

dates, shall mature on such date or dates, shall bear such rate or rates of interest, may be secured in such manner and to such extent, and shall be subject to such terms and provisions (including any provisions deemed necessary or desirable respecting redemption, sinking fund and conversion rights) as the directors of the Company may determine at or prior to the issuance of any of such bonds, debentures or other funded obligations respectively. 5

Increase of capital stock.

3. (1) The authorized capital stock of the Company is increased by 10

(a) five hundred and seventy-nine thousand two hundred and forty-five common shares of the par value of ten dollars each, ranking equally with the four hundred and twenty thousand seven hundred and fifty-five common shares now issued and outstanding, and 15

(b) two hundred and fifty thousand preferred shares of the par value of fifty dollars each.

(2) The Company may from time to time by by-law

(a) provide for the creation of classes of preferred shares with such preferences, privileges or other special rights, 20 restrictions, conditions or limitations whether with regard to dividends, capital, the right to convert such shares into common shares or otherwise as may be declared in the by-law; and

(b) subdivide into shares of lesser par value, consolidate 25 into shares of larger par value or re-classify any of the issued or unissued preferred shares or common shares and may amend, vary, alter or change any of the preferences, privileges, rights, restrictions, conditions or limitations attached to any of the issued 30 or unissued preferred shares:

Proviso.

Provided that no such by-law shall be valid or acted upon until it has been sanctioned by at least two-thirds of the votes cast at a special general meeting of the holders of common shares of the Company duly called for considering 35 the same and also, if such by-law affects the holders of preferred shares created by this Act and for the time being issued and outstanding, by at least two-thirds of the votes cast at a meeting of the holders of such preferred shares duly called for considering the same. 40

Terms of issue of preferred shares.

(3) The directors may by resolution prescribe, within the limits set forth in any by-law passed under subsection (2), the terms of issue and the precise preferences, privileges, rights, restrictions, conditions or limitations, whether with regard to dividends, capital or otherwise, of any class of 45 preferred shares.

Voting rights of preferred shareholders.

(4) Holders of any class of preferred shares shall not have any voting rights, other than those provided by by-law passed under subsection (2), nor shall they be entitled to