management or in the exercise of any of the powers aforesaid or otherwise in respect of the premises and all outgoings which they shall think fit to pay and shall pay and apply the residue of the said rents profits and moneys in the same manner as is hereinbefore provided with respect to the moneys to arise from any sale.

18. The company shall at all times keep an accurate register of the stock in the form and with the particulars mentioned in the First Schedule hereto in respect of such register and the Trustees hereof or any person appointed in writing by them shall be at liberty at all reasonable times to inspect the said register and to take copies of or extracts from the same or any part thereof and shall be entitled to be furnished with a copy or copies thereof.

19. The Company shall so long during the continuance of this security as it shall be in possession of the mortgaged premises operate the said railways and carry on and conduct the business of the Company in a proper and efficient manner and shall keep the hereditaments permanent way and all rolling stock plant machinery works fixtures fittings implements utensils and other effects therein or upon the same respectively and used for the purpose of or in connection with the said railways and businesses and every part thereof in a good state of repair and in perfect working order and condition and shall from time to time provide such substituted or additional rolling stock plant machinery and other effects as

may be required for the proper and efficient operation of the said railways which substituted or additional rolling stock plant and effects it is hereby agreed and declared shall be subject in all respects to the trusts of these presents Provided always that these presents and the trusts hereby declared shall not in anywise affect or be applicable to any new railways which the Company may hereafter acquire or construct or the buildings rolling stock plant and other property effects or things appertaining thereto.

The Company may at any time hereafter by deed under its common seal appoint an additional Trustee of these presents So long as and whenever there shall be more than two Trustees hereof the majority of such Trustees shall be competent to execute and exercise all the trusts powers and discretions hereby vested in the Trustees hereof generally.

21. The Company doth hereby for itself and its successors covenant with the said persons party hereto of the third part their heirs executors administrators and assigns that the Company its successors or assigns will not execute any other Deed of Mortgage or any other Instrument creating any mortgage lien charge or incumbrance which by such deed or instrument shall purport to be a first mortgage lien charge or incumbrance upon the mortgaged premises or any parts thereof of which shall in any manner impair the priority or precedence of these presents and of the stock as constituting a first lien upon the same and also that the said sum of £500000 sterling to be secured hereby shall subject to any rights for the time being subsisting under the said Indentures of the 3rd day of September 1894 and the 28th day of March 1895 or either of them or any charges liens and incumbrances as aforesaid now affecting the same premises or any part or parts thereof be the first charge on the said railways and other the mortgaged premises and shall subject as aforesaid take priority and precedence as a first charge on the said property and mortgaged premises and every part thereof respectively over all securities now or at any time existing or created by the company of any kind whatsoever and that as between the several holders of the stock hereby secured the stock shall rank concurrently without any preference or priority whatsoever but so nevertheless that the rents and revenues thereof shall be subject firstly to the payment of any penalty imposed for non-compliance with the requirements of "The Railway Act" respecting returns to be made to the Minister of Railways and Canals of the Dominion of Canada and secondly to the payment of the working expenditure of the railway as defined in the said Railway Act.

22. The said Charles Emanuel Leonino and Charles Fitch Kemp for themselves and other the Trustees for the time being of the said Indenture of the 3rd day of September 1894 hereby agree with the Company and the Trustees hereof that when and so soon as all the £4 per cent. terminable debenture stock issued by the Windsor Company and secured by the said Indenture and the Indenture supplemental thereto dated the 28th day of March 1895 shall have been exchanged for £4 per cent. first debenture stock of the company issued as aforesaid or shall be otherwise redeemed they or the Trustees for the time being of the said Indentures will upon the request and at the cost of the company execute or join in executing a



deed or deed releasing from the charge created by such before mentioned indentures or either of them such of the mortgaged premises as may be comprised therein and conveying such premises to the trustees hereof free and discharged from all and every the trusts charges and incumbrances created by such before-mentioned indentures or either of them such deed or deeds to be in a form approved by counsel on behalf of the said Charles Emanuel Leonino and Charles Fitch Kemp.

23. And it is hereby agreed and declared that the trustees hereof may exercise the powers herein conferred upon them either in the manner herein provided or by such action or actions in aid of the execution of such powers or otherwise as they being advised by counsel learned in the law shall deem most effectual for that purpose it being understood and hereby expressly declared that the rights of entry and sale herein granted are intended as cumulative remedies additional to all other remedies allowed by law and that the same shall not be deemed in any manner whatsoever to deprive the trustees hereof or the beneficiaries under this trust of any legal or equitable remedies by judicial proceedings consistent with the provisions of these presents according to the true intent and meaning thereof but no proceeding authorised by law or by this deed shall be taken to enforce payment of the principal and interest secured hereby except through the said trustees hereof.

24. And it is hereby agreed and declared that the said trustees hereof or any of them may resign the trusts hereby created and be discharged from all further duty thereunder upon giving three months' notice in writing to the said parties of the first part or upon such shorter notice as the said parties of the first part may accept as sufficient. And in case at any time hereafter any trustee hereof shall die or resign or refuse or become incapable or unfit to act in the said trust a successor of such trustee hereof may be appointed by the surviving or remaining trustees or trustee or by the executor or administrator of the last surviving trustee by an instrument duly executed in that behalf under their or his hands and seals respectively but until default in payment of the principal or interest secured hereby such instrument shall be subject to the approval of the board of directors of the Company and shall have no force or effect until the board of directors signify their approval of such appointment by executing a consent to such appointment under the seal of the Company.

25. Upon every such appointment of a new trustee hereof aforesaid the trust property shall if and so far as the nature of the property and other circumstances shall require or admit be transferred so that the same may without further or other conveyance or assignment be vested in the trustee or trustees hereof for the time being and the provisions of the Act of the Parliament of Great Britain and Ireland 56 and 57 Vic. c. 53 sections 10 to 12 inclusive shall so far as they are applicable and except when they are inconsistent with the provisions hereof apply to this deed. And every trustee hereof so appointed as foresaid may as well before as after such transfer of the said trust property act or assist in the execution of and exercise

all the trusts and powers of these presents as fully and effectually as if he had been hereby constituted a trustee hereof.

26. And it is hereby further agreed and declared that the trustees hereof for the time being of these presents shall be respectively answerable and accountable only for their own acts receipts neglects or defaults and that in addition to the ordinary right to indemnity by law given to trustees the Company shall at all times hereafter keep harmless and indemnified the trustees hereof and each of them their or his executors administrators and estates from and against all actions proceedings costs charges claims and demands whatever which may arise or be brought against them or him in respect of the execution of the trusts hereof or of any matter or thing done or omitted in relation thereto without their or his wilful default And shall also reimburse the trustees hereof all costs charges and expenses properly incurred by them in the execution of the trusts hereof Provided also that if and when the security hereby constituted shall become enforceable the Company shall pay or allow to the trustees hereof such reasonable remuneration in addition to such costs charges and expenses as aforesaid as the stockholders in meeting by any resolution or a judge on the application of the trustees hereof may determine and the same may be retained or paid by the trustees hereof to themselves.

27. It is hereby further agreed and declared that the Trustees hereof shall not be bound to take any proceeding under this mortgage for providing obtaining recovering or enforcing payment of the Stock or the interest thereon or for enforcing the performance of any of the covenants herein contained unless or until they are duly indemnified to their satisfaction against all expenses disbursements and costs which they may make or for which they may render themselves liable and for compensation and remuneration in respect of their own services and against any damage liability actions losses and costs which may arise or occur by reason of their taking such proceeding or proceedings.

28. It is hereby further declared and agreed that in any case in which the Trustees hereof shall be called upon to act or to take any proceedings under these presents upon receiving requisition from the Stockholders as aforesaid or any of them if such proceedings are taken by the Trustees hereof in consequence of such requisition the said Trustees hereof shall not be bound to enquire whether default has been made in payment of the principal or interest upon the stock or any part thereof or in the performance of any of the covenants of these presents and shall not be liable for any loss or damage that may occur in consequence of the exercise of the powers conferred upon them.

29. The Trustees hereof may at any time after default shall have been made in payment of any principal moneys or interest or other moneys payable hereunder by the Company or upon any breach of the covenants on behalf of the Company herein contained upon giving notice to the Company of their intention so to do apply to a court of competent jurisdiction for an order that the trusts hereof may be administered under the direction of such court or otherwise and for the appointment of

a receiver or manager or for such other relief in relation to the trusts as the Trustees hereof may deem expedient.

