

CAPITAL STOCK.

2. The Capital Stock of the Company shall consist of shares of \$50 each, and until otherwise ordered by the Shareholders, the Directors shall have power from time to time to create new stock and to determine the conditions and terms upon which the same shall be issued and payable, and the premium which shall be paid thereon, provided that all new stock shall be first offered to existing Shareholders, *pro rata*, according to statute, and that all premiums received shall be added to and form part of the Reserve Fund of the Company.

3. All persons, upon taking new shares in the Company, shall sign a Covenant, in the form of Schedule A to these Rules, or to the like effect, to observe the Rules; and all persons accepting transfers of stock shall thereby become subject to all the Rules and By-laws of the Company.

POWER TO BORROW AND RECEIVE
MONEY ON DEPOSIT.

4. The Directors are authorized from time to time to borrow money for the use of and on the assets of the Company, to receive money on deposit, and to prescribe the rate of interest to be paid therefor, and the regulations to which the same shall be subject; and the Directors are also authorized from time to time to issue and dispose of the Debentures of the Company, as provided by statute.