

Preference stock by-laws invalid until sanctioned. 3. No such by-law shall have any force or effect until it has been sanctioned, either unanimously by the shareholders in writing or by a vote of the shareholders present or represented by proxy at a general meeting of the Company duly called for considering it, such vote being that of shareholders holding not less than two-thirds of the subscribed capital stock of the Company. 5

Holders of preference stock to be shareholders. Proviso. 4. Holders of shares of suchp reference stock shall be shareholders within the meaning of this Act, and shall in all respects possess the rights and be subject to the liabilities of shareholders within the meaning of this Act: Provided however that in respect of dividends and otherwise they shall, as against the ordinary shareholders, be entitled to the preferences and rights given by such by-law. 10 15

Rights saved. 5. Nothing in this section contained, or done in pursuance thereof, shall affect or impair the rights of creditors of the Company.

Company not bound to see to execution of trusts. 31. The Company shall not be bound to see to the execution of any trust, whether express, implied or constructive, to which any share of its stock, or debentures or debenture stock, or any deposit or any other moneys payable by or in the hands of the Company may be subject, and the receipt of the parties in whose name such shares, debentures, debenture stock, deposit or moneys stand in the books of the Company shall be sufficient discharge to the Company for any payment of any kind in respect of such shares, debentures, debenture stock, deposits or moneys, notwithstanding any trust to which they may then be subject and whether or not the Company has had notice of such trust, and the Company shall not be bound to see to the application of the money paid upon such receipt. 20 25 30

Reserve fund. Investment. 32. The directors may set aside out of the profits of the Company such sum as they think proper as a reserve fund to meet contingencies or for equalizing dividends, or for repairing, improving and maintaining any of the property of the Company, and for such other purposes as the directors may in their discretion think conducive to the interests of the Company, and may invest the several sums so set aside upon such investments, (other than shares of the Company), as they may think fit, and may deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company, and may divide the reserve fund into such special funds as they think fit, with full power to employ the assets constituting the reserve fund in the business of the Company, and that without being bound to keep the same separate from the other assets: 35 40 45