

Approval by  
shareholders.

2. Such by-law shall have no force or effect unless it has been first approved by a majority of the votes at a general meeting of the Company, at which meeting shareholders representing at least two-thirds in value of the whole issued stock of the Company are present or represented by proxy.

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Right of  
control by  
preference  
shareholders.

3. Such by-law may provide that the holders of such preference shares shall have the right to select a certain stated proportion of the board of directors, or may give them such other control over the affairs of the Company as may be considered expedient.

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Preference  
shareholders  
to have  
rights of  
shareholders.

4. Holders of such preference stock shall be shareholders, and shall in all respects possess the rights and be subject to the liability of shareholders; provided, however, that in respect of dividends and otherwise they shall, as against the original or ordinary shareholders, be entitled to the preference given by any by-law as aforesaid.

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Rights of  
creditors.

5. Nothing in this section shall affect or impair the rights of creditors of the Company.

Deferred  
shares.

5. The directors may, of the first issue of shares of the Company, set aside a certain proportion, not being more than twenty-five per cent of the issue, which shall be called deferred shares, and which shares shall be entitled to share in the earnings of the Company only to such extent and in such manner as the directors at the time of issue determine.

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Provisional  
directors.

6. The persons named in section 1 of this Act are hereby constituted the first or provisional directors of the Company, four of whom shall be a quorum.

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First meeting.

2. The first meeting of the provisional directors may be held at such time and place as they, or any four of them, determine.

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First general  
meeting.

7. At any time after the passing of this Act the provisional directors, or any four of them, may call a general meeting of the shareholders of the Company, to be held at such time and place as they determine, for the purpose of passing or ratifying the by-laws of the Company, electing directors, and considering and determining upon any other business specified in the notice calling such meeting, and a notice in writing signed by any four of the provisional directors, stating the date and place of holding such meeting and mailed by registered letter to the address of each shareholder not less than thirty days previous to such meeting, shall be deemed sufficient notice thereof.

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Annual  
meeting.

8. The annual meeting of the shareholders shall be held on the first Tuesday in November in each year at the head office of the Company.

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Borrowing  
powers.

9. The directors, if authorized by resolution passed at the first general meeting of the shareholders, or at any special general meeting called for the purpose, or at any annual meeting at which shareholders representing at least two-thirds in value of the issued capital stock of Company are present or represented by proxy, may from time to time, at their discretion, borrow moneys for the purposes of the Company and

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