

It has the power, with the approval of the Governor in Council, on the recommendation of the minister, to take, or otherwise acquire and hold, shares, debentures or other securities of any other company having objects altogether or in part similar to those of the company, or carrying on any business capable of being conducted so as, directly or indirectly, to benefit the company, and to sell or otherwise deal with the same.

It has the power to issue and allot fully paid-up shares of the company in payment or part payment for any property purchased or otherwise acquired by the company or any services rendered to the company; the power to carry out all or any of the objects of the company and to do all or any of the things authorized pursuant to paragraphs (a) to (g) of Section 6(1), as principal, agent, contractor, or otherwise, and either alone or in conjunction with others.

The company has the power to do all other things as are incidental or conducive to the attainment of the objects and the exercise of the powers of the company. It will also be able to accept powers outside Canada from any authority lawfully competent to confer such powers.

The company shall be deemed to have all the powers of a natural person, and nothing will diminish any personal liability of the directors for acting in excess of the powers of the company.

Each request by the company for a proposal for the construction of a satellite or earth station shall be issued, within thirty days of the submission to the minister, to a person qualified to submit a proposal in response thereto unless, within that time the minister indicates in writing to the company that he is satisfied that the request by its terms will result in proposals that specify a reasonable utilization of Canadian design and engineering skills and the incorporation of an appropriate proportion of Canadian components and materials.

The company shall not, except under the direction of the minister, directly or indirectly negotiate with or enter into an arrangement or an agreement with a foreign state, or a corporation acting as an agent for or on behalf of a foreign state, and the company shall in all matters of concern to it in carrying out its objects at the request of the minister, assist in the conduct of any negotiations and on behalf of Canada.

I would mention that the authorized capitalization is 10 million no par value common shares, and 5 million preferred shares of a par value of \$10, fully paid and non-assessable.

No offering of preferred shares of the company shall be made after the initial issue of shares of the company to approved telecommunications common carriers or persons who fulfil the statutory conditions, unless the offering and the preferred, deferred or other special rights, restrictions, conditions or limitations attached to the preferred shares so offered have been authorized by by-law sanctioned by at least two-thirds of the votes of the shareholders cast at a special general meeting of shareholders called for the purpose.

The head office of the company shall be in the national capital region. As I said, the board of directors will consist of seven members. The interim board of directors shall be appointed by the Governor in Council, and at least two members shall be appointed from among the members of the Public Service of Canada.

When subsection 2 of section 13 does not apply to authorize the Governor in Council to appoint the board of directors, such number of directors shall be elected annually and the remaining directors, at least two of whom shall be members of the Public Service of Canada, shall be appointed by the Governor in Council to hold office during pleasure.

A vacancy among members of the board appointed by the Governor in Council is filled by appointment by the Governor in Council, and a vacancy amongst members of the board elected is filled by appointment by the elected members. The company may prescribe rules and determine when a person ceases to be an ordinary resident of Canada.

The Governor in Council shall designate one of the provisional directors of the company to be the first president to hold office until the board takes office, and thereafter the board shall, with the approval of the Governor in Council, annually elect a president. The president shall be the chief executive officer.

The directors regulate the time and place for the holding of meetings of shareholders, the calling of meetings of shareholders, and of the board, the quorum, the requirements as to the proxies, and the general procedures.

Sections 18 to 21 inclusive deal with the transferability of common shares, and the