In witness whereof the company hath caused its Common Seal to be hereunto affixed and the persons parties hereto of the second and third parts have hereunto set their respective hands and seals the day and year first above written.

THE FIRST SCHEDULE ABOVE REFERRED TO.

CONDITIONS as to the issue by the DOMINION ATLANTIC RAILWAY COMPANY of £500,000 £4 per cent. First Debenture Stock hereinafter called "the Stock."

1. At any time after the first day of October, 1924 the Dominion Atlantic Railway Company hereinafter called the Company may give to the holders of the Stock or any of them not less than six calendar months' notice of its intention to redeem the Stock held by them respectively at such price per cent. not less than £110 for every £100 as shall be mentioned in such notice and at the expiration of the notice such Stock shall be redeemed accordingly. Any of the Stock of which such notice to redeem shall not have been given will be redeemed at par on the first day of October one thousand nine hundred and forty four or at such earlier time as the Stock ought to be redeemed in accordance with these presents and as and when any stock ought to be redeemed as aforesaid the Company will subject to these conditions pay to the several holders of the Stock so entitled to be redeemed the redemption moneys therefor calculated in the case of redemption after such notice as first aforesaid at the price mentioned in the notice. For the purpose of this clause any notice may be given to any holders of stock by sending the same through the post in a prepaid letter addressed to such holder at his registered place of address and any notice so given shall be deemed to have reached the holder on the day following that on which it is posted.

2. The Stock shall carry interest at the rate of £4 per cent. per annum and the Company will pay to the Stockholders interest on their respective parts thereof at the rate of £4 per cent. per annum Such interest shall be paid half yearly on the 1st day of April and the 1st day of October in every year.

3. Every Stockholder will be entitled to a Certificate under the Seal of the Company stating the amount of Stock held by him joint holders of Stock being for this purpose treated as one person and every such Certificate shall be in the form or to the effect following and be delivered to the Stockholder or in the case of joint holders to the person whose name stands first in the Register in respect of the Stock so holden but no certificate shall be for a less sum than twenty pounds or one hundred dollars.

THE DOMINION ATLANTIC RAILWAY COMPANY.

CAPITAL—

Five per cent preference stock.....	£270,000
Ordinary stock.....	230,000

Total capital stock.....	£500,000
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£500000 £4 per cent. first debenture stock created under the provisions of the Railway Act of Canada 51 Vic. c. 29 and the Act of the Parliament of Canada to incorporate the Company 58-59 Vic. c. 47 and by resolutions of a special meeting of the shareholders held on 17th March 1896 and by resolutions of the board of directors passed on the said 17th March 1896 Interest payable 1st April and 1st October.

No.

£

THIS IS TO CERTIFY that \_\_\_\_\_ of \_\_\_\_\_  
is (or are) the proprietor(s) of \_\_\_\_\_  
pounds of the above stock the payment and redemption of  
which stock and payment of interest thereon are secured by a  
trust deed dated the 17th day of March 1896 and which is  
issued subject to the provisions contained in the said deed  
and the schedules thereto.

GIVEN under the Common Seal of the Company this  
day of \_\_\_\_\_ 189 .

NOTE—No transfer of the stock comprised in this certificate or any part thereof will be registered until this certificate has been delivered at the Company's office. Fractions of a pound of stock are not transferable and no certificate will be issued for a less sum than twenty pounds or one hundred dollars.

4. The Company will recognize the registered holder or holders of any part of the Stock as the absolute owner or owners thereof and shall not be bound to take notice or see to the execution of any trust whether express implied or constructive to which any part of the stock may be subject and the receipt of the stockholder or of one of several joint holders of stock for the interest from time to time accruing due in respect thereof and for any moneys payable upon the redemption of the same shall be a good discharge to the company notwithstanding any notice it may have whether express or otherwise of the right title and interest or claim of any other person to or in such part of the stock or moneys.

5. In case of the death of any one of the joint holders of any part of the stock the survivor shall be the only person recognized by the Company as having any title to or interest in such part of the stock.

6. A body corporate may be registered as one of the joint holders of a part of the stock and in any such case the persons and body corporate so registered shall be deemed to hold in joint tenancy with right of survivorship and the Company shall be at liberty to act on that footing and for the purpose of this clause the dissolution of a body corporate shall be treated as its death.

7. Every holder of any part of the stock will be entitled to transfer the same or any part thereof not being a fraction of a pound sterling by an instrument in writing in the usual common form of transfer.

8. Every such instrument must be signed both by the transferor and transferee and in the case of joint holders by all the joint holders then living and the transferor shall be deemed to remain owner of such part of the stock until the name of the transferee is entered in the register in respect thereof.

9. Every instrument of transfer must be left at the head office of the Company for registration accompanied by the certificate of the stock to be transferred, and such other evidence as the directors may require to prove the title of the transferor or his right to transfer the stock.

10. All instruments of transfer which shall be registered will be retained by the Company.

11. A fee not exceeding 2s. 6d. will be charged for registration of each transfer and must if required by the directors be paid before the registration of the transfer.

12. No transfer will be registered during the 14 days immediately preceding the 1st day of April and 1st day of October in each year.

13. The executors and administrators of a deceased holder of any part of the stock not being one of several joint holders shall be the only persons recognized by the company as having any title to such part of the stock.

14. Any person becoming entitled to any part of the stock in consequence of the death or bankruptcy of any holder of stock upon producing such evidence that he sustains the character in respect of which he proposes to act under this condition or of his title as the directors shall think sufficient may at his option either be registered himself as a holder of such part of the stock or may transfer the same.

15. The directors shall be at liberty to retain the interest payable upon any part of the stock which any person under the last preceding condition is entitled to until such person shall either become the registered owner thereof or shall duly transfer the same.

16. The interest upon any part of the stock may be paid by cheque sent through the post to the registered address of the holder or in case of joint holders to the registered address of that one of the joint holders who is first named on the register in respect of such part of the stock. Every such cheque shall be sent at the stockholders' risk and shall be made payable to the order of the person to whom it is sent and payment of the cheque shall be a satisfaction of the interest.

17. If any certificate issued pursuant to these conditions be worn out or defaced then upon production thereof to the directors they may cancel the same and may issue a new certificate in lieu thereof, and if any such certificate be lost or destroyed then upon proof thereof to the satisfaction of the directors and on such indemnity as the directors deem adequate being given a new certificate in lieu thereof may be given to the person entitled to such lost or destroyed certificate. An entry as to the issue of the new certificate and indemnity if any will be made in the register hereinafter mentioned. There shall be paid to the Company in respect of every new certificate issued under this clause a fee of 2s. 6d., and also any stamp duty payable thereon together with such costs as the directors or the Company may have incurred in enquiries respecting such loss or destruction and of the preparation and or execution of any such indemnity.

18. A register of the stock will be kept by the Company in one or more books, and there shall be entered in such register—

- (1) The names and addresses and description of the holders for the time being of the stock.
- (2) The amount of the stock held by every such person.
- (3) The date at which the name of every such person was entered in respect of the stock standing in his name and every part thereof.

19. Any registered holder of a part of the stock will upon payment of such fee as the directors shall from time to time fix not exceeding 1s. for each inspection be entitled at all reasonable times to inspect the said register.

20. No notice of any trust express implied or constructive shall be entered upon the register in respect of any part of the stock.

THE SECOND SCHEDULE ABOVE REFERRED TO.

REGULATIONS FOR MEETINGS OF STOCKHOLDERS.

1. The trustees of the above written indenture may at any time convene a meeting of the stockholders and such trustees shall convene such meeting on the request in writing of the holders of one tenth part in amount of the stock when a meeting is convened otherwise than by such trustees notice thereof shall be given to each of the trustees of the said indenture or if there be one such trustee only then to such trustee.

2. Fourteen days' notice at least specifying the place day and hour of meeting shall be given previously to any meeting of the stockholders such notice shall be given by circular letter sent through the post to the registered address of each of the stockholders any such notice shall specify the general nature of the business to be transacted at the meeting and shall be deemed to be served at the expiration of seven days after it is posted. A notice of every meeting shall also be given at least 14 days before the time fixed for the meeting by advertisement in the "Times" newspaper published in London England and in some daily newspaper published in Halifax in the Dominion of Canada. It shall not be necessary in such advertisement to specify the nature of the business to be transacted at the meeting thereby convened.

3. At any such meeting persons holding or representing by proxy one-fifth of the nominal amount of the stock shall form a quorum for the transaction of business and no business shall be transacted at any meeting unless the requisite quorum be present at the commencement of the business and when the matter upon which the vote is to be taken is put to the meeting.

