

security, acquire or use its best endeavours to acquire, compulsorily or otherwise, the fee-simple of all lands not held by the Crown or any public body, and which have not been already acquired by the company, requisite for the purpose of completing the said railway, and will thereafter hold the same during the continuance and subsistence of this security, subject to the trusts and provisions of these presents, as if acquired by the company before the execution hereof.

Provided always, and it is hereby expressly agreed and declared, that, if default shall be made by the company either in payment of all or any of the said debentures issued as aforesaid as and when the same shall become due and payable, or in payment of any of the said instalments of interest as and when they shall respectively become due and payable, or in the event of the breach by the company of any of the covenants on its part herein expressed or implied, it shall be lawful for the Public Trustee, his successors in office or assigns, to enter upon and take possession of the railway and premises hereby charged and assigned, and all other the real or personal estate and effects and assets of the company then belonging to it and acquired for the purposes of its said railway-works, as if the same had been held and possessed by the company before or at the time of the execution of these presents, and notwithstanding that there is not contained herein or appended hereto any specific enumeration of the real or personal property, estate, and effects, or choses in action (real or personal) intended to pass or be charged hereby; and to manage the business of the said railway and the premises aforesaid as he or they shall in their discretion think fit; and for that purpose to employ such receivers, managers, workmen, and others upon such terms and with such salaries as he or they shall think proper; and to repair the said premises and keep the same in repair, and renew such of the said plant as shall be worn out, and, subject to the provisions of "The District Railways Act, 1877," and "The District Railways Act 1877 Amendment Act, 1878," to exercise the several powers to enter into agreements for running trains on the said railway or on any line or lines of railway the property of Her Majesty the Queen or the General Government of New Zealand, and any and all powers incidental to arbitration provided for by the said Acts or any of them, and all other powers, authorities, rights, and privileges exercisable by the company, its successors or assigns, by virtue of the said Acts; and, generally, to do or cause to be done all such acts and things respecting the said premises as if the Public Trustee, his successors in office or assigns, were absolute owners thereof, without being answerable for any loss or damage which may happen thereby. And it shall be lawful for the Public Trustee, his successors in office or assigns, at his or their discretion, to demise or let the said premises, or any part or parts thereof, at such rent and upon such terms and conditions, and subject to such stipulations not inconsistent with the provisions herein contained, as he or they shall think fit. And it is hereby declared that the Public Trustee, his successors in office or assigns, shall, by and out of the rents and profits of the said premises and the moneys to be made by him or them in carrying on the said business, or which he or they shall receive by way of compensation in the event of the powers to purchase the said premises in that behalf contained in "The District Railways Act, 1877," or "The District Railways Act 1877 Amendment Act, 1878," being exercised by the Governor, pay and discharge the expenses incurred in and about such management, or in the exercise of any of the powers or trusts aforesaid, or otherwise in respect of the premises, and all outgoings which he or they shall think fit to pay and shall pay, and apply the residue of the said rents, profits, and moneys in or towards satisfaction of the principal and interest due in respect of the said debentures for the time being *pari passu*, and without any preference or priority; and shall invest the residue of the moneys to arise as aforesaid in his or their names upon freehold securities in the Colony of New Zealand, with power to vary or transpose such securities into or for others of the same nature; and shall stand possessed of the securities upon which such surplus moneys shall be invested as aforesaid upon trust, out of the interest, or, if necessary, out of the capital thereof, or a component part thereof, to raise such sum or sums of money as shall from time to time be required to keep down the interest and to pay off the principal moneys secured by the said debentures, as and when the same respectively shall fall due; and to hold the residue of the said securities, after such principal moneys and interest shall have been paid off, in trust for the company, its successors and assigns. And it is hereby declared that the Public Trustee, his successors in office or assigns, shall accumulate the unapplied interest (if any) accruing from any securities effected under these presents by investing such interest and the resulting income thereof upon securities of the nature hereinbefore mentioned, with power to vary or transpose as aforesaid, and shall stand possessed thereof upon the same trusts as are hereby declared concerning the securities from which such unapplied interest shall have arisen: Provided also, and it is hereby expressly agreed and declared, that after default shall have been made in payment of the principal moneys secured by the said debentures or any of them, or in payment of any interest thereon or any part thereof, it shall be lawful for the Public Trustee, his successors in office or assigns, either before entering upon and taking possession of the railway and premises, and other the real or personal estate, effects, and assets of the company, under the authority hereinbefore contained in that behalf, or at any time after taking such possession, after giving the notice to the Governor of his or their intention to sell, as provided by "The District Railways Act 1877 Amendment Act, 1878," but without any further consent or concurrence on the part of the company than is herein contained, and notwithstanding the dissent of the company to sell the said railway-works and premises and all other the property of the company or any part or parts thereof, either together or in lots, and either by public auction or private contract, and upon such terms as the Public Trustee, his successors in office or assigns, shall think fit, and with power on any such sale to make any stipulation as to title, evidence, or commencement of title or otherwise which the Public Trustee, his successors in office or assigns, shall deem proper and expedient, and with power to allow any time for payment of the purchase-money or any part thereof, with or without taking security therefor; and also with power to buy in or rescind or vary any contract for sale, and to resell without being responsible for any loss occasioned thereby; and for the purposes aforesaid or any of them to execute and do all such assurances and things as the Public Trustee, his successors in office or assigns, shall think fit: Provided also, and it is hereby agreed and declared, that upon any sale purporting to be made in pursuance of the aforesaid power the purchaser or purchasers shall not be bound or permitted to see or inquire whether any such default as