

issued by the said Railway Company to the Contractors, and the remaining nine thousand three hundred and seventy-five of the said fully paid-up shares so agreed to be issued to the Contractors, to take the said shares subject to the charge and security intended to be created thereon in favour of the holders of debentures or mortgage bonds of the said Company, as to the said two thousand four hundred shares for the absolute benefit of the New Zealand Company, and as to the said remaining nine thousand three hundred and seventy-five shares upon trust out of the said sum of twelve thousand pounds in the deed now in recital referred to, and the said nine thousand three hundred and seventy-five shares in the proceeds thereon, and such other moneys as are in the said deed provided, and, subject thereto, in trust for and to pay and transfer the same to the Contractors; and it was in the said deed now in recital agreed between the parties thereto that the New Zealand Company would, when required by the Contractors, use their best endeavours to sell the said eleven thousand seven hundred and seventy-five shares, but that no part of the said two thousand four hundred shares, or (after satisfaction of all moneys owing to the New Zealand Company) of the said nine thousand three hundred and seventy-five shares, should be sold within five years from the date of the said deed now in recital, except upon such terms as should be mutually agreed upon between the said New Zealand Company and the Contractors: And whereas the said Thomas Birt Ulph died, on the fifth day of November, one thousand eight hundred and seventy-one, and all the right, title, and interest of the said Thomas Birt Ulph of and in the said fully paid-up shares and the said contract for completion of the railway, and other the premises aforesaid, has become vested in the said surviving contractors for their own absolute use and benefit: And whereas the whole of the said debentures, to the amount of one hundred thousand pounds, have been issued by the Railway Company, and are now outstanding.

And whereas the said surviving Contractors, on or about the thirty-first day of December last, completed the said railway and other works according to the said contracts of the twenty-fifth day of January, one thousand eight hundred and seventy, made with the said Superintendent of Otago, and the contract of the eleventh day of July, one thousand eight hundred and seventy-one, made with the said Railway Company; and the said Railway Company thereupon commenced to use and work the said railway and other works, and have hitherto continued so to do.

And whereas all interests accrued due on the said debentures pending the completion of the said railway and other works has been paid by the said Railway Company: And whereas all such loss of income as mentioned in the said hereinbefore recited deed, dated the eleventh day of July, one thousand eight hundred and seventy-one, made between the said Railway Company of the first part, the said Contractors of the second part, and the New Zealand Company of the third part, has been made good: And whereas the New Zealand Company and the said surviving Contractors have, in accordance with the stipulations of the hereinbefore recited deed, dated the eleventh day of July, one thousand eight hundred and seventy-one, made between the New Zealand Company and the said Contractors, mutually agreed that the said two thousand four hundred shares, and the said nine thousand three hundred and seventy-five shares, and also one hundred and seventy-five additional shares, making in the whole eleven thousand nine hundred and fifty shares, shall be sold to Her Majesty the Queen, at the price hereinafter expressed: And whereas by "The Railways Act, 1872," authority is given to the Governor of New Zealand, in the name and on behalf of Her Majesty, to purchase the said railway: And whereas by reason of the said railway being vested in the New Zealand Company for securing the payment of the said debentures of the said Railway Company (and which are not yet due), the legal estate in the said railway and other works cannot as yet be acquired by Her Majesty, but it has been agreed by the Governor, in the name and on behalf of Her Majesty, to purchase, and by the New Zealand Company, with the consent of the said surviving Contractors, to sell to Her Majesty, the said eleven thousand nine hundred and fifty fully paid-up shares of the said Railway Company, at or for the price of six pounds five shillings for each share, and in consideration of the covenants and stipulations hereinafter contained: And whereas the Governor has, by and on behalf and in the name of the Queen, purchased of William Smellie Graham, the remaining fifty shares of the twelve thousand shares into which the capital of the said Company was divided, at the said price of six pounds five shillings per share:—

Now this deed witnesseth, that, in consideration of the sum of seventy-four thousand six hundred and eighty-seven pounds ten shillings sterling, paid by the Governor, with the consent of the said surviving Contractors, to the New Zealand Company, out of the revenues of the Colony of New Zealand (the receipt whereof is hereby acknowledged), the New Zealand Company doth, with the consent of the said surviving Contractors, hereby sell to the Governor eleven thousand nine hundred and fifty fully paid-up shares of and in the capital of the said railway company, and doth hereby covenant with the Governor, acting in the name and on behalf of the Queen as aforesaid, to transfer or procure to be transferred according to law, on or before the thirty-first day of December, one thousand eight hundred and seventy-three, to the Queen, or to such person or persons as the Governor of New Zealand for the time being shall appoint, the said eleven thousand nine hundred and fifty fully paid-up shares in the said Railway Company. And the New Zealand Company and the surviving Contractors do jointly and severally covenant with the Governor, on behalf of the Queen, that they and each of them will, so far as they are able, but except as hereinafter mentioned, at the cost of the Governor, assist the Queen in procuring the speedy redemption of all the said bonds, and the dissolution of the said Railway