

Directors.

**6.** The number of directors shall be not less than five nor more than nine, one or more of whom may be paid directors.

Line of railway described.

**7.** The Company may lay out, construct and operate a railway from a point at or near Fond du Lac on the north shore of Lake Athabaska in the province of Saskatchewan, thence easterly to a crossing of the Shipman River north of Black Lake, thence slightly south and east to a crossing of the Porcupine River, thence south-easterly to a point at or near the elbow of the Cochrane River at or near the boundary line between the province of Saskatchewan and the province of Manitoba, thence south-easterly through the province of Manitoba to the southern end of Lake Kasanjerri, thence easterly by the most feasible route crossing the Seal River and the Etawney River to Churchill on Hudson Bay in the province of Manitoba.

Issue of securities.

**8.** The securities issued by the Company shall not exceed fifty thousand dollars per mile of the railway, and may be issued only in proportion to the length of railway constructed or under contract to be constructed, and notwithstanding anything in section one hundred and thirty-two of *The Railway Act* contained, such securities may bear interest at the rate of seven per cent.

R.S., 1927, c. 170.

Agreements with other companies for sale, lease or amalgamation.

R.S., 1927, c. 170.

**9.** Subject to the provisions of sections one hundred and fifty-one, one hundred and fifty-two and one hundred and fifty-three of *The Railway Act* the Company may, for any of the purposes specified in the said section one hundred and fifty-one, enter into agreements with the Hudson's Bay and Pacific Railway Company.

Preference stock.

**10.** (1) The Company, if previously authorized by a resolution passed by the ordinary shareholders at any annual meeting or at any special general meeting duly called for that purpose, at which meeting shareholders representing at least three-fourths in value of the subscribed ordinary stock of the Company are present or represented by proxy, may issue any portion of its capital stock as preference stock, and preference stock so issued shall have such preference and priority as respects dividends or otherwise, over ordinary stock, as is declared by such resolution.

Holders to be shareholders.

R.S., 1927, c. 170.

(2) Holders of such preference stock shall be deemed to be shareholders within the meaning of this Act and of *The Railway Act*, and shall, in all respects other than the preference and priority provided by this section, possess the rights of and be subject to the liabilities of such shareholders.