

places in Canada or elsewhere, and bearing such rate of interest as the Directors shall think proper; and the Directors shall have power to issue and sell, or pledge all or any of the said bonds at such price and upon such terms and conditions as they may think fit, for the purpose of raising money for prosecuting the said undertaking: Provided that the amount of such bonds shall not exceed thirty thousand dollars per mile, to be issued in proportion to the length of railway constructed, or under contract to be constructed; provided also that no such bonds shall be issued until at least two hundred thousand dollars shall have been subscribed to the capital stock, and ten per centum paid thereon.

Proviso:  
amount  
limited.

Proviso.

Bonds to be  
preferential  
charges on  
the property of  
the company.

15. The bonds hereby authorized to be issued, shall, without registration or formal conveyance, be taken and considered to be the first and preferential claims and charges upon the said Company, and the undertaking, tolls and income, and real and personal property thereof, now or at any time hereafter acquired; and each holder of the said bonds shall be deemed to be a mortgagee or incumbrancer upon the said securities *pro rata*, with all the other bond-holders.

Rights and  
privileges of  
bond-holders if  
principal or  
interest is  
not paid by  
company.

16. If the said Company shall make default in paying the principal or interest of any of the bonds hereby authorized, at the time when the same shall, by the terms of the bond, become due and payable, then at the next ensuing general annual meeting of the said Company, and all subsequent meetings, all holders of bonds so being and remaining in default, shall in respect thereof, have and possess the same rights and privileges and qualifications for Directors as would be attached to them as shareholders, if they had held fully paid up shares of the said Company to a corresponding amount: Provided nevertheless, that the right given by this section shall not be exercised by any bond-holder unless the bonds in respect of which he shall claim to exercise such rights, shall have been first registered in his name in the same manner as is provided by law for the registration of the shares of the said Company; and for that purpose the Company shall be bound on demand to register any of the said bonds in the name of the holder thereof, and to register any transfers thereof in the same manner as a transfer of shares: Provided also that the exercise of the rights given by this section shall not take away, limit, or restrain any other of the rights or remedies to which the holders of the said bonds shall be entitled.

Proviso.  
Bonds to be  
registered.

Proviso: other  
rights not  
taken away  
or limited.

Transfer of  
bonds, debentures,  
&c.

17. All the bonds, debentures, mortgages and other securities hereby authorized, and the coupons and interest warrants thereon respectively, may be made payable to bearer, and shall in that case be transferable by delivery; and any holder of any such bonds, debentures, mortgages, or coupons so made payable to bearer, may sue at law thereon in his own name unless and until registry thereof, in manner provided in the next preceding section; and while so registered, they shall be transferable by written transfer registered in the same manner as in the case of shares, but