

tive capacity, or otherwise,) be converted into B or Common Stock on such terms as may be agreed, and the shares received upon such conversion shall be held by them upon the same trusts and for the same purposes as the Bonds were held by them at the time of such conversion: both classes of shares to be entitled to share proportionately in any lands to which the said Railway Company may become entitled upon construction of their Railway or any part thereof. 5

Certain powers vested in the Company.

5. The said Railway Company may reduce the number of Directors thereof, and declare the number to form a quorum; may fix the amount of shares; may appoint some place in London, England, or elsewhere in the United Kingdom of Great Britain and Ireland, for holding all or any of the meetings of said Railway Company or of the Directors thereof, and for the transaction of the general business of the said Railway Company; may convert the present shares held in the said Company into B or Common Stock to equivalent amount: Any or all of the powers by this clause granted, may, from time to time, be exercised at any general meeting of the Shareholders of the said Railway Company, for that purpose specially convened by notice published for two consecutive weeks in the *Canada Gazette*, such powers to be exercised by By-law or By-laws enacted and passed at such meeting or meetings, in the usual manner, signed by the person presiding at such meeting, and sealed with the seal of the said Railway Company; the said By-law or By-laws may fix the time for the changes thereby effected coming into operation, and if no time is thereby fixed they shall come into immediate operation. 10 15 20 25

Company may transfer its property to a new Company.

6. If it shall be deemed more advisable, the said Railway Company may dispose of and transfer their Railway and works, lands, hereditaments, rolling and other stock, plant, rights, powers, claims, franchises, privileges, property and effects whatsoever, (hereinafter referred to as the property of the said Railway Company) to any Company formed or to be formed in England for the purposes aforesaid, either solely or for other purposes, (hereinafter referred to as the New Company) and to be incorporated with limited liability under the Act of the United Kingdom of Great Britain and Ireland, known as the Joint Stock Company Act, 1856, having a nominal capital of not less than Five Hundred Thousand Pounds sterling. 30 35

How such transfer may be effected.

7. Such transfer may be effected by a deed to be made between the said Railway Company and the New Company, and such deed, when duly executed by or on behalf of the said Companies respectively, and approved by the Shareholders of the said Railway Company by By-law enacted and passed in the usual manner (at a meeting convened for the purpose as hereinafter mentioned) such approval to be evidenced by endorsement of such approval upon such deed or duplicate thereof, sealed with the seal of the said Railway Company, and signed by the chairman presiding at such meeting, or other person deputed for that purpose by the shareholders at such meeting, (and the said meeting may be convened by notice in the *Canada Gazette*, published for two consecutive weeks, specifying object, time and place,) shall be valid and binding upon all bodies, persons and parties concerned, and upon such execution and approval endorsed, signed and sealed as aforesaid, and a duplicate or attested copy thereof lodged with the Provincial Secretary, (as hereinafter mentioned) all the property of the said Railway Company shall vest in and absolutely belong to the New Company, subject as to such parts thereof as are affected thereby, to the dues, charges and liens then 40 45 50

Effect of such transfer.