4. At every such meeting a trustee of the above-written Indenture or (if no such trustee be present) then such person as the Debenture holders present in person shall elect shall take the chair. Any such trustee and any directors or director of the Company may attend and speak at any such meeting but they shall not be entitled to vote unless in the capacity of the actual holder or holders of stock.

5. If within half an hour from the time appointed for any meeting of stockholders a quorum be not present the meeting

shall stand adjourned to the same day in the next week but one at the same time and place and if at such adjourned meeting a quorum is not present the meeting shall stand adjourned *sine die*.

6. Every question submitted to a meeting of stockholders shall be decided in the first instance by a show of hands and in case of an equality of votes the chairman if a stockholder shall both on the show of hands and at a poll have a second or casting vote.

7. At any general meeting unless a poll is demanded by at least three stockholders whose united holdings shall be not less than £25000 of the stock a declaration by the chairman that a resolution has been carried or carried by any particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact.

8. If at any such meeting a poll is so demanded by three or more stockholders it shall be taken in such manner and at such place or places and time not being less than 14 days nor more than one calendar month from the day of meeting and the result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

9. The chairman may with the consent of any such meeting adjourn the same from time to time provided a quorum be present when such consent is given.

10. Any poll demanded at any such meeting on the election of a chairman or on any question of adjournment shall be taken at the meeting without adjournment.

11. The stockholders whose names are on the register at the date of any meeting or in the case of joint holders that one whose name stands first on the register as one of the holders of stock so registered shall be exclusively entitled to act in respect of such stock either in person or by proxy. Every instrument appointing a proxy must be in writing or partly in writing and partly in print and must be under the hand of the appointor or if such appointor be a corporation under its common seal and must be delivered to the chairman of the meeting and every such proxy must be in the form following or such other form as shall be approved by the chairman at the meeting at which it is to be used i.e.—

“ I	of	a
“ stockholder of £	stock part of the £4 per	
“ cent. first debenture stock of the Dominion Atlantic		
“ Railway Company hereby appoint		
“ of		also a
“ stockholder or failing him		
“ of		another
“ stockholder to vote on my behalf at the meeting of the		
“ holders of the said stock to be held on the	day of	
“		
“ As witness my hand this	day of	189 ”

No person shall be appointed a proxy unless he is a stockholder entitled to vote.

12. At every such meeting each stockholder shall be entitled to one vote in respect of every full sum of £100 stock held by him. A holder of a less amount of stock than £100 shall not be entitled to vote in respect of his stock.

13. When the trustees of the above written indenture shall have entered into possession of any of the mortgaged premises under the powers contained in the trust deed under which they act as trustees for the stockholders or under any other powers then without prejudice to any other power conferred by such trust deed they or he with the authority of an extraordinary resolution of the stockholders may at any time afterwards give up possession of the mortgaged premises to the Company either unconditionally or upon any conditions that may be arranged between the Company and the said trustees with the sanction of an extraordinary resolution of the stockholders without prejudice to any powers in any manner vested in or conferred upon the said trustees.

14. A general meeting of the stockholders shall in addition to the powers hereinbefore mentioned have the following powers exercisable by extraordinary resolution viz. :

(a) Power at any time to sanction the release of any of the mortgaged premises on such terms as shall be approved by the meeting sanctioning the release.

(b) Power to sanction any modification or compromise of the rights of the stockholders whether such rights shall arise under this schedule or otherwise.

(c) Power to sanction an agreement or agreements for postponing or accelerating the time for payment of the principal moneys and interest payable in respect of the said 4 per cent. first debenture stock or any part thereof or for reducing the rate of interest or for permitting the creation of any charge having priority over or ranking *pari passu* with the stock or for accepting in satisfaction of the said first debenture stock any debenture or debenture stock or preference guaranteed or ordinary stock of any railway or other company.

(d) Power to assent to any modifications of the provisions contained in the above written trust deed or in the conditions upon which the stock is issued or in these regulations.

15. An extraordinary resolution passed at a general meeting of the stockholders duly convened and held in accordance with the regulations contained in this schedule shall be binding upon all stockholders whether present or not present at such meeting. And every stockholder shall be bound to give effect thereto accordingly.

16. The expression "extraordinary resolution" as used in this schedule means a resolution which at a meeting of stockholders duly convened and held in accordance with the provisions herein contained is passed by a majority consisting of not less than three-fourths of the persons voting thereat upon a show of hands or if a poll is demanded then by a majority of not less than three-fourths of the votes given at such poll.

17. Minutes of all resolutions and proceedings at every such meeting of stockholders as aforesaid shall be made and entered in books to be from time to time provided for that purpose by the trustees or trustee of the above written indenture at the expense of the Company and any such minutes as aforesaid if purporting to be signed by the chairman of the meeting at which such resolutions were passed or proceedings had or by the chairman of the next meeting of stockholders shall be



conclusive evidence of the matters therein stated and until the contrary is shewn every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed thereat or proceedings had to have been duly passed and had.

The Common Seal of the  
Dominion Atlantic Railway  
Company was hereunto affix-  
ed in the presence of

The Seal  
of the  
Dominion  
Railway  
Company.

FRANCIS TOTHILL,  
President.

W R. CAMPBELL,  
General Manager and Secretary.

Witness T. O. CHAPMAN.

Signed sealed and delivered by  
the within-named Charles  
Emanuel Leonino in the pre-  
sence of

CHAS. E. LEONINO [L.S.]

[L.S.] WM. M. TWEEDIE,  
British Pro-Consul,  
Milano.

April 2, 1896.

Stamp.

2/6

Signed sealed and delivered by  
the within-named Charles  
Fitch Kemp in the presence  
of

C. FITCH KEMP. [L.S.]

FRANK WALFORD.

Signed sealed and delivered by  
the within-named William  
Sopper in the presence of

W. SOPPER. [L.S.]

FRANK WALFORD.

### SCHEDULE C.

THIS INDENTURE made the seventeenth day of April 1896 between The Dominion Atlantic Railway Company having its head office at No. 6 Great Winchester Street in the City of London England (hereinafter called "the Company") of the one part and Thomas Robert Ronald of Somerton Lodge Queen's Road Richmond in the County of Surrey Esquire and Charles Fitch Kemp of 73 Lombard Street in the City of London Esquire (hereinafter referred to as "the present Trustees") of the other part Whereas the company was incorporated by the Act of the Parliament of Canada 58 and 59 Vict. c. 47 (1895) under the name of "The Dominion Atlantic Railway Company" having for its objects amongst other things the acquisition and working of the Windsor and Annapolis Railway the Yarmouth and Annapolis Railway and the Corn-

wallis Valley Railway which were then together known and operated as the Dominion Atlantic Railway and in exercise of the powers conferred by the said Act the company has purchased the railways and all other the property movable and immovable hereinafter expressed to be hereby granted conveyed and assigned And whereas such purchase was completed on the 31st day of December 1895 and was made subject to the then existing debt of the Windsor and Annapolis Railway Company Limited (hereinafter referred to as the Windsor Company) created by the issue of £4 per cent. terminable debenture stock for the sum of £500000 secured by a mortgage to trustees dated the 3rd day of September 1894 made between the Windsor Company of the one part and Charles Emanuel Leonino and Charles Fitch Kemp of the other part and registered in the office of the Secretary of State for Canada on the 31st day of October 1894 and an indenture supplemental thereto dated the 28th day of March 1895 made between the same parties and registered in the same office on the 8th day of June 1895 and to all other mortgages charges liens and incumbrances affecting the same premises or any part or parts thereof and among the conditions of the issue of such last-mentioned terminable debenture stock it was provided that if the Windsor Company should be reconstituted or be amalgamated with or transferred to any other railway company in the Dominion of Canada the Windsor Company might give notice to the holders of the said terminable debenture stock requiring them to surrender their stock and the certificate for the same in exchange for a like amount of £4 per cent. terminable debenture stock in the company as reconstituted or in such other railway company as the Windsor company should be amalgamated with or transferred to and for such purpose might require surrender of the stock certificates and every such requisition should be binding upon the stockholders provided that in case of any terminable debenture stock and the certificate therefor to be given in exchange the same should bear the same rate of interest and be subject to the like incidents of repayment and redemption as the £4 per cent. terminable debenture stock of the Windsor Company and be secured by a trust deed approved by the trustees of the first above mentioned trust deed And whereas the Windsor Company has been reconstituted by the formation of the company under the said Acts and has become amalgamated with or transferred to the company and notice has been given to the stockholders of the Windsor Company requiring them to surrender their stock and the certificates for the same in exchange for a like amount of terminable debenture stock being the £4 per cent. first debenture stock of the company to be issued subject to such incidents and secured by such trust deed as hereinbefore mentioned

