

PROSPECTUS AND RULES
OF
THE HAND-IN-HAND
INVESTMENT LOAN
AND
SAVINGS' SOCIETY.



Incorporated pursuant to Cap. 53, Con. Stat. of U. C.

SHARES \$100 EACH.

**OFFICE:—ROYAL HOTEL BLOCK, JAMES STREET,
HAMILTON, C. W.**

HAMILTON:

PRINTED AT THE "EVENING TIMES" OFFICE, CORNER KING AND HUGHSON STREETS.

1865.

THE HAND-IN-HAND
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Incorporated pursuant to Cap. 53, Con. Stat. of U. C.

SHARES \$100 EACH.

Directors and Officers.

JAMES WALKER, ESQ., PRESIDENT.

A. MACALLUM, ESQ., B. A., VICE-PRESIDENT.

JAS. A. SKINNER, ESQ.

THOMAS MUIR, ESQ.

THOS. MORRIS, ESQ.

JOHN DICKIE, ESQ., *Dundas.*

Solicitors.

MESSRS. CHISHOLM & LAZIER.

Bankers.

THE COMMERCIAL BANK OF CANADA.

Auditors.

ALEX. I. MCKENZIE, ESQ. AND W. F. FINDLAY, ESQ.

Treasurer and Secretary.

AMOS FAYRAM.

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PROSPECTUS.

"He did not need to tell the meeting that a great deal of the success of all associations of this kind depended, first, on correct calculations made on forming the Society, and next, and perhaps greatest of all, depended on the character and stability of those who were responsible for the management of the Society."—
[Extract from Speech of Richard Cobden, Esq., M. P. for Rochdale, England.]

The objects contemplated by the establishment of "THE HAND-IN-HAND INVESTMENT LOAN AND SAVINGS' SOCIETY" may be briefly stated to be as follows:—

1st. To afford to the industrial, commercial, professional, and other classes, an opportunity of investing their money, in small or large amounts, on security of Real Estate, without the anxiety, labour, and risk incident to private transactions; and to secure for them a higher rate of interest than can be obtained from Savings' Banks, or other usual modes of investment.

2nd. The loaning of money on equitable terms to those requiring it, for the purchase or improvement of real property, for the commencement or extension of business, for developing the Agricultural, Mining, and other resources of the country; or for any other purpose tending to the advantage of the borrower; and

3rd. The avoidance of those oppressive regulations which have proved so objectionable in dealing with other Loaning Societies, by offering inducements by which the investor and borrower may join hand-in-hand for their mutual profit and convenience, as may be seen from the following:—

Advantages to Investors.

No entrance fees or back payments, are required in order to receive immediately all the benefits of the Society.

Shares of \$100 each, to be realized in four years, may be taken up on any business day, and Stock subscriptions may be paid *at once*, or in monthly, quarterly, half-yearly, or yearly instalments. Interest at eight per cent. per annum *compounded half-yearly* will be *credited* on Stock subscriptions, which, with any Profit Dividends that may be declared thereon, will be paid on the maturity of the Shares. (See Rules 2 and 3.)

Stock subscriptions may be converted into those of a higher or lower denomination, and the payment of Stock subscriptions may be suspended in special cases of difficulty, without interest being forfeited, or fines incurred. (See Rules 8 and 9.)

Shares may be transferred, and Stock subscriptions, with interest thereon according to an increasing scale, may be withdrawn *on demand*—subject to certain discretionary powers reserved to the Directors. (See Rules 11 and 12.)

Advantages to Borrowers.

Loans to the *full* amount of the Shares taken will be made on security of Real Estate, which, with the interest thereon, may be repaid in monthly, quarterly, or half-yearly instalments, during the period of 2, 4, 6, or 8 years. The sum to be paid for interest is *reduced*, and the amount to be paid for principal is *increased* half-

yearly, so that Borrowers actually pay in less money to this Society than on ordinary Loan transactions at Seven per cent. (See Rules 22 and 23, and Remarks thereon, on last page of Cover.)

Loan re-payments may be increased or decreased, by a reduction or extension of the term of Loan, to suit the convenience of Borrowers; and mortgaged property may be redeemed without any charges being made for interest, &c., for the unexpired term of Loan. (See Rules 28 and 29.)

Except in special cases, the expenses to be paid on effecting Loans are fixed by Rules 35 and 37.

Advantages to Depositors.

Deposits of money, from \$2 and upwards, will be received at interest, varying from 5 to 7 per cent., according to the amount and time of withdrawal. Interest will be allowed from date of deposit to date of withdrawal, and be payable half-yearly.

The Society is prohibited, by its Act of Incorporation, from taking or retaining Deposits beyond *three-fourths* of the capital that it has actually invested in Real Estate securities, and these, together with all its other Assets, and the *subscribed* capital of the Shareholders, are pledged as security for Deposits. (See Rules 16 and 17.)

