

Proviso.

due management of the said Bank (such by-laws and regulations not being inconsistent with this Act or contrary to the laws of the Province); Provided, however, that such rules, regulations and by-laws shall be submitted for approval to the stockholders or shareholders in the said Bank at their regular annual meeting, or at a special general meeting thereof duly called for the purpose. 5

Shareholders to be shareholders of Merchants' Bank.

2. By virtue of the said amalgamation the shareholders of the said Banks became and are shareholders in the said Merchants' Bank of Canada, in the amounts and according to the relative values of the stocks of the said amalgamated Banks, as provided for and set forth in the said indenture and union, in lieu of and in proportion to the amount of their shares in the said amalgamated Banks; and each share in the capital stock in the said Merchants' Bank of Canada shall entitle the holder thereof to one vote at all general meetings of the shareholders of the said Bank, unless he shall be in default in respect of any calls upon such share, and all the estate and effects, real and personal, rights, property, credits, choses in action, claims and demands of whatsoever nature or quality, or wherever situate of the said Commercial Bank of Canada, and of the Merchants' Bank, thereby became and are vested in the said Merchants' Bank of Canada, its successors or assigns as and for its own use absolutely, and it may in its own name sue for, collect, and get in, all and every part of the said estate, rights and effects. And the said Merchants Bank of Canada thereby became and was and is subject and liable to pay and discharge all of the debts, obligations, bills and promissory notes or other liabilities of each of the said amalgamated Banks, and may be directly sued and proceeded against in respect thereof, as fully and effectually as if the same were originally the debts, obligations, promissory notes and liabilities of the said Merchants' Bank of Canada, and shall be taken and construed so to be; Provided always, however, that the said Bank shall have power, by a by-law or by-laws to be made as hereinafter provided, to call in the outstanding bills of the said amalgamated Banks within such delay, not less than two years, as may be fixed by such by-law, and for the extinction of its liability for such bills, as shall not be produced for redemption during the said period, or during any further period to which such delay shall be extended by any subsequent by-law of the said Bank. 15 20 25 30 35

Capital Stock

3. The Capital Stock of the said Bank shall be Six Millions of 40 Dollars, divided into sixty thousand shares of one hundred dollars each, which said shares shall be, and are hereby, vested in the several persons now entitled thereto, or who shall hereafter subscribe for the same, their heirs, legal representatives and assigns; and the subscription for so many of the said shares as shall be unsubscribed for when this Act shall come into force, shall be made in such proportions or numbers and at such times and places, and under such regulations, and at such rate of premium, to be paid by the subscribers, over and above the amount of the shares, and upon such terms and conditions, as shall be provided by a by-law or by-laws, made in conformity with the third, fourth and sixth paragraphs of section two of the said Act. And Executors, Administrators and Curators paying instalments upon Shares of deceased Shareholders, shall be and are hereby respectively indemnified, for paying and are required to pay the same: Provided, always, that no share shall be held to be lawfully subscribed for unless the premium (if any) which shall have been fixed by the By-laws, and at least ten per centum on the amount of such share, be paid at the time of subscribing. 45 50 55

In case shares are paid up in full at time of subscribing.

4. If any person or party subscribing for shares of the capital Stock of the said Bank, shall also be willing to pay up at the time of subscribing the full amount of the shares subscribed for, together with such premium thereon, if any, as aforesaid, it shall and may 60