

and four million, two hundred and seven thousand, five hundred and fifty dollars (\$4,207,550) of common stock divided into four hundred and twenty thousand, seven hundred and fifty-five (420,755) shares of the par value of ten dollars (\$10) each.

All of the said debenture stock and bonds and all of the said preferred stock and common stock of the Company are now issued and outstanding except three hundred and eighteen thousand, eight hundred dollars (\$318,800) of second mortgage six per cent (6%) fifty-year gold bonds, hereinbefore referred to, which were surrendered and cancelled in 1937.

By a further scheme of arrangement entered into in 1941 it was provided that interest on the first mortgage income debenture stock and bonds of the said Company should be cumulative but should be payable (but only out of surplus net earnings and surplus capital after providing for certain specified expenditures and reserves) in such percentages of the principal amount and at such times as the Joint Committee established by the said 1941 scheme of arrangement might from time to time direct and that any arrears of interest not paid prior to the maturity or redemption of the said first mortgage income debenture stock and bonds of the Company should become payable with the principal amount thereof.

The said first mortgage income debenture stock and bonds mature and the principal thereof in the amount of ten million three hundred and eight thousand five hundred dollars (\$10,308,500) will become payable, unless previously redeemed, on December 31, 1959, together with all arrears of interest thereon.

As at June 2, 1958, after taking into account a payment in respect of interest made on that date, the interest accrued and unpaid on the said first mortgage income debenture stock and bonds of the Company amounted to five million, seven hundred and twenty-nine thousand, eight hundred and eight dollars (\$5,729,808).

The Company proposes to retire its said first mortgage income debenture stock and bonds, including the payment of all arrears of interest thereon, at or prior to the maturity thereof and also all of its presently outstanding preferred stock and is desirous of obtaining the funds required for that purpose and for payment of all costs, charges and expenses in connection therewith through the issuance and sale of one or more issues of bonds, debentures or other funded obligations and shares of its capital stock.