General Advantages.

The Shareholders have the entire control of the Society's operations, by their votes at the annual or special meetings of the Society, and are alone responsible for any losses that may be incurred, thus freeing Borrowers and Depositors from all liability in this respect, while the liability of the Shareholders is limited to the amount of Stock subscribed for.

All the Directors and Officers are required to hold certain amounts of Stock in the Society, and their duties are clearly defined by its Rules, while such Officers as might by any possibility bring losses upon the Society by their negligence or default, are required to give ample security for the faithful performance of their duties.

Investors, Borrowers, and Depositors will have the right at all times to inspect their accounts in the Books of the Society. (See Rule 18.)

Profit and loss will be declared, and full Reports of the Society's financial transactions and position will be published, yearly. (See Rules 20 and 30.)

Provision is made by Rule 21 for the formation of Contingent and Reserve Funds, by which the Society will attain and maintain regularity in the results of its operations.

Conclusion.

It is submitted that never before was such a combination of advantages offered by any one Society, and this it is believed will secure for "THE HAND-IN-HAND INVESTMENT LOAN AND SAVINGS' SOCIETY" the confidence and patronage both of the investing and borrowing portions of the community, and will also secure the approbation and support of all those who believe that such a Society, judiciously and energetically managed, will tend to improve the moral and social condition of the several classes for whose benefit it is more especially designed.

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R U L E S .

Name and Location of the Society, how Incorporated and its Objects.

1. This Society shall be called "THE HAND-IN-HAND INVESTMENT LOAN AND SAVINGS' SOCIETY," having its chief place of business in the City of Hamilton, C. W., and is incorporated pursuant to Cap. 53 of the Con'd. Stat's. of U. C. Its objects are to raise a fund to enable its Members to receive an advance *in full*, of one or more shares, for any purpose whatsoever, upon furnishing *first* mortgage or other equally good security on real estate, belonging to the member at the time of his borrowing money from the Society; to provide for those who do not require advances, a safe and remunerative method of investing small or large sums of money; and for all the purposes mentioned in the said Act.

Capital of the Society, and how paid.

2. The Capital Stock of the Society shall consist of the unadvanced shares of the members thereof, either fully paid up and invested as fixed or permanent capital, or in course of accumulation.

The Shares of the Society shall be of the value of \$100 each; and may be either paid at once *in full*, or by any of the following methods, viz:—

48	monthly payments of \$1.77 each, amounting together to	\$84.96
16	quarterly " " " "	84.48
8	half-yearly " " " "	83.60
4	yearly " " " "	82.00
Or,	One present payment of	73.10

Provided that the Directors shall have power from time to time, to charge a premium on new shares to be taken, such premiums to form a part of the general funds of the Society.

Interest and Profits to be allowed, and when Stock shall be realized.

3. Shareholders whose Stock may have been fully paid up and invested as fixed or permanent capital, shall be entitled to *receive* interest on the same at the rate of eight per cent. per annum, *payable half-yearly*, and such Profit Dividend as may be declared *payable yearly*. Shareholders paying their Stock by its present value of \$73.10, or by periodical instalments, shall be entitled to be *credited* with interest on their payments at the rate of eight per cent. per annum *compounded half-yearly*; and when such Stock shall have matured,*

* See example on last page of Cover, of the mode in which such Stock matures.

by the payment of the subscriptions, and the interest allotted thereon, it shall, together with such Profit Dividend as may have been declared on the same, be due and payable to the holders thereof, and may then either be withdrawn from the Society, according to the rules and regulations thereof, or invested therein as fixed or permanent capital.

Provided that in all cases where Shareholders may desire to withdraw their Stock on its maturity, one month's notice of such desire must be given (in writing) to the Secretary previous to such withdrawal, otherwise the Directors will consider that it is the intention of such Shareholders as do not give such notification to re-invest their Stock as Permanent Capital in the Society.

Register of Shareholders, and Fines connected therewith.

4. A Register shall be kept, in which shall be entered the christian name and surname, profession, trade, or business, and the place of abode of every member of the Society, and as often as any member shall change his residence, he shall, within one calendar month thereafter, give a written notice thereof to the Secretary, or forfeit fifty cents for each neglect.

Rules to be signed, and Election of mode how to pay Stock.

5. All persons upon taking Stock in the Society, shall sign the Rules and a Covenant in reference to the same, in a book to be kept for that purpose; and shall then elect the mode in which such Stock shall be paid up.

Stock may be bought, &c., by power of Attorney

6. Persons residing out of Hamilton, desirous of purchasing, transferring, or subscribing for Stock shall be allowed to do so by power of Attorney—blank forms for which may be had from the Secretary.

When Stock Subscriptions to commence, and how long to continue.