And whereas by the said Act of the Parliament of Canada 58 and 59 Vict. c. 47 (1895) sec. 9 the Company was empowered to borrow money in the manner prescribed by sec. 93 of the Railway Act of Canada 51 Vict. c. 29 (1888) and to secure the repayment of any money so borrowed as in the said Act provided and to issue bonds debentures or debenture stock and to mortgage the property of the Company as security provided the amount so borrowed should not exceed

in all £5000 per mile of the railway and branches constructed or under contract to be constructed including the debenture stock representing the existing debt therein referred to And whereas the number of miles of railway and branches belonging to the Company already constructed is 188 and the borrowing powers thus now extend to a sum of £940000 including the £500000 £4 per cent. terminable debenture stock to be exchanged as aforesaid And whereas at a special meeting of the Company duly convened and held on the 17th day of March 1896 the Company authorized the directors to create and issue £4 per cent. first debenture stock of the nominal amount of £500000 to be redeemable as set forth in the resolution authorizing such issue and to be secured by a trust deed and to be disposed of by exchanging the certificates of the same or so much thereof as might be required for certificates for a like amount of the said £500000 £4 per cent. terminable debenture stock issued by the Windsor Company and as to the amount (if any) of the first debenture stock of the Company not required for the purpose of such exchange to dispose thereof on such terms and conditions as the directors might think fit And at the same meeting it was also duly resolved in words as follows—"That the directors of the company be and they are hereby authorized to create and issue a £4 per cent. debenture stock of the nominal amount of £100000 (portion of a total nominal amount of £440000 debenture stock) to be called second debenture stock on (amongst others) the following special terms and conditions—(a) That the said second debenture stock shall be repayable at par on the 1st July 1958 or be in whole or in part redeemable previously at the Company's option at any time on or after the 1st July 1916 at £105 for every £100 of stock on six calendar months' previous notice being given by the Company to the registered holders thereof or of any part thereof of an intention to redeem the said stock (b) That the said stock be constituted a charge on the property of the Company comprised in the trust deed for securing the Company's £4 per cent. first debenture stock for £500000 and subject thereto and be secured by a trust deed between the Company and trustees for the second debenture stockholders in a form to be approved by the directors of the Company (c) That such last-mentioned trust deed shall provide for the issue at any time and from time to time hereafter of an additional sum or additional sums of not exceeding £340000 of like debenture stock to be in all respects entitled to rank equally with the said £100000 second debenture stock and to the benefit *pari passu* therewith of the said charge and of the said last-mentioned trust deed for securing the same and so that after the said additional stock is created the said charge and the provisions of the said trust deed respectively shall be deemed to cover and extend to the whole amount of such debenture stock for the time being created but so that the total amount of such debenture stock to be created (including the £100000 hereby authorized) shall not exceed £440000 in all and no such additional debenture stock shall be created without the sanction of a special general meeting of the shareholders of the company convened under and in accordance with The Railway Act That the said £100000

second debenture stock hereby authorised be created and issued by the directors of the Company as and when they shall think fit and be disposed of by them to such persons at such price or prices time and manner and on such terms and conditions as the board may hereafter determine” And whereas by an indenture dated the 17th day of March 1896 made between the Company of the first part Charles Emanuel Leonino and Charles Fitch Kemp of the second part and the said Charles Emanuel Leonino Charles Fitch Kemp and William Sopper of the third part being the trust deed for securing the said £500000 £4 per cent. first debenture stock of the company the railways and all other the property movable and immovable hereinafter expressed to be hereby granted conveyed and assigned were granted conveyed and assigned to the persons party thereto of the third part as trustees for the purposes and subject to and with the benefit of the covenants conditions and provisions therein set forth And whereas the directors of the company in exercise of the authorities conferred upon them as aforesaid have resolved upon and are proceeding with the issue of the £500000 £4 per cent. first debenture stock for exchange as hereinbefore mentioned And in further exercise of the authority conferred upon them by the said acts and the hereinbefore recited resolutions have determined to create and issue a £4 per cent. debenture stock of the nominal amount of £100000 portion of a total nominal amount of £440000 debenture stock to be called second debenture stock on the terms and conditions in the said resolutions and hereinafter set forth And whereas the directors of the company have caused this trust deed to be prepared and have approved the same as a security for the second debenture stockholders in manner and to the extent provided by the hereinbefore recited resolutions Now this indenture witnesseth and it is hereby agreed and declared as follows—

1. (a) In these presents and in the schedules hereto unless there is something in the subject or context inconsistent therewith the words “The Trustees hereof” shall refer to and describe and the same shall in all cases be construed to mean the person or persons or the company who for the time being shall be charged with the execution of the trusts of these presents whether such person persons or company shall be the present trustees or the survivors or survivor of them or the successors or a successor of the present trustees or any or either of them respectively.

(b) “The Stock” means the aggregate amount of the said £440000 £4 per cent. second debenture stock for the time being issued and not redeemed including as well the £100000 already authorized to be created and issued as aforesaid as also any additional sum or sums not exceeding £340000 of like debenture stock hereafter created “The stockholders” means the several persons or companies for the time being entered in the register hereinafter mentioned as holders of any part of the stock.

(c) The stockholders are to be regarded as beneficial owners of their respective parts of the stock and the Company as and when the stock or any part thereof ought to be redeemed or paid off in accordance with the provisions

in the body of these presents or the conditions in the first schedule hereto contained will pay to the stockholders whose stock ought to be redeemed the full amount payable on redemption of the stock held by them respectively at the rate and in the manner hereinafter provided and such payment shall operate in satisfaction of the amount of the stock so redeemed or paid off and the amount for the time being unredeemed shall bear interest at the rate of £4 per cent. per annum payable as in these presents and in the said first schedule mentioned.

(d) The stock and every part thereof shall be held subject to the conditions and regulations set forth in the first and second schedules hereto and such conditions and regulations shall be binding on the Company and the stockholders and every of them and all persons claiming through them respectively.

2. The Company and the trustees hereof hereby mutually agree that the first issue of the said £4 per cent. second debenture stock shall be of the nominal amount of £100000 as authorized by the hereinbefore recited resolutions of the 17th day of March 1896 and that it shall be lawful for the Company at any time and from time to time hereafter to issue an additional sum or additional sum of not exceeding £340000 like debenture stock to be entitled to rank equally with the said £100000 second debenture stock and to the benefit *pari passu* therewith of the charge hereby created and of these presents and so that after all or any part of the said additional sums of stock are created the charge and provisions herein contained shall be deemed to cover and extend to the whole amount of such debenture stock for the time being created but so that the total amount of such debenture stock including the first issue of £100000 shall not exceed \$440000 in all and no such additional debenture stock shall be created without the sanction of a special general meeting of the shareholders of the Company convened under and in accordance with The Railway Act.

3. The Company hereby covenants with the trustees hereof that the Company will duly and punctually pay the interest and principal of the stock as and when the same becomes due and payable according to the provisions of these presents and the schedules hereto and will observe and perform all the stipulations and provisions of these presents which on the part of the Company ought to be observed and performed.

