

or percentage in votes or value of the ordinary shares shall be deemed to mean shareholders entitled to the same amount or percentage of the total votes (not value) cast (or entitled to be cast as the case may be) by holders of ordinary shares and holders of preference and holders of preferred shares voting in the manner and to the extent provided under this paragraph (a): Provided, however, that at all elections of directors of the company each shareholder entitled to vote thereat shall be entitled to as many votes as shall equal the number of votes to which he is entitled under this Act and the *Companies Act* or the by-laws of the company in respect of ordinary shares and/or preference or preferred shares held by him multiplied by the number of directors to be elected and he may cast all of such votes for a single director or may distribute them among the number to be voted for, or any two or more of them as he shall see fit, which right when exercised shall be termed 'cumulative voting.'

R.S., 1927,
c. 27.

(b) On any question directly affecting any of the rights or privileges attached to any class of preference or preferred shares holders of preference or preferred shares of such class shall have one vote per share but no change in the rights or privileges attached to any class of preference or preferred shares shall be made unless the holders of seventy-five per cent of the preference or preferred shares of such class, voting separately as a class, shall agree to the same. Ownership of ordinary or preference or preferred shares shall qualify any person to be a director of the company."

2. Section six of the said Act is repealed and the following is substituted therefor:—

Increase of
capital
stock.

"6. The capital stock of the company may be increased from time to time by such amounts as the directors consider requisite for the due carrying out of the objects of the company, such increase to be effected by resolution of the directors by and with the consent of a majority of two-thirds in value of the ordinary shareholders present or represented by proxy at any annual general or at any special general meeting of the ordinary shareholders called for that purpose: Provided that the total capital stock of the company including the present authorized stock shall not exceed twenty-five million dollars."

3. Section thirteen of the said Act is repealed and the following is substituted therefor:—

Board of
directors.

"13. The affairs of the company shall be managed by a board of not less than five directors. A majority of the board shall be a quorum."