7. The periodical or other subscription for each unadvanced share, shall commence and be paid on and from the first business day of the month in or next after which the member shall be admitted in respect of such share, and the *periodical* subscriptions shall be continued for the term of four years, certain, except as hereinafter provided.

Subscriptions on Stock may be converted or compounded.

8. The periodical subscriptions on Stock may, with the permission of the Directors, and at the end of any half-year of membership, be converted into those of a higher or lower denomination, or may be compounded into one present payment. Provided that any member desiring such alteration, shall give (in writing) one month's notice thereof to the Secretary.

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Subscriptions on Stock may be suspended.

9. If from any unavoidable cause any member of the Society should be unable to continue his subscriptions on unadvanced shares, the Directors shall have power to grant him a suspension of payments for any period of time not exceeding twelve months, as he and the Directors may agree, during which time no forfeiture of interest or fines shall be incurred for such non-payments. Provided always, that at the expiration of the time agreed upon for suspension of payments, he shall resume and continue paying for the same length of time as the suspension (over and above the four years fixed upon for the realization of his shares), any number of subscriptions which were excused or granted to him by such suspension of payments.

Where and when moneys shall be paid.

10. Share subscriptions, loan payments, fines, and other charges or dues, shall be paid at the Society's office, on the *first business day of every month*, or to any of the Society's agents duly authorized to receive the same, three days previously thereto, until otherwise ordered by the Directors.

Shares may be Transferred.

11. Any Shareholder may transfer his shares. Provided always, that no transfer shall take effect unless and until it be approved of by the Directors, and until the transferee shall have given the particulars required for the Register of Shareholders, and shall have signed the Rules and Covenant, and such transferee shall *then* be entitled to all the privileges of the original Shareholder.

Shares may be withdrawn, subject to provision for the Society's Debts, &c.

12. Any member not having an advance, or whose Stock has not become fixed or permanent capital, being desirous of withdrawing from the Society one or more shares, shall be allowed to do so (subject to the provisos hereinafter mentioned) at any time during office hours, and shall receive back the net amount of his subscriptions paid in, with interest thereon calculated and compounded half-yearly, according to the following

TABLE OF INTEREST ALLOWED ON WITHDRAWALS.

If subscriptions be withdrawn at the end of 1st half-year, no interest allowed.

"	"	"	2nd	"	5 per cent. per annum.
"	"	"	3rd	"	5½
"	"	"	4th	"	6
"	"	"	5th	"	6½
"	"	"	6th	"	7
"	"	"	7th	"	7½
"	"	"	8th	"	8

and

Profits. Provided that any fines, forfeits, fees, or interest that may be due or unpaid shall be deducted; and that members withdrawing their subscriptions during the *currency* of any half-year of membership,

shall only have interest allowed up to the end of the previous half-year, calculated on the amount paid in up to the same period; and provided always, that ample provision shall be made for the payment of debts due or obligations entered into by the Society, before any share can be withdrawn; and that under all circumstances, the sums paid on withdrawal of shares before being fully realized, shall in no case exceed the income derived from the loan re-payments; and that withdrawn shares (not fully paid up) shall be paid out according to the number and order of demands on a list to be kept for that purpose, which list shall be closed monthly, each member then receiving the due proportion of his subscriptions paid in, so that each member withdrawing shall be simultaneously accommodated with a portion of his shares.

Special Withdrawals and Transfers in case of Death or Insanity.

13. In case of the death or insanity of a member before receiving an advance, or whose stock has not become fixed or permanent capital, and upon application being made within six months from such death or insanity, by the legal representative of such deceased or insane member to withdraw from the Society, such representative shall be entitled to a preference before ordinary members in withdrawing within such time, and to receive back the amount of subscriptions on shares which such deceased or insane member may have paid to the Society, less all fines due and unpaid by the insane or deceased member at the time of his seizure or death, with the interest thereon and subject to the provisos mentioned in Rule 12. Or in case of the death or insanity of any member, the legatee or legal representative of such deceased or insane member may, within six months from such death or insanity, become entitled to the privileges of an original shareholder, subject to the approval of the Directors, by signing the Rules and furnishing the Secretary with his name—in full—profession, trade, or business, and place of abode, and at the same time exhibiting the Will or Probate thereof, or grant of Letters of Administration, or such other document as may be required for the inspection and to the satisfaction of the Directors.

Society not responsible as to Trust Funds.

14. The Society shall not be bound to see to the execution of any Trust, whether expressed, implied, or constructive, to which any share or shares of its Stock may be subject; and the receipt of the party in whose name any such share or shares stand in the books of the Society, or if such share or shares stand in the names of more parties than one the receipt of one of the parties shall, from time to time, be a sufficient discharge to the Society for any payment of any kind made in respect of such share or shares, notwithstanding any Trust to which such share or shares may then be subject, and whether or not the Society has had notice of such Trust, and the Society shall not be bound to see to the application of the money paid upon such receipt.

