

qualified to be a Director, unless he be, and continue to be, during his directorship, the proprietor in his own name and right, of not less than twenty shares of the capital stock of the Company, and be moreover a resident in the Province, and a natural born or naturalized subject of Her Majesty: And provided also, that six of the Directors in office at the period of each annual election of Directors shall be re-elected for the then ensuing twelve months. Proviso.

10 VII. And be it enacted; That notwithstanding any thing in the next preceding section contained, it shall be competent to the Shareholders, at any special or general meeting, to reduce to not fewer than five, or to increase to not more than thirteen, the number of Directors; and thereafter the number of Directors in office to be re-elected shall be, in the former case three, and in the latter nine: Provided always, that not less than thirty days previous, public notice shall be given of an intention to propose a reduction or an increase in the number of Directors. Number of Directors may be reduced or increased. Proviso.

VIII. And be it enacted, That whenever a vacancy in the directorship shall occur in the interval between two annual general meetings, the remaining Directors shall fill up the vacancy by election from among the qualified Shareholders; and every Shareholder so elected shall be and serve as a Director until the annual general meeting next following the date of his election, and at all meetings of Directors not less than three shall form a *quorum*. Vacancy in Directorship: how filled up. Quorum.

IX. And be it enacted. That it shall be lawful for the Directors, for the time being, to appropriate annually from the profits of the said Corporation or Company a sum not exceeding five hundred pounds, currency, for their remuneration, to be divided among them according to such rules as they may appoint; which sum may be increased or diminished by the Shareholders at their annual general meeting. Remuneration to Directors.

X. And be it enacted, That the Directors shall have full power to accept or reject all Guarantee proposals; also to fix the general rates, terms and conditions on which Guarantee agreements shall be undertaken by the Company, and likewise to revive or re-establish any Guarantee agreement or policy which may have expired by reason of the assured failing to pay the premium, or otherwise; provided, that until the fund hereafter described as "The Shareholders' Fund" shall amount to, or the securities whereon the same shall be invested, shall be of the value of twenty-five thousand pounds at least, no Guarantee proposal shall be undertaken by the Company on behalf of any one individual to an extent exceeding two thousand five hundred pounds, excepting in cases Guarantee proposals. Proviso.