

7. The capital stock of the Company shall be one million dollars, divided into shares of one hundred dollars each, and may be called upon from time to time by the directors as they deem necessary. Capita .

5 8. The persons named in section 1 of this Act are hereby constituted provisional directors of the Company, and three of such provisional directors shall be a quorum, and they may forthwith open stock books, procure subscriptions of stock, make calls on stock subscribed, and receive payment thereof, Provisional directors.
10 and shall deposit in a chartered bank in Canada all moneys received by them on account of stock subscribed or otherwise on account of the Company, and shall withdraw the same for the purposes of the Company only.

9. The head office of the Company shall be at Montreal, in the Province of Quebec, or such other place in Canada as the Company may determine by by-law. Head office.

10. So soon as twenty per cent of the capital stock of the Company has been subscribed, and ten per cent thereof paid in, or within three months thereafter, the provisional directors shall call a meeting of the shareholders of the Company at the place where the head office is situate, at such day and hour as they think proper, giving at least ten days' notice thereof by publishing the same in a newspaper in the place where the head office of the Company is situate, at which meeting the subscribers for capital stock assembled who have paid in ten per cent of the amount of stock subscribed for by them shall choose from five to twelve persons to be directors of the Company, and no person shall be elected or continue a director unless he is a shareholder owing the amount of stock required by the by-laws of the Company to qualify him as a director, and has paid all the calls due thereon. First general meeting.
Notice.
First directors.
Qualification.

11. At each annual general meeting the shareholders assembled who have paid all calls due on their stock, shall choose five persons to be the directors of the Company; but the Company may, by by-law first approved of by the shareholders, increase the number of the directors to any number not exceeding fifteen, and a majority of such directors shall be a quorum. Directors.
Increase of number.
Quorum.

12. The directors may, by by-law, issue up to one-half of the capital stock as preference stock, giving the same preference and priority over ordinary stock. Preference stock.

2. Such by-law shall not have any force or effect whatever until after it has been sanctioned by a vote of shareholders, representing at least two-thirds in value of the subscribed stock of the Company, present in person or represented by proxy at a general meeting of the Company duly called for considering the same. Sanction of issue.

3. Holders of such preference stock shall be shareholders within the meaning of this Act, and shall, in all respects, possess the rights and be subject to the liabilities of shareholders within the meaning of this Act. Rights of holders.

13. The directors may, whenever authorized by a by-law for that purpose approved by the votes of the holders of at Borrowing powers