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Fines for non-payment of Share subscriptions, Loan re-payments, &c., with power to cancel Shares, or to sue for the sum due, &c.

15. The fines for the non-payment of share subscriptions or loan re-payments on the day on which the same are made payable by the Rules of the Society, or of any other moneys whatsoever due and payable by any member, shall be at the rate of *one cent on the dollar per month*, on the amount due, and the same shall accrue and be payable immediately after the monthly subscription day, and shall be chargeable to such member until all arrears are paid. When the fines on unadvanced shares shall equal the amount of subscriptions paid thereon, such share or shares, and the interest of any member in respect thereof, shall be forfeited to the Society. Provided that after any share shall be in default for the term of six months, the Directors shall have power, either to consider the share or shares as withdrawn under Rule 12, and to deal with the amount payable on such withdrawal, as a Deposit with the Society at such interest and on such conditions as may from time to time, be allowed and fixed upon by the Directors; or to recover from such Shareholder the amount due to the Society, by an action of debt in any Court of competent jurisdiction. Provided also that all moneys paid by any member, or which may be in the possession of the Society, belonging to any member who may be in arrear, shall be applied to his account in such manner as the Directors may from time to time direct.

Power to Directors to borrow or receive money on deposit, and to loan or invest the same ; with Proviso as to amount of Liabilities, and fine for exceeding the same.

16. The Directors are hereby authorized to borrow money for the use, and on the Assets of the Society, to receive money on deposit, in small or large sums, and to pay such interest therefor, and under such regulations as they may, from time to time, deem advisable; and to loan or invest such moneys either on *first* mortgage or other equally good security on real estate, or in the Stocks of any of the Chartered Banks or other public securities of the Province; and such moneys shall not be lent, invested, dealt with, or used in any other manner or way whatever, except only that they may be deposited in any of the Chartered Banks of the Province, at interest or without interest, but subject always to be at any time drawn out by Cheque, and without previous notice. Provided that the total liabilities of the Society shall never exceed *three-fourths* of the amount of that portion of its capital *actually invested in real securities*; and that a penalty or fine of Ten Dollars for each day that any increase of such proportion of liabilities may be permitted or continued, shall be inflicted on every Director in office at the time of such increase.

Monthly Statements to be published of the amounts invested and borrowed.

17. For the information and satisfaction of Shareholders and Depositors, it shall be obligatory on the Treasurer and Secretary, under a penalty or fine of Five Dollars for each day's neglect thereof,

to exhibit in some conspicuous place in the Society's office, not later than one o'clock, P. M., on the first business day of every month, and to continue the same in such place for at least one month, a statement duly certified by the Auditors, showing distinctly what amount of the Society's capital is invested in real securities; what amount of money is owing for Loans or Deposits, made to or with the Society; and what proportion these liabilities bear to the capital invested; such statement to be made up to the close of the preceding month.

Members, &c., may inspect their Accounts, and Pass Books to be examined by the Auditors.

18. It shall be obligatory on the Treasurer and Secretary—under a penalty or fine of Two Dollars for every refusal so to do—to allow, during office hours, each Shareholder, Depositor or Borrower, or his Agent, authorized in writing, to see his account as entered on the Books of the Society, and to compare therewith the sums as entered on his Pass Book. Provided that every Shareholder, Depositor or Borrower shall—under a penalty or fine of 25 cents for neglecting so to do—leave his Pass Book with the Secretary for at least the space of ten days prior to the close of each financial year, for the purpose of its being examined and (if found correct) certified by the Auditors.

Application of the Capital of the Society, and how Surplus Funds to be dealt with.

19. All moneys which shall from time to time be subscribed, or paid, or given to or for the use or benefit of the Society, or which shall in any wise belong to the Society, shall, after providing for the expenses and liabilities of the Society, be appropriated and applied in paying off such shares as shall have become due and payable to the holders thereof; in the purchase of such shares as members may desire to withdraw; in loans or advances to members entitling themselves thereto, and such portion of the capital as the Directors may think necessary for promoting the interests of the Society, may be invested in the Stocks of any of the Chartered Banks or other public securities of the Province. If at any time such an amount of the Society's capital is unemployed, as would, in the opinion of the Directors, prevent the realization of the rate of interest guaranteed to the Shareholders, the Directors shall have power, after giving notice (by Circular to every member entitled thereto) of at least fourteen days of their intention to exercise such power, to require those members whose shares may not have been fully paid up and invested as fixed or permanent capital, or who may not be under a demand or penalty to withdraw, or who may not have received an advance, to withdraw from the Society, the subscriptions paid in on one or more shares, together with the interest and profits allotted thereon, and any member failing to do so shall cease thereafter to receive interest on the amount so required to be withdrawn, and such amount shall be held by the Society only at such member's risk. Provided that it shall be obligatory on the Directors, to require such members to withdraw

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in the order in which their names stand on the books of the Society, beginning with the last entered; and that no member shall be required to withdraw on a second share until every other member (those herein referred to excepted) shall have withdrawn on one share.

