

of *The Railway Act* and which are now in full force and effect, shall remain valid and effectual for all purposes as if made and done after the execution of this agreement.

That the annual general meeting of the shareholders of the Company for the election of directors and for all other general purposes of the Company shall be held on the last Tuesday in September in each year, and the mode of calling any meeting of the Company and the place of holding such general meetings shall be governed by the provisions of *The Railway Act*, unless provided for by by-law of the Company.

That Charles Jackson Booth, John Frederick Booth, Claude McLachlin, Francis McDougal, William Anderson, Neil MacIntosh, and James Arthur Seybold shall be and they are hereby constituted the first directors of the Company and shall hold office as such until others shall be duly elected by the shareholders at the first general or special meeting of the Company duly called after the passing of the Act confirming this deed of amalgamation and incorporating the Company.

That the number of the directors of the Company shall be seven, but the number of directors may at any time be increased or reduced by the shareholders at any general meeting; and the qualification for directors shall be the same as the qualification for directors of the Ottawa, Arnprior and Parry Sound Railway Company at the date of this agreement.

That the Company shall have full power and authority to amalgamate with or enter into or conclude any agreement for selling, conveying or leasing the railways, branches and works of the Company, or any part thereof, or for the working of the railways of the Company or any part or parts thereof, or with any railway company or companies now or hereafter to be incorporated within or without the Dominion of Canada by a deed or deeds executed by such company or companies so amalgamating or agreeing as aforesaid, in such manner, on such terms and conditions and under such name as may be agreed upon between them; and in case of amalgamation such newly amalgamated company shall after the execution of such deed or deeds of amalgamation, have all the rights, powers and privileges of either or any of the said companies so amalgamating and shall become vested and possessed of and be entitled to all the franchises, assets and properties and be subject to all the obligations and liabilities which by law may be established of the said companies respectively so amalgamated.

That the capital stock of the Company shall be seven million two hundred thousand dollars, and may be called up by the directors from time to time as they deem necessary, but no one call shall exceed ten per cent of the shares subscribed.

That the directors of the Company, under the authority of the shareholders to them given at a general or special meeting duly called for the purpose, at which meeting shareholders representing at least two-thirds in value of the capital stock of the Company are present or represented by proxy, may by by-law, convert a proportionate part of the shares authorized to be issued by this Act into preference shares, and the ratio which such proportionate part bears to the whole shares of the Company shall not exceed the ratio which the preference shares of the Atlantic Company bear to the whole number of shares authorized to be issued by the Atlantic Company, and such