4. In consideration of the premises the Company doth hereby grant convey and assign unto the present trustees their heirs executors administrators and assigns as trustees hereof all and singular its undertaking now operated and known as the Dominion Atlantic Railway in the Dominion of Canada including the railways formerly known as the Windsor and Annapolis Railway the Yarmouth and Annapolis Railway and the Cornwallis Valley Railway together with all the lands and hereditaments belonging to the Company as incorporated by the Act of the Parliament of the Dominion of Canada 58-59 Vic. c. 47 and the franchises powers rights privileges rolling stock plant tolls and revenue and all other the property real and personal moveable and immoveable now owned by the Company wheresoever the same be situate (save and except any steamer

or other vessel now or at any time hereafter owned by the Company or in which it may have or acquire an interest) and all the estate right title interest claim and demand of the Company in to and upon the premises and every part thereof with their and every of their appurtenances And also all the right title and interest of the Company of in and to the Windsor Branch under and by virtue of an agreement between Her Majesty and the Windsor Company dated the 13th day of December 1892 And also all the right title and interest of the Company in the running powers over the Intercolonial Railway between the said Windsor Junction and Halifax as in the said agreement mentioned and all other the rights easements liberties and privileges conferred upon the Company by the said agreement subject to the payment to Her Majesty of one third of the gross earnings as provided by the said agreement and to the covenants provisoes and conditions in the said agreement mentioned and expressed And subject as to all the said premises to the said indenture dated the 3rd day of September 1894 and the said indenture supplemental thereto dated the 28th day of March 1895 until all the £4 per cent. terminable debenture stock of the Windsor Company thereby secured shall be exchanged or redeemed and also to the other charges liens and incumbrances affecting the same premises or any part or parts thereof referred to in the said indenture dated the 3rd day of September 1894 so far as at the date of these presents such charges liens and encumbrances are subsisting. And subject also to the said indenture dated the 17th day of March 1896 for securing the said £500000 £4 per cent. first debenture stock of the company To have and to hold the said undertaking railway franchises powers rights privileges rolling stock plant tolls and revenues and all other property and premises real and personal moveable and immoveable (except as aforesaid) hereby granted conveyed and assigned or expressed so to be unto and to the use of the present trustees their heirs executors administrators and assigns for ever according to the tenure and nature thereof as joint tenants and not as tenants in common but upon and for the trusts and purposes hereinafter expressed of and concerning the same.

5. The said premises hereinbefore expressed to be hereby granted conveyed and assigned subject as aforesaid are together hereinafter called "the mortgaged premises" and shall as and from the date hereof be held by the trustees hereof upon the trusts following i.e. Upon trust to permit the company to retain possession of the said undertakings railways and property and all other the mortgaged premises and to manage the same and or operate the said railways and every part thereof and to receive and take all the tolls revenue and income thereof and to carry on the business of the Company and to sell or otherwise dispose of any portions of the surplus lands of the Company and such parts of the machinery plant chattels and property of the Company at any time used in carrying on the business of the Company as it shall consider to be unfit or unnecessary for the said business so long as the Company shall punctually pay all the principal moneys and interest which ought to be paid in accordance with these presents and shall keep fulfil and observe all the covenants conditions and stipulations herein contained and to be kept fulfilled and observed by the Company

and upon further trust upon default in payment of the principal moneys or of the interest moneys secured hereby or of any portion of the said principal or interest for the space of three calendar months after such principal moneys or interest shall respectively become payable according to the tenor of these presents or upon default for the space aforesaid in the keeping fulfilling and observing by the Company of any of the terms and conditions herein stipulated to be kept fulfilled and observed by the Company then so that if the trustees hereof shall see fit they may forthwith with or without any notice to the Company but subject to the rights (if any) then subsisting of the trustees of the said indenture dated the 3rd day of September 1894 and the indenture supplemental thereto dated the 28th day of March 1895 and any other then subsisting charges liens and incumbrances aforesaid and to the rights of any of the trustees of the said indenture dated the 17th day March 1896 take possession of the said railways undertakings property and mortgaged premises and every or any part thereof and thereupon as the trustees hereof manage operate and control the same and after providing for all expenses incident to the working of the said railways and keeping the mortgaged premises in a condition suitable for the business they shall subject as aforesaid apply the net proceeds of any sale of the mortgaged premises for the purposes of the trusts herein contained and upon the further trust that upon default in payment of the principal moneys or of the interest moneys secured hereby or any part thereof for the space of three months after such principal moneys or interest moneys shall respectively become payable according to the tenor of these presents and upon a requisition in writing signed by stockholders representing or being a majority in value of the holders of the stock the trustees hereof shall subject as aforesaid sell the said undertakings railways franchises property and other the mortgaged premises or some parts thereof and for the purposes aforesaid or any of them make execute and do all such agreements assurances and things as the trustees hereof shall see fit. Provided that after such default and requisition as aforesaid the trustees hereof shall give at least two calendar months notice to the Company of their intention to exercise the aforesaid power of sale by serving a copy of such notice on the President or Secretary of the Company for the time being and by publishing an advertisement for the period of four weeks at least which period may be wholly or in part concurrent with that of the notice last aforesaid shewing the time place and particulars of the said intended sale such advertisements to be published in two issues at least in each week of one daily newspaper published in London England and in Halifax Nova Scotia and also in the Canada Gazette or some other official paper circulating in the Dominion of Canada.

6. Provided further that the trustees hereof shall have full power to sell the mortgaged premises either by public auction or private contract and upon every such sale to make any special or other stipulations as to title or evidence or commencement of title or otherwise which the trustees hereof shall deem proper and to buy in or recind or vary any contract for sale of the mortgaged premises or any part thereof and to resell the same without being responsible for any loss which

may be occasioned thereby and with full power to compromise and effect composition and for the purposes aforesaid or any of them to execute and do all such assurances and things as they shall see fit but so that the railways and undertakings of the Company shall not be sold except in one parcel or in sections capable of being separately worked to the intent that the railways or several sections thereof offered for sale may so far as practicable be continued and operated as a going concern or concerns or be capable of being so operated provided always that any lands or chattels not required for the use and operation of the railways or any parts thereof may be sold in separate parcels at the discretion of the trustees hereof.

7. Provided nevertheless that if before any such sale shall have actually taken place the Company shall have paid to all the holders of the said £4 per cent second debenture stock then unredeemed the principal moneys if any then payable and the interest moneys in default as aforesaid and shall have given notice thereof to the trustees hereof and shall further pay to the trustees hereof all such further sums as shall then be chargeable by them against the trust by reason of the entering upon operating or managing the said railways or otherwise and all the costs charges and expenses by the trustees hereof incurred in or about the proceedings connected with such sale then the trustees hereof shall not proceed with any such sale but shall immediately discontinue all proceedings to carry out the same.

8. Provided always that the trustees hereof may from time to time and so often as may be necessary on default as aforesaid and upon receiving a requisition signed as aforesaid proceed to exercise the aforesaid power of sale.

9. Upon any sale made in pursuance of the aforesaid power or trust in that behalf the purchaser or purchasers shall not be bound to see or enquire whether any such requisition in writing has been given by or on behalf of the stockholders as aforesaid nor whether any default has been made by the Company in payment of any principal moneys or interest secured by these presents nor as to the necessity or expediency of the stipulations and conditions subject to which any such sale shall have been made nor otherwise as to the propriety or regularity of any such sale and notwithstanding any impropriety or irregularity whatsoever in any such sale the same shall so far as regards the safety and protection of the purchaser or purchasers be deemed to be valid and effectual accordingly and the remedy of the Company and its assigns in respect of any impropriety or irregularity whatsoever in the execution of the said trusts for sale shall be in damages only.

10. Upon any such sale as aforesaid the receipt of the trustees hereof for the purchase-money of the premises sold and for any other moneys paid to them shall effectually discharge the purchaser or purchasers or other person or persons paying the same therefrom and from being concerned to see to the application or being answerable for the loss or misapplication thereof.

11. The trustees hereof shall hold the moneys which shall arise from any sale made in pursuance of the aforesaid trusts in that behalf upon trust that they in the first place shall subject to the rights of any persons entitled to any interest in



the mortgaged premises under the said indenture of the 3rd day of September 1894 or the said indenture of the 28th day of March 1895 or the said indenture of the 17th day of March 1896 or otherwise as aforesaid by and out of the same moneys reimburse themselves or pay and discharge the costs charges and expenses incurred in or about such sale or in the execution of the foregoing trusts or otherwise payable to them under or in respect of these presents and in the next place shall apply the residue of such moneys first in or towards payment to the stockholders *pari passu* in proportion to the amount due to them respectively of all arrears of interest remaining unpaid on the stock held by them respectively And secondly in or towards payment to the stockholders *pari passu* in proportion to the amount of the stock held by them respectively and without preference or priority on account of priority of issue or otherwise howsoever of all principal moneys unpaid in respect of the stock held by them respectively and that whether the same shall or shall not then be payable which said principal moneys and interest the said stockholders shall then be bound to accept And lastly shall pay the residue of the said moneys if any to the company or its assigns.

12. Provided always and it is hereby declared that if the moneys to arise from any sale or sales of the mortgaged premises or any parts thereof shall be insufficient after payment of the said costs charges and expenses incurred in or about such sale or sales or otherwise incurred or payable by or to the trustees hereof under or in respect of these presents to pay in full the principal moneys and interest owing on the security of these presents then the residue of the moneys to arise from any such sale or sales after payment of the costs charges and expenses aforesaid shall be apportioned rateably and without preference or priority among all the stockholders according to the amount of stock held by them and shall be paid to them accordingly which said moneys the stockholders shall then be bound to accept provided however that interest shall have priority over principal money.

