

First meeting
for election of
directors.

Election of
directors.

Retirement of
provisional
directors.

Payment of
stock.

Proviso: ten
per cent. on
subscribing.

Proviso:
when to com-
mence busi-
ness.

Proviso: pay-
ment of re-
mainder of
stock.

Forfeiture for
non-payment
of instalments
on stock.

Proviso: for-
feiture may
be remitted.

necessary; and so soon as two hundred thousand dollars of the said capital stock shall have been subscribed upon the said stock-books and fifty thousand dollars thereof actually paid in thereupon, a public meeting shall be called of the subscribers thereof by notices published at least two weeks in two of the newspapers of the County of Simcoe, such 5 meeting to be held at such time and place in the said county as such notice shall indicate; and at such meeting the subscribers shall proceed to elect seven directors having the requisite stock qualifications, who shall from thenceforward manage the affairs of the said corporation, and who shall take charge of the stock-books hereinbefore referred to, and shall 10 continue in office until the first Monday in July next thereafter, and until their successors in office shall be duly elected; and the said election shall be conducted in the same manner as the annual election hereinafter provided for as respects the regulating of votes according to the number of shares subscribed for; and immediately upon such elec 15 tion being had the functions of the said provisional directors shall cease.

4. The shares of the capital stock subscribed for shall be paid in by such instalments and at such times and places as the said directors shall appoint, and executors, administrators and curators paying the instalments upon the shares of deceased shareholders shall be and 20 are respectively indemnified for paying the same; provided always that no share or shares shall be held to be lawfully subscribed for, unless a sum equal to at least ten per centum on the amount subscribed for be actually paid at the time or within thirty days after the time of subscribing; provided further that it shall not be lawful for the sub- 25 scribers to the capital stock hereby authorized to be raised to commence the business of banking until a sum not less than fifty thousand dollars shall have been duly paid in by such subscribers; and that the balance of the two hundred thousand dollars required to be subscribed for under the next preceding section shall be duly paid in within two 30 years from such commencement; provided further that the remainder of the said capital stock shall be subscribed and paid up as follows: the sum of one hundred thousand dollars within three years, the further sum of one hundred thousand dollars within four years, the further sum of one hundred thousand dollars within five years, and the remainder 35 of the stock when the directors shall appoint.

5. If any shareholder or shareholders shall refuse or neglect to pay any or either of the instalments upon his, her or their shares of the said capital stock, and at the time or times as aforesaid, such share- 40 holder or shareholders shall incur a forfeiture to the use of the said corporation of a sum of money equal to ten per centum on the amount of such shares, and, moreover, it shall and may be lawful for the directors of the said corporation (without any previous formality other than thirty days' public notice of their intention) to sell at public auction the said shares, or so many of the said shares as shall, after deducting 45 the reasonable expenses of the sale, yield a sum of money sufficient to pay the unpaid instalments due on the remainder of the said shares, and the amount of forfeitures incurred upon the whole; and the president or vice-president or cashier of the said corporation, shall execute the transfer to the purchaser of the shares of stock so sold; and such trans- 50 fer, being accepted, shall be as valid and effectual in law as if the same had been executed by the original holder or holders of the shares of stock thereby transferred; provided always, that nothing in this section contained shall be held to debar the directors or shareholders, at a general meeting, from remitting, either in whole or in part, and condi- 55