

8. The Company may, subject to any limitation or prohibition imposed by its by-laws, lend upon its own paid-up stock to an amount not exceeding in the aggregate of all such loans ten per cent of the Company's paid-up stock, but no such loan shall exceed eighty per cent of the then current market value of such stock. Loans upon Company's stock.

9. The Company may borrow money and receive money on deposit upon such terms as to interest, security, time of payment and otherwise as may be agreed on, and may issue its bonds, debentures and other securities for moneys borrowed; provided that until the first day of July, one thousand nine hundred and four, the total of the Company's liability to the public outstanding from time to time shall not exceed three times the amount paid up upon its capital stock, and after the said date shall not exceed four times the amount paid up upon its capital stock; but the amount of cash on hand, or deposited in chartered banks, belonging to the Company, shall be deducted from such total liability for the purpose of this section; provided also that the amount held on deposit shall not at any time exceed the aggregate amount of its then actually paid up and unimpaired capital, and of its cash actually in hand or deposited in any chartered bank in Canada, or elsewhere, and belonging to the Company. Moneys on deposit. Proviso. Proviso.

10. The loans or advances by the Company to its shareholders upon the security of their stock shall be deducted from the amount of the paid-up capital upon which the Company is authorized to borrow. Loans to shareholders.

11. The liabilities of any company assumed by the Company shall form part of the total liabilities of the Company to the public for the purposes of section 9 of this Act. Liabilities assumed.

12. The directors may, from time to time, by by-law, provide for the increase of the capital stock of the Company to any amount which they consider requisite. Increase of capital.

13. The directors may, from time to time, by by-law, provide for the decrease of the capital stock of the Company to any amount which they consider sufficient. Decrease of capital.

2. Such by-law shall declare the number of the shares of the stock so decreased and the allotment thereof or the rules by which the same is to be made. Rules respecting.

3. The liability of shareholders to persons who are, at the time the stock is decreased, creditors of the Company shall remain as though the stock had not been decreased. Liability to creditors.

14. No by-law for increasing or decreasing the capital stock of the Company shall have any force or effect unless and until it has been sanctioned by a vote of the shareholders present or represented by proxy at a general meeting of the Company duly called for considering such by-law, such shareholders holding not less than two-thirds of the amount paid up upon the capital stock of the Company represented at such meeting, and provided that such by-law has afterwards been confirmed by a certificate of the Minister of Finance given under the authority of the Treasury Board. By-laws affecting capital to be sanctioned.