13. It is hereby agreed and declared that on payment by the Company of all the principal moneys and interest secured hereby or upon cancellation and release of all the said stock the trustees hereof shall reconvey to the Company its successors or assigns the said mortgaged premises or so much thereof as shall not have been disposed of under any of the trusts hereof.

14. The trustees hereof shall give not less than 14 days notice by letter addressed to the stockholders at their registered addresses and posted which posting shall be counted as notice and also by advertisement in the "Times" and in at least one other daily London newspaper of the day fixed for any payment to the stockholders under either of the clauses 11 and 12 hereof and after the day so fixed and notified the holder of the stock shall be entitled to interest on the balance only (if any) of the principal moneys due on such stock after deducting the amount (if any) payable in respect hereof on the day so fixed.

15. The receipt of each stockholder or of one of several joint holders for the principal moneys and interest payable by the trustees hereof to him or them in respect of such stock shall be a good discharge to the trustees hereof.

16. At any time before the trustees hereof shall have entered into possession of the mortgaged premises or any part thereof in pursuance of the trust aforesaid the trustees hereof may upon the application and at the cost of the Company acquire or concur in acquiring a new or renewed lease or tenancy or new or renewed leases or tenancies of all or any of the mortgaged premises not vested in them in fee simple to be held for such term or period or respective terms or periods and at such rents and subject to such covenants and conditions and with such indemnity as they shall think fit And for that purpose may surrender or concur in surrendering any existing lease or leases tenancy or tenancies And any such new or renewed lease may be granted either to the trustees hereof or to any nominee or nominees of the Company but so that in the latter case the lessees or lessee do execute a declaration of trust for the Company subject to the provisions of these presents and every such new or renewed lease or tenancy and the premises comprised therein shall become and be in all respects subject to the trusts and provisions herein contained as though the interest of the Company therein had been hereby assured to the trustees hereof.

17. After the trustees hereof shall have made such entry as aforesaid and until the whole of the mortgaged premises shall be sold and conveyed under the said trust for sale the trustees hereof may if they shall think fit so to do but not otherwise operate all or any of the said railways and generally carry on the business of the Company in and with the mortgaged premises or any of them and may manage and conduct the said railways and business as they shall in their discretion think fit and for the purposes of operating the said railways and managing the said business may employ such agents managers receivers accountants servants and workmen upon such terms as to remuneration and otherwise as they shall think proper and may renew such of the said rolling stock engines permanent way plant machinery and effects as they may consider it advisable to renew and generally may do or cause to be done all such acts and things and may enter into such arrangements respecting the mortgaged premises or the operation and management of the said railways and business or any part thereof as they could do if they were absolutely entitled thereto and without being responsible for any loss or damage which may arise or be occasioned thereby.

18. Provided always that the trustees hereof shall by and out of the rents and profits and income of the mortgaged premises and the moneys received by them in operating the said railways or carrying on the said business pay and discharge the expenses incurred in and about such operation and management or in the exercise of any of the powers aforesaid or otherwise in respect of the premises and all outgoings which they shall think fit to pay and shall pay and apply the residue of the said rents profits and moneys in the same manner as is hereinbefore provided with respect to the moneys to arise from any sale.

19. The Company shall at all times keep an accurate register of the stock in the form and with the particulars mentioned in the first schedule hereto in respect of such register and the trustees hereof or any person appointed in writing by

them shall be at liberty at all reasonable times to inspect the said register and to take copies of or extracts from the same or any part thereof and shall be entitled to be furnished with a copy or copies thereof.

20. The Company shall so long during the continuance of this security as it shall be in possession of the mortgaged premises operate the said railways and carry on and conduct the business of the Company in a proper and efficient manner and shall keep the hereditaments permanent way and all rolling stock plant machinery works fixtures fittings implements utensils and other effects therein or upon the same respectively and used for the purpose of or in connection with the said railways and businesses and every part thereof in a good state of repair and in perfect working order and condition and shall from time to time provide such substituted or additional rolling stock plant machinery and other effects as may be required for the proper and efficient operation of the said railways which substituted or additional rolling stock plant and effects it is hereby agreed and declared shall be subject in all respects to the trusts of these presents. Provided always that these presents and the trusts hereby declared shall not in anywise affect or be applicable to any new railways which the Company may hereafter acquire or construct or to the buildings rolling stock plant and other property effects or things appertaining thereto.

21. The Company may at any time hereafter by Deed under its common seal appoint an additional trustee or trustees of these presents and so long as and whenever there shall be more than two trustees hereof the majority of such trustees shall be competent to execute and exercise all the trusts powers and discretions hereby vested in the trustees hereof generally.

22. The Company doth hereby for itself and its successors covenant with the trustees hereof their heirs executors administrators and assigns that the Company its successors or assigns will not hereafter without the consent of the stockholders given as provided by the regulations in the 2nd Schedule hereto execute any deed of mortgage or any other instrument creating any mortgage lien charge or incumbrance which by such deed or instrument shall purport to be a mortgage lien charge or incumbrance upon the mortgaged premises or any parts thereof in priority to the stock or these presents or which shall in any manner impair the priority or precedence of these presents and of the stock as constituting a charge or lien upon the mortgaged premises subject only as aforesaid and also that the said sums of £100000 and £340000 stock when issued making the total sum of £440000 stock to be secured hereby shall subject to any rights for the time being subsisting under the said indentures of the 3rd day of September 1894 the 28th day of March 1895 and the 17th day of March 1896 or either of them or any of such charges liens and incumbrances referred to therein as now affect the same premises or any part or parts thereof be a charge on the said railways and other the mortgaged premises and shall subject as aforesaid take priority and precedence as a charge on the said property and mortgaged premises and every part thereof respectively over all securities now or at any time hereafter existing or created by the Company of any kind

whatsoever and that as between the several holders of the stock hereby secured the stock shall rank concurrently without any preference or priority whatsoever but so nevertheless that the rents and revenues thereof shall be subject firstly to the payment of any penalty imposed for non-compliance with the requirements of "The Railway Act" respecting returns to be made to the Minister of Railways and Canals of the Dominion of Canada and secondly to the payment of the working expenditure of the railway as defined in the said Railway Act.

23. And it is hereby agreed and declared that the trustees hereof may exercise the powers herein conferred upon them either in the manner herein provided or by such action or actions in aid of the execution of such powers or otherwise as they being advised by counsel learned in the law shall deem most effectual for that purpose it being understood and hereby expressly declared that the rights of entry and sale herein granted are intended as cumulative remedies additional to all other remedies allowed by law and that the same shall not be deemed in any manner whatsoever to deprive the trustees hereof or the beneficiaries under this trust of any legal or equitable remedies by judicial proceedings consistent with the provisions of these presents according to the true intent and meaning thereof but no proceeding authorized by law or by this deed shall be taken to enforce payment of the principal and interest secured hereby except through the said trustees hereof.

24. And it is hereby agreed and declared that the said trustees hereof or any of them may resign the trusts hereby created and be discharged from all further duty thereunder upon giving three months' notice in writing to the Company or upon such shorter notice as the Company may accept as sufficient and immediately upon receipt of such notice the Company shall cause information thereof to be given to the other trustees or trustee hereof for the time being. And in case at any time hereafter any trustee hereof shall die or resign or refuse or become incapable or unfit to act in the said trust a successor of such trustee hereof may be appointed by the surviving or remaining trustees or trustee or by the executor or administrator of the last surviving trustee by an instrument duly executed in that behalf under their or his hands and seals respectively but until default in payment of the principal or interest secured hereby such instrument shall be subject to the approval of the board of directors of the Company and shall have no force or effect until the board of directors signify their approval of such appointment by executing a consent to such appointment under the seal of the Company.

25. Upon every such appointment of a new trustee hereof as aforesaid the trust property shall if and so far as the nature of the property and other circumstances shall require or admit be transferred so that the same may without further or other conveyance or assignment be vested in the trustee or trustees hereof for the time being and the provisions of the Act of the Parliament of Great Britain and Ireland 56 and 57 Vic. c. 53 sections 10 to 12 inclusive shall so far as they are applicable and except when they are inconsistent with the provisions hereof apply to this deed. And every trustee hereof so appointed as aforesaid may as well before as after such transfer of the said

trust property act or assist in the execution of and exercise all the trusts and powers of these presents as fully and effectually as if he had been hereby constituted a trustee hereof.

