

ence stock, giving the same such preference and priority as respects dividends and otherwise over ordinary stock as may be declared by the by-law.

2. The by-law may provide that the holders of shares of such preference stock shall have the right to select a certain stated proportion of the board of directors, or may give the said holders such supervision or control over the affairs of the Company as may be considered expedient. Holders may select directors.

3. No such by-law shall have any force or effect until it has been sanctioned either by the shareholders in writing or by a vote of the shareholders present or represented by proxy at a general meeting of the Company duly called for considering it, such shareholders holding not less than two-thirds of the amount paid up upon the capital stock of the Company represented at such meeting. By-law to be sanctioned.

4. Holders of shares of such preference stock shall be shareholders within the meaning of this Act, and shall in all respects possess the rights of shareholders within the meaning of this Act, provided however that in respect of dividends and otherwise they shall, as against the ordinary shareholders, be entitled to the preferences and rights given by such by-law. Preference stockholders to have rights of shareholders.

5. Nothing in this section contained or done in pursuance thereof shall affect or impair the rights of creditors of the Company. Rights of creditors.

6. The issue of such preference stock shall not entitle the Company to incur any liability in respect of such stock or any part thereof. No liability to be incurred.

21. The directors may set aside out of the profits of the Company such sum as they think proper as a reserve fund to meet contingencies or for equalizing dividends, or for repairing, improving and maintaining any of the property of the Company, and for such other purposes as the directors shall, in their absolute discretion, think conducive to the interests of the Company, and may invest the several sums so set aside upon such investments (other than shares of the Company) as they may think fit, and may from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company, and may divide the reserve fund into such special funds as they think fit, with full power to employ the assets constituting the reserve fund in the business of the Company, and that without being bound to keep the same separate from the other assets. Reserve fund.

22. The Company may, in general meeting of its shareholders duly called for the purpose, pass a by-law authorizing its directors to extend the business of the Company outside of Canada, and the directors may give effect to such by-law without being liable or responsible as for any breach of trust in so doing. Business outside Canada.

2. If, as provided in the next preceding subsection, the Company carries on business outside of Canada the Company may, in general meeting of the shareholders duly called for the purpose, pass a by-law authorizing the directors to invest the money of the Company in the erection or purchase of buildings required for the occupation of the Company in any place where the Company is so carrying on business. Buildings for foreign agencies.