Profit and Loss—when ascertained and how disposed of.

20. The financial position of the Society shall be ascertained up to the thirtieth day of April in each year, and the profits and losses (after providing for the eight per cent. interest to be paid or credited on Stock as per Rule 3) shall to that date be apportioned equitably and equally between the investing members, in proportion to the value of their unadvanced shares, and the time for which they shall have been members in respect thereof. After provision, if any, is made for the contingent and reserve funds, (as stated in Rule 21) such portion of the *net profits*, thus ascertained and apportioned, as shall appertain to shares which shall not have been fully paid up, shall be placed to the *credit* of such shares, as declared profits, to be payable together with the principal sum on their becoming due (according to Rule 3); and such portion of the *net profits*, thus ascertained and apportioned, as shall appertain to shares which shall have been fully paid up and invested as fixed or permanent capital in the Society, shall be payable as declared profits to the holder of such share or shares, at such time and place as may be fixed upon by the Directors. And on shares becoming due during the *currency* of any financial year the same proportion of profits shall be payable, or losses deducted, as would have been paid or deducted at the date of the previous annual statement, unless, in the opinion of the Directors, there are circumstances which render advisable an increased or decreased amount. Provided always, that Shareholders withdrawing from the Society, and whose shares may be paid off as hereinbefore provided, shall have no further claim on the Society's contingent or reserve funds, even should such funds, or any part thereof, not be required for the purposes intended by such reservation.

Contingent and Reserve Funds.

21. If the Directors shall consider it for the advantage and well-being of the Society, to set apart a portion of the ascertained profits as a Contingent Fund, they shall have the power to do so, and the same shall form a part of the general funds of the Society; and the Directors may, from time to time as they may see fit, set aside a portion of the profits of all the Permanent Shares, to form and increase with its profits a Reserve Fund, which shall belong to the holders of Permanent Shares for the time being, in proportion to the number of their shares, and such fund shall be invested and re-invested in like manner as the other funds of the Society, and the same or any part thereof may, if the Directors see fit, from time to time or at any time, be either retained as such Reserve Fund; or divided and paid

among the holders of Permanent Shares for the time being, in proportion to the number of their shares. The Directors shall from time to time, upon the conversion into Permanent Capital of any share hereafter to mature, deduct and retain out of the profits, payable in respect of such share at the time of such conversion, and add to the Reserve Fund a sum bearing, as near as may be, the same proportion to the *par* value of such share as the then existing Reserve Fund shall bear to the *par* value of the whole number of the then existing Permanent Shares, and an equitable rate for this purpose shall be struck by the Directors, when and as often as they may deem necessary.

Mode of obtaining an advance, and fine for not completing the security.

22. Any member entitling himself to an advance of a share or shares, shall give notice in writing to the Secretary, of the situation, tenure, description, and full particulars of the property proposed to be mortgaged by such member to the Society, in such form as the Directors shall prescribe; and shall also deposit with the Secretary all necessary title deeds and documents relating thereto, and a reasonable sum on account of the Solicitor's and Appraiser's fees and other charges, which shall in all cases be paid by the member on whose account they may be incurred. Should any member decline to take up the amount awarded to him, or fail to complete the necessary securities to the satisfaction of the Directors, within one month from the date of the award, (provided such award be made within one month from the date of application) such member shall pay a fine of one dollar per share, if required by the Directors, and the Directors may then otherwise dispose of the money granted to such member.

Advances, how made and on what terms.

23. The Directors shall have power to regulate the amounts applicable for advances, the time and manner of making the same, the interest payable thereon, and the time and amount of the re-payments in respect thereof. The Directors shall only accept property situated within the limits of that part of the Province formerly called Upper Canada, as security for loans. The Society shall have a first lien on all shares held by any member indebted or liable to the Society for the amount of such debt or liability. The re-payments on advanced shares shall be for a fixed period in respect of each share, and shall not be liable to the contingency of losses or profits in the business of the Society, and after a share has been advanced to any member, he shall take no part in the management of the affairs of the Society in respect thereof. Borrowers shall be allowed the option, when effecting loans, of making their re-payments, *monthly, quarterly, or half-yearly*, to suit their convenience, at the rates specified in the following

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TABLE OF RE-PAYMENTS FOR A LOAN OF \$100 AND 10 PER CENT.
INTEREST THEREON.*

Made of Payment.	For Two Years.	For Four Years.	For Six Years.	For Eight Years.
Monthly,	\$4 70	\$2 58	\$1 88	\$1 54
Quarterly,	14 24	7 82	5 70	4 67
Half-Yearly,	28 91	15 87	11 57	9 48

Provided that no member shall be entitled or allowed to receive by way of loan or advance, more than the amount of his share or shares subscribed for, nor shall advances be made or continued for any longer period than ten years, nor shall advances be made beyond one-third of the cash value of the property offered as security, and in no case shall any member receive by way of advance more than \$5.000.

