

they think fit, and in particular by the issue of debentures or bonds of the company, or by the creation of debenture stock, or by making, drawing, or accepting or indorsing, on behalf of the company, any promissory notes or bills of exchange, or by mortgage or charge of all or any part of the property of the company and of its uncalled capital for the time being: And whereas the company lately issued its mortgage debentures, numbered consecutively from one (1) to seven hundred and fifty (750), inclusive, each of such debentures being for the sum of one hundred pounds, payable thirty years after date, and having coupons attached thereto for interest on the amount represented thereby at the rate of six pounds per centum per annum: And whereas by section forty-eight of "The District Railways Act, 1877," it is provided that any company, in the manner prescribed by its articles of association, may borrow and take up at interest such sum or sums of money as may thereby, or in any other manner, be lawfully authorized, and for the purpose of securing repayment thereof, with interest in the meantime, may convey, assign, or otherwise charge the railway and the works thereof, and all plant, rolling-stock, material, and property of the company, or such part thereof as may be agreed upon, by way of mortgage, with all usual and necessary powers and remedies to the mortgagee, including a power of sale in case of default in payment of such principal or interest, or any part thereof: And whereas by section seven of "The District Railways Act 1877 Amendment Act, 1878," it is provided that every mortgage made or issued under the authority of "The District Railways Act, 1877," or of that Act, shall be subject to the power of purchase reserved to the Governor of the said "District Railways Act, 1877," and shall contain a provision to that effect: And whereas by "The Public Works Act, 1879," it is provided that it shall be lawful for the Governor in Council from time to time, on being satisfied that the expenditure on any of the district railways specified in the Fourth Schedule to the said Act (which schedule includes the railway of the company) by the company constituted for the purpose of constructing the same has been economically expended, to guarantee upon such terms and conditions, and subject to receiving such security, as the Governor in Council may approve, the debentures or mortgages to be given by any such company for a sum in the aggregate not exceeding seventy-five per centum of the expenditure of the company upon the construction and laying of any railway-line constructed by them, and the erecting and building of any buildings and erections, and the purchase of rails or rolling-stock in connection therewith, being the property of the company:

And whereas by deed bearing date the thirty-first day of March, one thousand eight hundred and eighty, and made between the company, of the one part, and Her Majesty the Queen, of the other part, it was, *inter alia*, provided (1) that the company should, without any unnecessary delay, deposit with the Agent-General for the Colony of New Zealand, in London, four hundred of the debentures so issued by the company as aforesaid; (2) that, so soon as the said four hundred debentures should have been deposited with the Agent-General, the Governor of the Colony of New Zealand should execute an instrument in writing under his hands, pursuant to the provision in that behalf contained in "The Public Works Act, 1879," guaranteeing such four hundred debentures on behalf of the colony; (3) that Her Majesty should, out of such moneys as might be legally applicable to such purpose, advance to the company from time to time, by way of loan upon the security of the said debentures, a sum not exceeding forty thousand pounds; and (4) that, simultaneously with the execution by the Governor of the instrument in writing under his hand guaranteeing the said four hundred debentures, the company should execute to the Public Trustee, as a Trustee for and on behalf of the holders of the whole of the said seven hundred and fifty debentures issued by the company as aforesaid, a deed or instrument conveying, assigning, and charging the said railway and the works thereof, and all plant, rolling-stock, materials, and property of the company, by way of mortgage, for securing the repayment of the amount of such debentures and interest, and that such deed or instrument should contain all usual and necessary powers and remedies contained in instruments of a like nature, including a power of sale in case of default in payment of the principal moneys or interest secured by any debentures, or any part thereof respectively: And whereas pursuant to the provision in that behalf contained in "The Public Works Act, 1879," the Governor of the Colony of New Zealand has, by an instrument in writing under his hand, bearing even date herewith, guaranteed, on behalf of the colony, the payment of the said four hundred debentures and interest thereon:

Now this deed witnesseth that the company doth hereby, in exercise of any and every power enabling it in this behalf, grant, transfer, assign, charge, and make over unto the Public Trustee all and singular the lands, tenements, and hereditaments of the company, in the Provincial District of Otago aforesaid, which it has already acquired or may hereafter acquire, in virtue of its incorporation, for the purposes aforesaid, and all easements, rights, and privileges, servitudes or appurtenances appendant or in gross already acquired or which may be hereafter acquired by the company in, to, over, or upon any lands, tenements, or hereditaments in the Provincial District of Otago aforesaid, and whether belonging to Her Majesty or any public body or private individual, and the use and enjoyment of which may have been or shall be hereafter acquired legally, equitably, or permissively for the purposes of the railway-works projected or constructed by the company for the purposes aforesaid; and also the tolls, fares, dues, rates, charges, and other moneys which the company may from time to time be authorized or permitted to levy and demand in respect of the carriage of passengers, goods, and merchandise, or mails, or in respect of any other service which the company may perform or render from time to time by means of its railway-works, or the use of the railway or engines, carriages, trucks, or other rolling-stock belonging to or used by the company (but without prejudice to the rights of the Crown or the said Governor under any agreement already existing or which may be hereafter made with the company), or in respect of the use of any sheds, warehouse, station, or other means of accommodation belonging to, or the use or management of which may be wholly or partially vested in, the company; and also all the clear net income or revenues of the company, from whatever source derived, and at any time or from time to time available; and also all unpaid calls upon the shares in the capital stock of the company already or which may hereafter be allotted by the directors; and also all rolling-stock, plant, machinery, engines, carriages, rails, tools, implements, fittings, fixtures, and all other the goods and chattels of the company now or at any time hereafter belonging to it in connection