26. And it is hereby further agreed and declared that the trustees hereof shall be respectively answerable and accountable only for their own acts receipts neglects or defaults and that in addition to the ordinary right to indemnity by law given to trustees the Company shall at all times hereafter keep harmless and indemnified the trustees hereof and each of them their or his executors administrators and estates from and against all actions proceedings costs charges claims and demands whatever which may arise or be brought against them or him in respect of the execution of the trusts hereof or of any matter or thing done or omitted in relation thereto without their or his wilful default And shall also reimburse the trustees hereof all costs charges and expenses properly incurred by them in the execution of the trusts hereof Provided also that if and when the security hereby constituted shall become enforceable the Company shall pay or allow to the trustees hereof such reasonable remuneration in addition to such costs charges and expenses as aforesaid as the stockholders in meeting by any resolution or a judge on the application of the trustees hereof may determine and the same may be retained or paid by the trustees hereof to themselves.

27. It is hereby further agreed and declared that the trustees hereof shall not be bound to take any proceeding under this mortgage for providing obtaining recovering or enforcing payment of the stock or the interest thereon or for enforcing the performance of any of the covenants herein contained unless or until they are duly indemnified to their satisfaction against all expenses disbursements and costs which they may make or for which they may render themselves liable and for compensation and remuneration in respect of their own services and against any damage liability actions losses and costs which may arise or occur by reason of their taking such proceeding or proceedings.

28. It is hereby further declared and agreed that in any case in which the trustees hereof shall be called upon to act or to take any proceedings under these presents upon receiving requisition from the stockholders as aforesaid or any of them if such proceedings are taken by the trustees hereof in consequence of such requisition the said trustees hereof shall not be bound to enquire whether default has been made in payment of the principal or interest upon the stock or any part thereof or in the performance of any of the covenants of these presents and shall not be liable for any loss or damage that may occur in consequence of the exercise of the powers conferred upon them.

29. The trustees hereof may at any time after default shall have been made in payment of any principal moneys or interest or other moneys payable hereunder by the Company or upon any breach of the covenants on behalf of the Company herein contained upon giving notice to the Company of their intention so to do apply to a court of competent jurisdiction for an order that the trusts hereof may be administered under the direction of such court or otherwise and for the appointment

of a receiver or manager or for such other relief in relation to the trust as the trustees hereof may deem expedient.

In witness whereof the Company hath caused its common seal to be hereunto affixed and the present trustees have hereunto set their respective hands and seals the day and year first above written.

THE FIRST SCHEDULE ABOVE REFERRED TO.

CONDITIONS as to the issue by the Dominion Atlantic Railway Company of £4 per cent. second debenture stock hereinafter called "the stock" not exceeding in the whole £440,000 stock.

1. At any time on or after the 1st day of January 1916 the Dominion Atlantic Railway Company hereinafter called the Company may give to the holders of the stock or any of them not less than six calendar months' notice of its intention to redeem the stock held by them respectively at the price of £105 for every £100 of stock and at the expiration of the notice such stock shall be redeemed accordingly. Any of the stock of which such notice to redeem shall not have been given will be redeemed at par on the 1st day of July 1956 or at such earlier time as the stock ought to be redeemed in accordance with these presents and as and when any stock ought to be redeemed as aforesaid the Company will subject to these conditions pay to the several holders of the stock so entitled to be redeemed the redemption moneys therefor calculated at the respective rates aforesaid. For the purpose of this clause any notice may be given to any holder of stock by sending the same through the post in a prepaid letter addressed to such holder at his registered place of address and any notice so given shall be deemed to have reached the holder on the day following that on which it is posted.

2. The stock shall carry interest at the rate of £4 per cent per annum and the Company will pay to the stockholders interest on their respective parts thereof at the rate of £4 per cent. per annum. Such interest shall be paid half yearly on the 1st day of January and the 1st day of July in every year.

3. The first issue of the stock shall be restricted to the sum of £100000 and no further part of the stock shall be issued except under the authority of a general meeting of the Company held as provided by The Railway Act (1888) of the Dominion of Canada.

4. Every stockholder will be entitled to a certificate under the seal of the Company stating the amount of stock held by him joint holders of stock being for this purpose treated as one person and every such certificate shall be in the form following or in such other form as shall be approved by the directors of the Company. The certificate shall be delivered to the stockholder or in the case of joint holders to the person whose name stands first in the register in respect of the stock so holden but no certificate shall be for a less sum than twenty pounds or one hundred dollars.

## THE DOMINION ATLANTIC RAILWAY COMPANY.

## CAPITAL—

Five per cent preference stock . . . . .	£270000
Ordinary stock . . . . .	230000

Total capital stock . . . . .	£500000
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£4 per cent first debenture stock £500000

First issue of £4 per cent. second debenture stock for £100000 power being reserved with the sanction of a general meeting of shareholders to issue further sums of second debenture stock such further sums to rank *pari passu* with the first issue of £100000 but so that the total of second debenture stock issued shall not exceed £440000 The first issue of £100000 £4 per cent. second debenture stock is made under the provisions of The Railway Act of Canada 51 Vic. c. 29 and the Act of the Parliament of Canada to incorporate the Company 58—59 Vic. c. 47 and by resolutions of a special meeting of the shareholders held on 17th March 1896 and by resolutions of the board of directors passed on the April 1896 Interest payable 1st January and 1st July.

## £4 PER CENT. SECOND DEBENTURE STOCK.

No. . . . . Stock certificate for £. . . . .

This is to certify that . . . . . of . . . . . is (or are) the proprietor(s) of . . . . . pounds part of £100000 £4 per cent. second debenture stock the repayment and redemption of which stock and payment of interest thereon are secured by a trust deed dated the 17th day of April 1896 and which is issued subject to the provisions contained in the said deed and the schedules thereto.

Given under the common seal of the Company this day of . . . . . 189 .

NOTE—No transfer of the stock comprised in this certificate or any part thereof will be registered until this certificate has been delivered at the Company's office. Fractions of a pound of stock are not transferable and no certificate will be issued for a less sum than twenty pounds or one hundred dollars.

5. The Company will recognize the registered holder or holders of any part of the stock as the absolute owner or owners thereof and shall not be bound to take notice or see to the execution of any trust whether express implied or constructive to which any part of the stock may be subject and the receipt of the stockholder or of one of several joint owners of stock for the interest from time to time accruing due in respect thereof and for any moneys payable upon the redemption of the same shall be a good discharge to the Company notwithstanding any notice it may have whether express or otherwise of the right title and interest or claim of any other person to or in such part of the stock or moneys.

6. In case of the death of any one of the joint holders of any part of the stock the survivor shall be the only person re-

cognized by the Company as having any title to or interest in such part of the stock.

7. A body corporate may be registered as one of the joint holders of a part of the stock and in any such case the persons and body corporate so registered shall be deemed to hold in joint tenancy with right of survivorship and the Company shall be at liberty to act on that footing and for the purpose of this clause the dissolution of a body corporate shall be treated as its death.

8. Every holder of any part of the stock will be entitled to transfer the same or any part thereof not being a fraction of a pound sterling by an instrument in writing in the usual common form of transfer.

9. Every such instrument must be signed both by the transferor and transferee and in the case of joint holders by all the joint holders then living and the transferor shall be deemed to remain owner of such part of the stock until the name of the transferee is entered in the register in respect thereof.

10. Every instrument of transfer must be left at the head office of the Company for registration accompanied by the certificate of the stock to be transferred and such other evidence as the directors may require to prove the title of the transferor or his right to transfer the stock.

11. All instruments of transfer which shall be registered will be retained by the Company. A fee not exceeding 2s. 6d. will be charged for registration of each transfer and must if required by the directors be paid before the registration of the transfer.

12. No transfer will be registered during the 14 days immediately preceding the 1st day of January and 1st day of July in each year.

13. The executors and administrators of a deceased holder of any part of the stock not being one of several joint holders shall be the only persons recognised by the company as having any title to such part of the stock.

14. Any person becoming entitled to any part of the stock in consequence of the death or bankruptcy of any holder of stock upon producing such evidence that he sustains the character in respect of which he proposes to act under this condition or of his title as the directors shall think sufficient may at his option either be registered himself as a holder of such part of the stock or may transfer the same.

15. The directors shall be at liberty to retain the interest payable upon any part of the stock which any person under the last preceding condition is entitled to until such person shall either become the registered owner thereof or shall duly transfer the same.