Powers to be taken by Mortgage Deeds, &c.,

24. All Mortgage Deeds and Securities to the Society, shall be taken in the names of the President and Treasurer for the time being, and shall be prepared in such form, and shall contain such provisoes, covenants, and agreements, as the Solicitors for the Society shall think necessary, with the approval of the Directors; and that in case the Mortgagor shall at any time or times, neglect or refuse to pay when due, his loan re-payments, fines, fees, fire insurance, ground rent, or other payments to which the mortgaged property may be liable, for the space of three months successively, then the Directors shall have power, either with or without notice to or the concurrence of the Mortgagor, to enter into possession of and to lease the mortgaged property, and to appoint a person or persons with such a salary or commission as they may think proper, to collect the rents and profits of such mortgaged property, with the same power of enforcing payment as the Mortgagor himself may possess; they shall also have power on such neglect or refusal, either with or without notice to or the concurrence of the Mortgagor, to sell and dispose of such mortgaged property by public auction, or private sale, when and how and under such stipulations as the Directors may think proper. And that in case the Mortgagor shall be himself the actual occupier of such mortgaged property, then the mortgage deed shall contain stipulations that he shall become tenant at will to the Society, in respect of his mortgaged property, which shall be chargeable with the monthly, quarterly, or half-yearly loan re-payments (as the case may be) in discharge thereof, as ordinary rent, and for any arrears of which re-payments the Directors shall have the power to distrain as between landlord and tenant. And that the Directors shall have power to make such arrangements for the repairing or keeping in repair, or for finishing or putting in order any buildings or other improvements, or

*See example on last page of cover, showing the mode in which the charge for interest is reduced half-yearly.

for taking care of and managing generally the mortgaged property, as they shall deem expedient; and all charges or expenses attending the same shall be paid by the Mortgagor, and shall be a charge upon the mortgaged property. And that when any sale shall take place of any property mortgaged to the Society, the Directors shall have the power to retain and apply so much of the purchase money as will be necessary to pay the same sum as would be required to redeem the property, pursuant to the provisions contained in these Rules, together with all other payments, moneys, costs, and expenses due to the Society, and to pay the surplus thereof, if any, to the Mortgagor, or whoever shall be entitled to receive the same; and that in case the rents and profits of the mortgaged property, and produce of the sale thereof, after deducting costs, charges, and expenses, be not sufficient to pay the amount of loan re-payments, fines, and other payments in arrear, and the balance of Principal then owing pursuant to these Rules, the Mortgagor so in default shall immediately pay the balance due thereon to the Society. And that all or any buildings on property secured to the Society, shall be insured by the Mortgagor, if required by the Directors, in such sum and office as they shall think advisable, and the policy or policies shall be in the names of, or shall be assigned over to the President and Treasurer of the Society. In case any member having executed a mortgage to the Society, shall make default in insuring and keeping insured the mortgaged premises, or in payment of the ground rent, or shall omit to make other payments to which the said property may be subject, pursuant to the covenant in the Mortgage Deed, the Directors shall be at liberty from time to time, to make such payments as may be necessary to revive the insurance, or effect a fresh insurance, or to satisfy the ground rent or other payments; and until re-payment of the sum or sums so expended the property under mortgage shall stand charged with the amount or amounts so expended, and the Mortgagor shall be fined one per cent. per month on the amount so expended, so long as it continues unpaid; but it shall not be incumbent on the Directors to make any such payments; nor shall the Society be responsible for any consequences arising from any omission to make such payments.

Necessary particulars to be given for effecting Fire Insurance; and Fire Inspector may be Appointed.

25. Every member on or before executing a mortgage to the Society shall, if required by the Directors, give to the Secretary a written statement, of all such particulars relating to the property comprised in such mortgage, as are usually required by Insurance Companies; and if at any subsequent period any trade shall be commenced, or erection made, or other matter or thing shall take place, which would in any way affect the validity of the Policy of Insurance, the like statement shall be given; and the member neglecting to give such statement shall pay a fine at the discretion of the Directors of

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not more than twenty-five cents, but not less than five cents per share per week, for the time such neglect may be continued; and the Directors may, if they think fit to do so, at least once in every year, appoint some competent person to obtain all the information he can with respect to trades, &c., carried on in and about the mortgaged premises, and report to the Directors accordingly.

Powers of Directors in case of Fire.

