

Laws of Her Majesty's Province of United Canada, passed in the year 1856. Quebec: Stewart
Derbshire and George Desbarts, 1856.

20 Victoria – Chapter 111

**An Act to grant additional aid to the Grand Trunk Railway Company of Canada. Assented to 1st
July, 1856.**

Whereas it is expedient to grant facilities in aid of the Grand Trunk Railway Company of Canada,
for objects and under conditions hereinafter mentioned: Therefore, Her Majesty, by and with the
advice and consent of the Legislative Council and Assembly of Canada, enacts as follows:

I. For the purpose of enabling the Grand Trunk Railway Company of Canada to complete their
undertaking, the Governor in Council shall be and hereby is authorized to carry into effect the
arrangement provisionally entered into between the Government of Canada and the said
Company, based upon the following terms, viz:

The said Company shall be authorized to issue Preferential Bonds to the extent of two millions of
pounds sterling. The holders of such bonds to have priority of claim therefor over the present first
lien of the Province.

Such issue shall not take place until the Railway of the said Company from St. Thomas, in Lower
Canada, to Stratford, in Upper Canada, shall have been finished and in operation.

The proceeds of the said Bonds shall be deposited with the Provincial Agents in London, and
released to the Company on the certificates of the Receiver General, upon proof to the satisfaction
of the Governor in Council of progress of the several works hereinafter mentioned.

The said proceeds shall be appropriated to the aid or construction of the following works and
apportioned as hereinafter stated, and released to the Company as the said works are severally
proceeded with:

The Railways from St. Mary's to London and Sarnia	£ 450,000
The Railway from St. Thomas, Lower Canada, to Rivière-du-Loup	525,000
Victoria Bridge	800,000
Three Rivers and Arthabaska	125,000
To enable the said Company to assist the Port Hope, and Cobourg and Prescott Railways as subsidiary Lines	100,000
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	£2,000,000

In order to restore to the Trois-Pistoles Road, the guarantee diverted from it by the Act of 1854 (18 Victoria, Chapter 33) and expended on the Toronto and Stratford section, there shall be reserved from the proceeds of the Preferential Bonds as they are paid over to the Provincial Agents, such a portion for the section of the Road from St. Thomas to Rivière-du-Loup, as shall ensure its progress equally with the other works above mentioned.

II. Provided that the proceeds of the said Preferential Bonds to the amount aforesaid, be deposited with the Provincial Agents, the interest accruing on the Provincial Debentures issued to the Company shall, during the period of five years, (being the time necessary for the completion of the works and for the development of the through traffic,) be advanced by the Province, and such advances, as they are made, shall be repaid to the Province in share capital of the Company, and the lien of the Province, subject to the preceding conditions, shall rank, as to dividend or interest, with that of the Company's bond-holders.

III. All Orders in Council to be made, and things to be done by the Governor of this Province in Council in pursuance of and in accordance with the conditions above mentioned, and for the purpose of the carrying out the same, shall be valid and binding: and no enactment which the Legislature of this Province may hereafter make, for carrying out and giving effect to the said conditions or any Order in Council to be made under this Act or under any provision of any Act theretofore passed relating to the said Company, according to the true intent and purport thereof, shall be deemed an infringement of the rights of the Company or of any party whatever.

IV. This Act shall be deemed a Public Act.