

The Law excludes such Shareholders from any participation in the affairs of the Company, they have no right to vote and they are disqualified to be Directors of the Company.

Your particular attention is called to this strange conduct of the American Shareholders and some steps should be taken to put in force the punishment pointed out by the clauses in the act to defaulters for arrears.

Nothing further has been agreed upon with Mr. De Léry with regard to the debt of the Company since last year, and that debt was only diminished of Four hundred Dollars in capital by the payment of Mr. De Léry's call of four per cent.

It is desirable that some measure should be adopted for the purpose of coming to some final understanding with Mr. De Léry for the settlement of the balance due to that gentleman, and the Directors would recommend that a committee amongst the Shareholders be appointed for that purpose with instructions to report to the new Board of Directors, and if any satisfactory arrangements can be made with Mr. De Léry, then, to adopt the best possible means to carry out the agreement.

The Board of Directors thought it expedient to reduce the number of Directors from fifteen (15) to ten (10).

The Directors cannot conclude their Report without drawing particular attention to the