

affect the rights or powers of the Trustees as regards any purchaser or other third party, and that no such third party shall be concerned or entitled to inquire as to or be bound by any notice of any such resolution as aforesaid, or the pendency of any meeting or any other matter or thing under the present clause.

14. The power of appointing new Trustees contained in "The Conveyancing and Law of Property Act, 1881," shall apply to these presents.

15. The Company hereby covenants with the Trustees that the Company will in each and every year during the continuance of this security pay to each of the Trustees as and by way of remuneration for his services as Trustee the sum of £100, by equal half-yearly payments on the 12th day of October and the 12th day of April in each such year (the first such payment to be made on the 12th day of October next), in addition to all travelling and other costs, charges, and expenses which he may incur in relation to the execution of the trusts hereby in him reposed. And it is hereby agreed and declared that the Trustees shall be deemed to be entitled to, as against all parties interested hereunder, and may retain or pay to themselves out of any moneys in their hands upon the trusts of these presents the amount of the remuneration hereinbefore covenanted to be paid to them, or of any such costs, charges, or expenses as aforesaid; and, further, that the Trustees shall not be responsible for any loss or damage occurring through any act, neglect, or default of each other or of any persons or person employed by them, although such persons or person need or should not have been employed in the ordinary course of business, or through any error or mistake made in good faith, or through any other cause whatsoever except the gross personal negligence or fraud of the Trustee sought to be made responsible. And no Trustee shall be personally liable for neglecting to exercise any power of sale or other remedy, although herein expressed as a trust; nor shall any Trustee be called upon to act in the trusts hereof in any manner which may involve him in expenses or liability without being first indemnified.

16. Upon proof being given to the reasonable satisfaction of the Trustees that all the debentures entitled to the benefit of the trusts herein contained, and for the time being issued, have been paid off or satisfied, and upon payment of all costs, charges, and expenses incurred by the Trustees in relation to these presents, the Trustees shall, at the request of the Company, vacate in favour of the Company the charge hereby created, and shall, if they shall have entered on the premises and be in possession thereof under the powers in that behalf hereinbefore contained, forthwith vacate such possession; and, if any mortgage shall have previously been executed under clause 6 hereof, shall at the expense of the Company reconvey to it the property comprised in such mortgage, and vacate on registration thereof.

In witness whereof the New Zealand Midland Railway Company (Limited), hath caused its common seal to be hereunto affixed, and the parties hereto of the second or other part have hereunto set their hands and seals, the day and year first above written.

The First Schedule to the Foregoing Indenture, comprising a Copy of the Form of Debentures to secure the Before-mentioned Sum of £745,000.

THE NEW ZEALAND MIDLAND RAILWAY COMPANY (LIMITED).

ISSUE of £745,000 First-mortgage Debentures, being Part of a Series of £2,200,000 First-mortgage Debentures, in amounts of £100, £500, and £1,000, each at the Option of the First Holder, and carrying Interest at the rate of £5 per Cent. per Annum.

No.	Debenture	£
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1. THE New Zealand Midland Railway Company, Limited (hereinafter called "the Company") will, on the day of , 1909, or on such earlier day as the principal moneys hereby secured become payable, in accordance with the printed conditions indorsed hereon, pay to A.B., or to the bearer, or, when registered, to the registered holder, on presentation of this debenture the sum of £

2. The Company will, in the meantime, pay interest thereon at the rate of £5 per cent. per annum on every 15th day of October and 15th day of April, in accordance with the coupons annexed hereto.

3. This debenture is issued subject to the conditions indorsed hereon.

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

The common seal of the Company was affixed hereto by }
authority of the Board in the presence of— }

Directors.

(Coupons to be annexed.)

THE NEW ZEALAND MIDLAND RAILWAY COMPANY (LIMITED).

DEBENTURE No. , Interest Coupon No. , for pounds shillings, half-year's interest, due the day of , and payable at the Bank of Messrs. Robarts, Lubbock, and Co., 15, Lombard Street, London, E.C., or at the registered office in London of the Company (less income tax).

Secretary.

THE CONDITIONS WITHIN REFERRED TO.

1. This debenture is one of a series of debentures for securing principal sums not exceeding together £2,200,000. Each debenture of the series is to be for such one of the three respective