

Provided always that nothing in this Act contained shall be considered as permission to hold any real estate beyond the annual value of ten thousand dollars, or such as shall have been *bona fide* mortgaged to it by way of security, or conveyed to it in satisfaction of debts previously contracted in the course of its dealings, or purchased at sales upon judgment which shall have been obtained for such debts; And provided also that it shall be lawful for the said Corporation to purchase and hold for the purpose of investing therein any part of the said funds or money, any of the public securities of this Dominion, the stocks of any banks or other chartered companies, and the bonds and debentures of any of the incorporated cities or towns, or municipal districts, and also to sell and transfer the same, and again to renew such investment when and as often as a due regard to the interests of the said Company shall require; and also to make loans of the funds on bond and mortgage, at any legal rate of interest, and with power to receive the same in advance, and the same investments to call in and re-loan, as occasion may require.

Annual value of real estate.

Power to hold certain stocks &c., as investments.

9. The property, affairs and concerns of the said Company, shall be managed and conducted by a board of nine Directors, one of whom shall be chosen President and one Vice-President, which Board, in the first instance and until others shall be chosen and appointed as hereinafter provided, shall consist of Thomas Stock, of East Flamboro', Hon. John Carling of London, Richard L. Denison of Toronto, Frederick W. Stone of Guelph, John Walton of Peterboro', William Hendrie of Hamilton, John Weir of West Flamboro', William A. Cooley of Ancaster, and which said Directors shall hold their offices until the election hereinafter provided for shall take place.

Provisional Directors.

10. As soon as one hundred thousand dollars shall have been subscribed, and twenty-five per cent. paid into some one of the present Chartered Banks of this Dominion on account of the subscribed capital of the Company, it shall and may be lawful for the shareholders or subscribers to proceed to the election, by ballot, of nine Directors, at such time and place as the present board shall appoint, giving fifteen days' notice thereof in one or more newspapers in the City of Hamilton, which Directors shall be stockholders at the time of their election and during their continuance in office to the amount of fifty shares, and shall have power to choose from among themselves a president and vice-president, and the said Directors shall thereupon, at their first meeting thereafter, divide themselves by lot into three classes of three each, who shall go out of office in rotation as hereinafter provided; Provided always that the said Company shall not begin business of Insurance until at least twenty-five thousand dollars is actually paid up.

Election of first Board of Directors.

Qualification of Directors.

Retirement of Directors in rotation.

\$25,000 must be first paid up.

Scale of votes

11. Each stockholder shall be entitled to one vote for each share which he or she shall have held in his or her name, at least one month prior to the time of voting, and all votes given at any meeting may be either personally or by proxy, the holders of such proxies being stockholders, authorized by writing, under the hands of the stockholders nominating such proxies, and every proposition at any such meeting shall be determined by a majority of the parties present, including proxies.

Proxies.

Majority.

12. If any Director of the said Corporation shall die, resign or become disqualified, or incompetent to act as a Director, or shall cease to be a Director through any other cause than that of going out of office by rotation as aforesaid, the remaining Directors, if they think proper so to do, may elect in his place any stockholder duly qualified to be a Director, and the stockholder so elected to fill up any vacancy shall continue in office until the first yearly meeting after such vacancy, and the stockholders then present shall elect a new Director, who shall hold

Case of vacancy among the Directors.