

thereof, so as what shall be so done be not inconsistent with the provisions contained in the Charter now in recital, or contained, or referred to in the said principal Act or Deed of Settlement : And it was thereby further provided, that it should be lawful for the Directors, for the time being, to borrow and owe such sums of money as the Company then was, or thereafter might be, authorized to borrow, by the provisions of the said principal Act, or any Act or Acts of the Parliament of Canada, amending, altering, or extending the same or by the provisions of any Act or Acts of the Parliament of the United Kingdom of Great Britain and Ireland, passed in pursuance of the said principal Act, for investing the Company with further powers and privileges, provided that such powers of borrowing were exercised in conformity with the requirements of the said Act or Acts, and also provided that such sums did not exceed at any period, the amount of the Capital of the Company, which for the time being should have been subscribed for and paid up, or be liable to be paid by the Shareholders : And it was thereby further provided that it should not be lawful for the said Company to carry on the business of a Banker, by keeping Cash of or for any person or persons payable on demand, or by borrowing, owing or taking up money on their Bill or Notes payable on demand, or at any less time than twelve months from the borrowing thereof, or for a less sum than £100 : And whereas it is expedient to amend the said Acts, and to make such further provisions as are hereinafter contained : Therefore Her Majesty, &c., enacts as follows :

Power of the Company to borrow.

I. The Company may borrow on the security of Mortgages, Bonds Notes, Bills, or any other securities they may be advised to issue, any sums authorized to be borrowed by them. 25

Restrictions on borrowing power.

II. All Notes and Bills issued by the Company shall be conformable to the provisions of the said Charter, and to the Law of England.

Form of Note or Bill

III. Every Promissory Note or Bill of Exchange made, drawn, accepted, or endorsed on behalf of the Company, shall be signed by two or more Directors and by the Secretary of the Company, and shall be stamped with the Seal of the Company. 30

Specialty Creditors not to have priority.

IV. No Creditor by Mortgage or Bond, shall by reason only of the nature of his security, have any priority over a Creditor by Promissory Note or Bill. 35

Power to increase capital.

V. The Directors may, with the sanction of the Company previously given in general Meetings, increase its Capital to such sum, as with the Capital already subscribed for, will make up in the whole three millions of pounds Sterling money of Great Britain. 40

Incidents of New Capital.

VI. Any Capital raised by the creation of New Shares shall be considered as part of the Original Capital, and shall be subject to the same provisions in all respects, whether with reference to the payment of Calls or the forfeiture of Shares on non-payment of Calls or otherwise, as if it had been part of the Original Capital. 45

Distribution of New Capital.

VII. The sum to be raised shall be divided into Shares of such amount as will conveniently allow the same to be apportioned among the then Shareholders, in proportion to the existing Shares, held by