16. The interest upon any part of the stock may be paid by cheque sent through the post to the registered address of the holder or in case of joint holders to the registered address of that one of the joint holders who is first named on the register in respect of such part of the stock. Every such cheque shall be sent at the stockholders' risk and shall be made payable to the order of the person to whom it is sent and payment of the cheque shall be a satisfaction of the interest.

17. If any certificate issued pursuant to these conditions be worn out or defaced then upon production thereof to the



directors they may cancel the same and may issue a new certificate in lieu thereof and if any such certificate be lost or destroyed then upon proof thereof to the satisfaction of the directors and on such indemnity as the directors deem adequate being given a new certificate in lieu thereof may be given to the person entitled to such lost or destroyed certificate an entry as to the issue of the new certificate and indemnity if any will be made in the register hereinafter mentioned there shall be paid to the Company in respect of every new certificate issued under this clause a fee of 2s. 6d. and also any stamp duty payable thereon together with such costs as the directors of the Company may have incurred in enquiries respecting such loss or destruction and of the preparation and execution of any such indemnity.

18. A register of the stock will be kept by the Company in one or more books and there shall be entered in such register—

- (1) The names and addresses and description of the holders for the time being of the stock.
- (2) The amount of the stock held by every such person.
- (3) The date at which the name of every such person was entered in respect of the stock standing in his name and every part thereof.

19. Any registered holder of a part of the stock will upon payment of such fee as the directors shall from time to time fix not exceeding 1s. for each inspection be entitled at all reasonable times to inspect the said register.

20. No notice of any trust express implied or constructive shall be entered upon the register in respect of any part of the stock.

#### THE SECOND SCHEDULE ABOVE REFERRED TO.

##### REGULATIONS FOR MEETINGS OF STOCKHOLDERS.

1. The trustees of the above written indenture may at any time convene a meeting of the stockholders and such trustees shall convene such meeting on the request in writing of the holders of one tenth part in amount of the stock. When a meeting is convened otherwise than by such trustees notice thereof shall be given to each of the trustees of the said indenture or if there be one such trustee only then to such trustee.

2. Fourteen days notice at least specifying the place day and hour of meeting shall be given previously to any meeting of the stockholders such notice shall be given by circular letter sent through the post to the registered address of each of the stockholders any such notice shall specify the general nature of the business to be transacted at the meeting and shall be deemed to be served at the expiration of seven days after it is posted. A notice of every meeting shall also be given at least 14 days before the time fixed for the meeting by advertisement in the "Times" newspaper published in London England and in some daily newspaper published in Halifax in the Dominion of Canada. It shall not be necessary in such advertisement to specify the nature of the business to be transacted at the meeting thereby convened.

3. At any such meeting persons holding or representing by proxy one-fifth of the nominal amount of the stock then issued

shall form a quorum for the transaction of business and no business shall be transacted at any meeting unless the requisite quorum be present at the commencement of the business and when the matter upon which the vote is to be taken is put to the meeting.

4. At every such meeting a trustee of the above-written indenture or (if no such trustee be present) then such person as the debenture holders present in person shall elect shall take the chair. Any such trustee and any directors or director of the Company may attend and speak at any such meeting but they shall not be entitled to vote unless in the capacity of the actual holder or holders of stock.

5. If within half an hour from the time appointed for any meeting of stockholders a quorum be not present the meeting shall stand adjourned to the same day in the next week but one at the same time and place and if at such adjourned meeting a quorum is not present the meeting shall stand adjourned *sine die*.

6. Every question submitted to a meeting of stockholders shall be decided in the first instance by a show of hands and in case of an equality of votes the chairman if a stockholder shall both on the show of hands and at a poll have a second or casting vote.

7. At any general meeting unless a poll is demanded by at least three stockholders whose united holdings shall be not less than £5000 of the stock a declaration by the Chairman that a resolution has been carried or carried by any particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact.

8. If at any such meeting a poll is so demanded by three or more stockholders holding as aforesaid it shall be taken in such manner and at such place or places and time not being less than 14 days nor more than one calendar month from the day of meeting and the result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

9. The Chairman may with the consent of any such meeting adjourn the same from time to time provided a quorum be present when such consent is given.

10. Any poll demanded at any such meeting on the election of a chairman or on any question of adjournment shall be taken at the meeting without adjournment.

11. The stockholders whose names are on the Register at the date of any meeting or in the case of joint holders that one whose name stands first on the register as one of the holders of stock so registered shall be exclusively entitled to act in respect of such stock either in person or by proxy. Every instrument appointing a proxy must be in writing or partly in writing and partly in print and must be under the hand of the appointor or if such appointor be a corporation under its common seal and must be delivered to the chairman of the meeting and every such proxy must be in the form following or such other form as shall be approved by the chairman at the meeting at which it is to be used i.e. -

" I a  
 " stockholder of £ of stock part of the £4 per cent.  
 " second debenture stock of the Dominion Atlantic Rail-  
 " way Company hereby appoint  
 " of also a  
 " stockholder of the said stock or failing him  
 " of another  
 " stockholder of the said stock to vote on my behalf at  
 " the meeting of the holders of the said stock to be held  
 " on the day of  
 " As witness my hand this day of 189 ."

No person shall be appointed a proxy unless he is a stockholder entitled to vote.

12. At every such meeting each stockholder shall be entitled to one vote in respect of every full sum of £100 stock held by him. A holder of a less amount of stock than £100 shall not be entitled to vote in respect of his stock

13. When the trustees of the above written indenture shall have entered into possession of any of the mortgaged premises under the powers contained in the trust deed under which they act as trustees for the stockholders or under any other powers then without prejudice to any other power conferred by such trust deed they or he with the authority of an extraordinary resolution of the stockholders may at any time afterwards give up possession of the mortgaged premises of the Company either unconditionally or upon any conditions that may be arranged between the Company and the said trustees with the sanction of an extraordinary resolution of the stockholders without prejudice to any powers in any manner vested in or conferred upon the said trustees.

14. A general meeting of the stockholders shall in addition to the powers hereinbefore mentioned have the following powers exercisable by extraordinary resolution viz:—

(a) Power at any time to sanction the release of any of the mortgaged premises on such terms as shall be approved by the meeting sanctioning the release.

(b) Power to sanction any modification or compromise of the rights of the stockholders whether such rights shall arise under this schedule or otherwise.

(c) Power to sanction an agreement or agreements for postponing or accelerating the time for payment of the principal moneys and interest payable in respect of the said 4 per cent. second debenture stock or any part thereof or for reducing the rate of interest or for permitting the creation of any charge having priority over or ranking *par passu* with the second debenture stock or for accepting in satisfaction of the said second debenture stock any debenture or debenture stock or preference guaranteed or ordinary stock of any railway or other company

(d) Power to assent to any modifications of the provisions contained in the above written trust deed or in the conditions upon which the stock is issued or in these regulations.

15. An extraordinary resolution passed at a general meeting of the stockholders duly convened and held in accordance with the regulations contained in this schedule shall be binding upon

all stockholders whether present or not present at such meeting And every stockholder shall be bound to give effect thereto accordingly.

16. The expression "Extraordinary Resolution" as used in this schedule means a resolution which at a meeting of stockholders duly convened and held in accordance with the provisions herein contained is passed by a majority consisting of not less than three-fourths of the persons voting thereat upon a show of hands or if a poll is demanded then by a majority of not less than three-fourths of the votes given at such poll.

17. Minutes of all resolutions and proceedings at every such meeting of stockholders as aforesaid shall be made and entered in books to be from time to time provided for that purpose by the trustees or trustee of the above written indenture at the expense of the Company and any such minutes as aforesaid if purporting to be signed by the chairman of the meeting at which such resolutions were passed or proceedings had or by the chairman of the next meeting of stockholders shall be conclusive evidence of the matters therein stated and until the contrary is shewn every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed thereat or proceedings had to have been duly passed and had.

The Common Seal of the Dominion Atlantic Railway Company was hereunto affixed in the presence of



FRANCIS TOTHILL  
President.

W. R. CAMPBELL  
General Manager  
and Secretary

Witness JOHN BRIDGES.

Signed sealed and delivered by }  
the within-named THOMAS } TH. R. RONALD. [L.S.]  
ROBERT RONALD in the pre- }  
sence of

JNO. BRIDGES  
Not. Pub.  
London.

Signed sealed and delivered by }  
the within-named CHARLES } C. FITCH KEMP. [L.S.]  
FITCH KEMP in the presence }  
of

JNO. BRIDGES  
Not. Pub.  
London.