26. In case of damage by fire the Directors shall receive from the Insurance Office the amount payable in respect of such damage; and the receipt of the President and Treasurer of the Society, shall be a sufficient discharge to the Insurance Office for the money therein expressed to be received; and the Directors shall have full power to settle and adjust with the Insurance Office any question relating to such insurance, and to accept the amount to be paid by the Insurance Office in respect to the damage done to the premises; or to make such arrangements with the Insurance Office as to the rebuilding or repairing of the said premises, or relating thereto, as the Directors shall think reasonable. The Directors, shall, at their discretion either lay out the money which shall be received from any Insurance Office as aforesaid, or any part thereof, in repairing damage done to the premises; or retain and apply the same, or such part thereof as they may think fit, in or towards payment and satisfaction of the amount which shall be due from the Mortgagor to the Society, and pay the surplus, if any, to the Mortgagor or whoever shall be entitled to receive the same.

Borrowers desiring to sell or exchange mortgaged property.

27. If any member who shall have executed a mortgage to the Society, shall *desire to sell the mortgaged property* subject to the mortgage, and to become released from all future liability to the Society in respect thereof, he shall be at liberty to do so, with the consent of the Directors, upon first duly transferring the shares secured by such mortgage, to the intended purchaser, in manner provided by these Rules; and upon such transfer being completed, and all arrears due to the Society, from the Mortgagor, being paid, and the conveyance to the purchaser executed, such purchaser shall thenceforth become liable to pay all re-payments payable in respect of such shares; and the Directors may then grant to the original Mortgagor, and at his cost and charges, a release from all future liability in respect thereof. It shall be lawful for any member, having executed a mortgage in favour of the Society, to substitute, at his own expense, but subject to the approval of the Directors, any other Real Estate, as security to the Society, in lieu of the property originally mortgaged.

Terms for the re-payment of Loans may be altered.

28. Should any member desire at the end of any half-year of membership, to reduce the period for which the loan was originally

granted to him, he may be allowed to do so, by a consequent increase in his periodical re-payments; or if any member at the expiration of one-fourth of the term of loan first agreed upon, or at the end of any subsequent half-year of membership, should desire an *extension of the term* of loan, and a consequent decrease in his periodical re-payments, such extension may be granted to him. Provided that any member desiring such alteration, shall give (in writing) one month's notice thereof to the Secretary, and that the consent of the Directors shall be necessary to such alteration.

Terms on which Mortgages may be redeemed and discharged.

29. If any member shall desire to redeem his mortgaged property, *before the expiration of the full term* for which the loan was taken, he shall be allowed to do so by giving three month's notice (in writing) to the Secretary, of such desire, such notice to expire with any half-year of membership, by paying all re-payments, fines, fees, and other charges due up to and at the time of such redemption, and on payment of the balance of the principal sum then owing pursuant to these Rules. On the redemption of any security by a member, or when all re-payments have been made by him on advances pursuant to these Rules, a full discharge of such security shall be executed, and the same shall be delivered to such member, with all other deeds and documents deposited by him in connexion with such security; and such discharge shall be prepared and the necessary signatures obtained, and any matters relating thereto transacted, by the Solicitors to the Society, at the expense of such member.

Annual and Special Meetings, when and where to be held, and what business may be done

30. An Annual General Meeting of members, being holders of unadvanced shares, and entitled to vote thereon, shall be held at the office of the Society, at 12 o'clock noon, on the *Third Wednesday in the month of June*, 1866, and thereafter at the same time and place in each year, or at such other time and place in the City of Hamilton, as the Directors may appoint, for the purpose of electing Directors for the ensuing year, and transacting any other business not requiring special notice as hereinafter provided; and at such meeting the Directors shall exhibit a general statement (duly audited as hereinafter provided) of the funds, effects, liabilities, and accounts; also of the income and expenditure of the Society, for the past financial year, a copy of which statement, together with a copy of the Directors' intended report, shall be sent by post or otherwise to every member (as above qualified,) at least six clear days before such meeting. Provided that at each annual meeting, the members shall have the right to nominate by motion—to be duly seconded and carried, three or more members (having consented and being eligible) as candidates for election by the Directors as Auditors for the ensuing year. A Special General

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Meeting of members, being holders of unadvanced shares and entitled to vote thereon, may be held on requisition made and addressed to the President and Directors to convene such meeting, such requisition to be signed by fifteen or more members (as above qualified,) and shall state the object for which such meeting is required, and within fifteen days after such requisition being presented, the Directors shall convene such meeting, by Circular (duly addressed to each member entitled thereto) through the Post Office, at least six clear days previous to the time for holding such meeting, but no business shall be transacted not mentioned in the requisition calling such meeting. The expenses of any special general meeting of the members, shall be borne by the members signing the requisition, unless the members present at such meeting shall determine and order that they shall be paid out of the funds of the Society. Any annual or special meeting of the members may be adjourned, from time to time, and such business may be transacted at such adjourned meetings, as might have been transacted at the original meetings from which the adjournment took place.

Mode of Voting, &c., at Meetings of Members.

