

and to sell the same at such prices as may be deemed expedient; and to hypothecate, mortgage, or pledge, the lands, revenues, and other property of the Company, for the due payment of the said sums, and the interest thereon, but no such debentures shall be for a less sum than one hundred dollars; and such bonds, debentures and securities shall be made and signed by the president or vice-president of the said Company, and countersigned by the secretary of the said Company, and under the seal of the said Company; provided that the said Company shall not be authorized to borrow a sum exceeding the amount of the capital stock then paid up.

11. The shareholders of the said Company shall consist of the persons in the third paragraph hereof referred to, and of such other persons as may subscribe to any stock that may be hereafter issued by the said Company who shall have fully paid up all calls upon said shares, together with the amount of any premium on stock that may be fixed as aforesaid; and every shareholder shall be entitled to a vote for every share which he shall hold.

Who shall be Shareholders.

12. The shares or stock of the said Company shall be deemed personal property, and shall be transferable in the form set out in schedule A, hereto annexed. The transfer shall be registered in a book to be kept by the Company for that purpose, which shall be open to the public; and upon such registration the Company shall issue certificates in the form prescribed in schedule B, hereto annexed.

Shares and their transfer.

13. The affairs of the said Company shall be managed by five directors, of whom three shall form a quorum. Such directors shall be holders of not less than twenty-five shares in the said Company, and shall be elected annually at an annual general meeting of the shareholders, of which fourteen days' notice shall be given by circular or advertisement. The directors shall elect from among themselves a president and vice-president of the said Company, and shall appoint a secretary and treasurer; they shall make by-laws for the government of said Company and submit the same to a meeting of the shareholders on giving due notice; and shall make calls on stock and prescribe the manner in which the same shall be made; and shall have power to cancel any stock on which calls may remain unpaid for three months on giving reasonable notice; and to declare the same forfeited; and to employ agents or servants for any purposes connected with the said Company; and shall declare dividends whenever the profits of the Company shall amount to the sum of one hundred thousand dollars or to a less amount if they see fit; and to appoint times and places for the annual general meeting or other meetings of the Company; and to appoint persons to fill the places of any directors who may die, resign, or become incapable of acting in the interval between their appointment and the next annual general meeting.

Directors, their qualification, election and powers.

14. It shall be incumbent on persons subscribing or who may have subscribed for stock in the said Company to furnish to the secretary of the said Company an address in writing to which all notices shall be sent; and it shall be sufficient to send to that address all notices relating to calls and forfeiture or cancellation of stock and all other notices; and if such address be not given such notices shall be deemed sufficiently served if inserted three times in the *Ontario Gazette*, and once in each week for three weeks in a daily newspaper published in the city of Toronto.

Persons subscribing for stock shall furnish their addresses.