

the satisfaction of the Governor in Council, the publication by the Secretary of State in the *Canada Gazette*, of a notice that the transfer of the contract to the Company has been effected and completed shall be conclusive proof of the fact. And the Company shall cause to be paid up on or before the first day of May next, a further instalment of twenty per centum upon the said first subscription of five million dollars, of which call thirty days' notice by circular mailed to each shareholder shall be sufficient. And the Company shall call in, and cause to be paid up, on or before the 31st day of December, 1882, the remainder of the said first subscription of five million dollars.

4. All the franchises and powers necessary or useful to the Company to enable them to carry out, perform, enforce, use, and avail themselves of every condition, stipulation, obligation, duty, right, remedy, privilege, and advantage agreed upon, contained, or described in the said contract, are hereby conferred upon the Company. And the enactment of the special provisions hereinafter contained shall not be held to impair or derogate from the generality of the franchises and powers so hereby conferred upon them.

#### DIRECTORS.

5. The said George Stephen, Duncan McIntyre, John S. Kennedy, Richard B. Angus, James J. Hill, Henry Stafford Northcote, of London, aforesaid, Esquires; Pascoe du P. Granfell, of London, aforesaid, Merchant, Charles Day Rose, of London, aforesaid, Merchant, and Baron J. de Reinach, of Paris, aforesaid, Banker; are hereby constituted the first directors of the Company, with power to add to their number, but so that the directors shall not in all exceed fifteen in number; and the majority of the directors, of whom the President shall be one, shall be British subjects. And the Board of Directors so constituted shall have all the powers hereby conferred upon the directors of the Company, and they shall hold office until the first annual meeting of the shareholders of the Company.

6. Each of the directors of the Company, hereby appointed, or hereafter appointed or elected, shall hold at least two hundred and fifty shares of the stock of the Company. But the number of directors to be hereafter elected by the shareholders shall be such, not exceeding fifteen, as shall be fixed by by-law, and subject to the same conditions as the directors appointed by, or under the authority of, the last preceding section; the number thereof may be hereafter altered from time to time in like manner. The votes for their election shall be by ballot.

7. A majority of the directors shall form a quorum of the board, and until otherwise provided by by-law, directors may vote and act by proxy, such proxy to be held by a director only; but no director shall hold more than two proxies, and no meeting of directors shall be competent to transact business unless at least three directors are present thereat in person, the remaining number of directors required to form a quorum being represented by proxies.

8. The board of directors may appoint from out of their number an Executive Committee, composed of at least three directors, for the transaction of the ordinary business of the Company, with such powers and duties as shall be fixed by the by-laws; and the President shall be *ex-officio* a member of such committee.

9. The chief place of business of the Company shall be at the City of Montreal, but the Company may from time to time, by by-law, appoint and fix other places within or beyond the limits of Canada at which the business of the Company may be transacted; and at which the directors or shareholders may meet, when called as shall be determined by the by-laws. And the Company shall appoint and fix by by-law, at least one place in each Province or Territory through which the Railway shall pass, where service of process may be made upon the Company, in respect of any cause of action arising within such Province or Territory; and may afterwards from time to time, change such place by by-law. And a copy of any by-law fixing or changing any such place, duly authenticated, as herein provided, shall be deposited by the Company in the office, at the seat of Government of the Province or