

payable thereon, and the time and amount of the repayments to be made in respect thereof; and all Loans or Advances by the Company shall be effected for a definite term or period, and no borrower shall be entitled to take part in the management of the affairs of the Company, unless he be a Stockholder therein.

12. The Directors may accept real property situate in any part of the Dominion of Canada where the Company may legally make investments, or Dominion or Provincial Stock or Securities, or the Debentures of Municipal or School Corporations, or School Sections in the Dominion, or the Stock of any Shareholder of the Company as security for Loans or Advances, and may take any kind of real or personal security as collateral security for any Loan or Advance. Provided always that at least four-fifths of the invested funds and assets of the Company shall be secured upon Real Estate, and that the aggregate amount advanced to Shareholders upon the security of their stock shall not, at any time, exceed a sum equal to the Reserve Fund at such time maintained.

13. Thirty days after default in the repayment, when due, of any Loan or Advance made by the Company upon any of the personal securities mentioned in Rule 12, or of any part thereof, or in the payment of any interest thereon, the Company shall have full power to sell the said securities or any part thereof, and to make the necessary transfers, and the amount realized by the Company upon any such sale shall be applied in payment of