

of the interest on such bond, the first interest for the interval, if any, being paid in cash ; and it shall be lawful for all trustees, guardians of the estates of infants, curators of the estates of lunatics, executors, administrators, and other persons possessed in right or on behalf of others, and also for all municipalities and corporations, to agree with the directors for the discharge or conversion of any first or second preference bonds as aforesaid. 5

Ordinary stock to be reserved for conversion of bonds.

12. So long as there shall be any first or second preference bond, for the discharge or conversion of which no agreement shall have been made under the preceding section, so much ordinary stock shall be reserved 10 unissued as is hereinbefore permitted to be issued for the conversion thereof.

Issue of ordinary stock to meet certain claims.

13. It shall be lawful for the Directors to raise, by the issue of ordinary stock, at such prices as shall be obtainable for the same, so much money as shall be necessary for discharging the Government debt, pursuant to the provisions in that behalf hereinbefore contained, or for discharging the principal amount of any first or second preference bond, which the Directors shall agree to pay off in cash, or which shall mature, and to apply the money so raised to such purposes respectively. 15

Residue of ordinary stock now issued.

14. It shall be lawful for the Directors to issue the residue of the ordinary stock hereby created, including the stock which was issuable in respect of any shares extinguished, for the benefit of the company, at 20

Proviso.

such prices as shall be from time to time obtainable for the same, and to apply the proceeds of such issues to the general purposes of the company properly chargeable to capital account, provided that no ordinary stock 25 in excess of the total amount of £800,000 in which shall be included all stock to be reserved under the twelfth section hereof, shall be issued without the previous sanction of a general meeting.

Existing rights saved.

15. Any bonds or government debt for the time being neither converted nor discharged hereunder shall retain the same priorities, and carry the same rights in all respect, save as otherwise herein expressed as if this act had not been passed, and the ordinary stock hereby created shall hold with regard thereto the same position as the share capital of the company heretofore held. 30

Votes.

16. Every hundred pounds sterling of ordinary stock shall entitle 35 the holder thereof to one vote at the general meetings of the company, and all such stock shall be reckoned towards the twenty five thousand pounds sterling required to be held by the quorum of stockholders and bondholders of such general meetings, and towards the two hundred pounds sterling required to be held as a qualification by a director, in his own right or in right of his wife ; provided that the municipalities of the County of Simcoe and the City of Toronto shall not be entitled to vote at general meetings of the company so long as they are represented by two Directors, as provided by the Order in Council made on 12th May, 1859, by His Excellency the Governor General of Canada, by and with 40 the advice of the Executive Council of the then Province of Canada. 45

When voting in preference bonds shall cease.

17. As soon as either first or second preference bonds or both to the amount of one hundred thousand pounds sterling in all shall have been converted under the powers in that behalf hereinbefore given, all the remaining bonds of the company shall cease to confer any right of voting 50 or being present at general meetings.

Ordinary general meetings.

18. The ordinary general meetings of the company shall in future be held twice a year, on such days, and, in the first instance, at such places, whether in Canada or in England, as the Directors shall from time to time determine, and extraordinary general meetings shall be held in the first instance at such places, whether in Canada or in England, as the Directors or the stockholders convening the same shall appoint, provided that any such meeting convened by the Directors on the requisition of 55