

Therefore the number, order of rotation and other provisions as to the appointment and constitution of the Board of Directors prescribed by the said resolutions shall be followed, and the said Directors shall go out of office according to the said resolutions, unless and until the Company shall, by resolution of any future special General Meeting, to be held under the authority of the Statutes of the Company, alter and vary such resolutions.

Order of rotation and constitution of Directors.

8. All acts done by any meeting of the Directors, or of a Committee of Directors, or by any person acting as a Director shall, notwithstanding it may be afterwards discovered that there was some defect in the appointment of any such Directors or persons acting as aforesaid, or that they or any of them were or was disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

Acts of Directors to be valid notwithstanding defects in their appointment.

9. And, whereas, the Company being indebted to various persons to a large amount, judgments have been obtained against them by some of such creditors, and executions have been issued upon the rolling stock of the Company; and whereas provisional arrangements have been made for satisfying such judgments and re-vesting the rolling stock of the Company by the issue of second Mortgage Bonds for Fifty Thousand Pounds Sterling, and other floating liabilities of the Company may also be provided for by means of such Bonds or the moneys to be raised thereby, and such Bonds have been subscribed for on condition that the amount thereof, to the extent of Fifty Thousand Pounds, shall be a second charge upon the whole undertaking (but subject to the Bonds for One Hundred Thousand Pounds already issued) and a first charge upon such rolling stock: therefore the second Mortgage Bonds whether already issued or to be issued to the extent aforesaid, and the principal and interest thereby secured shall become and be a charge upon the undertaking of the Company (subject only to the Bonds for One Hundred Thousand Pounds already issued, and the interest thereon) and also a first charge on all the rolling stock of the said Railway Company and any and every replacement and renewal thereof or any addition thereto, not exceeding in the whole the amount, for the time being, due on such second Mortgage Bonds.

Recital.

Second Mortgage Bonds to be a charge on Rolling Stock.

10. The Directors of the Company shall have full power to issue Bonds in lieu of the present first and second Mortgage Bonds as the same shall respectively become due.

Power to issue renewal Bonds.