

- outstanding policies in force in the United Kingdom, and such reserve in each case shall be calculated upon the basis prescribed by *The Insurance Act*;) and may change and re-invest the same as occasion may from time to time require;
- 5 and may take, receive and hold any of such securities in the corporate name of the Company, or in the name of trustees for the Company appointed by the directors, whether for funds invested by being advanced or paid in the purchase of such securities or loaned by the Company on the security of the said
- 10 debentures, bonds, stocks, mortgages or other securities as aforesaid; such loans to be on such terms and conditions and in such manner and at such times and for such sums and in such sums of re-payment, whether of principal or interest, or principal and interest together and at such interest and return
- 15 as the board of directors may from time to time determine and direct, and taken either absolutely or conditionally or as collateral security, or taken in satisfaction of debts due to the Company, or judgments recovered against any person or corporation in its behalf, or in security for the payment of the same
- 20 or of any part thereof; provided that the Company may take any additional security of any nature to further secure the re-payment of any liability to the Company or to further secure the sufficiency of any of the securities upon which the Company is above authorized to lend any of its funds.
- 25 2. The Company shall not be subject to liability as a shareholder with respect to any stock, other than bank stock, held by the Company as security for any debt due to the Company, but the person pledging such stock shall be considered as holding it, and shall be liable as a shareholder accordingly. Liability of Company as a stockholder.
- 30 11. The Company may invest or deposit such portion of its funds in foreign securities as is necessary for the maintenance of any foreign branch. Foreign securities.
12. The Company may hold such real estate as is bona fide mortgaged to it by way of security or conveyed to it in satisfaction of debts or of judgments recovered; provided always that all real estate so mortgaged or conveyed in security as aforesaid and acquired by the Company, shall be sold and disposed of within seven years from the time of its becoming the absolute property of the Company, otherwise it shall revert to the previous owner or to his heirs or assigns. Power to hold real estate. Proviso.
- 35 13. The Company may also acquire, hold, alienate, convey and mortgage any real estate required in part or wholly for the use and accommodation of the Company, but the annual value thereof in any province of Canada shall not exceed five thousand dollars, except in the province of Ontario, where it shall not exceed ten thousand dollars. Real estate required for Company's use.
- 45 14. The directors may, from time to time, set apart such proportion of the net profits as they shall deem safe and proper, for distribution as dividends or bonuses to shareholders and holders of participating policies, ascertaining the part thereof which has been derived from participating policies, and distinguishing such part from the profits derived from other sources; and the holders of participating policies shall be Dividends.
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