31. All questions at the annual or special meetings of the Society, except as provided by Rules 32, 33, 39 and 40, shall be decided by a majority of members holding unadvanced shares, and by ballot if demanded, and any such member shall be entitled to vote on any question (not affecting his individual interest or conduct) either in person, or represented by any other such member as his proxy according to the following scale, viz:—*one vote for each share up to ten, and one additional vote for every two shares over ten and up to twenty, and a further additional vote for every five shares over twenty.* Provided that the chairman of any such meeting shall have a casting vote, in addition to his vote or votes as a member, and that no member shall be entitled to more than twenty votes in his own right, nor shall act as proxy for more than five other members; and that no member shall vote on any question in respect of any share, within three months after he shall have been admitted in respect thereof, or on which the subscriptions for three months have not been paid; and that no member who was in arrears with his subscriptions or other payments at the close of a financial year, shall be entitled to vote at the annual meeting next ensuing; nor shall any member in arrears at the date of a special meeting be entitled to vote at such meeting.

Election of Directors.

32. The members shall, at the first meeting of the Society, elect (by ballot) six Directors who shall hold five or more unadvanced shares each, to control and manage the affairs of the Society, in accordance with the Rules and Regulations thereof. The Directors elected at the formation of the Society, or hereafter to be elected, shall continue in office until the election of their successors, unless in case

of disqualification, or resignation. The Directors shall be elected for the term of three years, two to retire annually, who shall *not* be eligible for re-election until they have been out of office for a year; the two who shall retire at the first and second annual meetings of the Society, to be decided by lot, as the Directors may determine. If any Director shall die or resign, or become incapable to act as a Director, or shall become bankrupt or insolvent, or compound with his creditors, or cease to hold the required number of unadvanced shares, or be removed from his office by a resolution of a special general meeting of the members, or shall for three months successively be absent from the meetings of the Directors without the consent of his co-Directors, he shall thereupon be disqualified and cease to be a Director of the Society, and his office shall be thereby declared vacant, and the Directors shall, at their first meeting after any such vacancy in their own body (during the official year) has occurred, fill up such vacancy by the election of a duly qualified member of the Society; and the Director so elected shall retire at the next annual meeting of the Society, but shall be eligible for re-election as a Director, *only* for the then unexpired term of office of the Director in whose stead he was first elected by the Directors.

Duties of Directors, their Remuneration and Indemnity.

33. The Directors—three of whom shall form a quorum—shall meet for the transaction of business, at stated monthly periods as they may determine, or oftener if necessary, at the call of the President and Secretary. The Directors shall, at their first meeting, and when necessary, in each year, choose from among themselves a President and Vice-President, who shall have the powers and perform the duties usual to such offices, but if the President and Vice-President shall be absent from any meeting of the Directors or of the Society, then any other Director present may be elected as the chairman for that meeting only. At every meeting of the Directors every question to be considered and discussed shall be submitted in writing through the President, and shall be decided by a majority of the Directors present, the President having a casting vote in addition to his vote as a Director. No Director shall hold the office of Treasurer and Secretary, Solicitor, Auditor, Appraiser or Agent to the Society, nor shall any Director (as such) become a borrower from its funds, and no Director shall take part in any discussion, or vote on any question in which he shall be personally interested. The Directors may make such By-Laws and Regulations for the guidance of the Society, its Officers, Agents and Shareholders, as they may deem necessary, provided that such By-Laws and Regulations do not contravene, and are not inconsistent with the General Rules, or the Act under which the Society is incorporated. The Directors shall open an account with any of the Chartered Banks doing business in the City of Hamilton, and may also open an account with any Banking Company in Great Britain, in

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the names of the President and Treasurer of the Society for the time being, and may make such arrangements for the deposit of moneys and securities belonging to the Society, and for conducting any financial matters, as they may from time to time deem necessary. The Directors shall see that all payments on behalf of the Society, of \$20 and upwards, are made by Cheque on its Bankers, signed by the President (or, in case of his absence or illness, by the Vice-President) and by the Treasurer, or by a Director duly authorized by a resolution of the Directors for that purpose, and by the Treasurer. The Directors shall see that all deeds, writings, and securities to the Society, shall be made and taken in the names of the President and Treasurer for the time being, and that the same are lodged in a box or boxes, each having two different locks and keys, one key to be kept by the President and the other by the Treasurer, and that such box or boxes are deposited at the Society's Bankers, or elsewhere as the Directors may determine, and that a list of the deeds, etc., contained therein, shall be kept by the Secretary in the books of the Society. The Directors may, from time to time, appoint such members as they think proper to be the officers and agents of the Society, and may grant such salaries and emoluments as they deem fit, and may, from time to time, discharge such officers or agents as they may find necessary, but no officer or agent (as such) shall be allowed to borrow from the funds of the Society. Provided that neither the Treasurer and Secretary, nor Solicitors, shall be removed from their respective offices, except for misconduct or inability, and then only at a meeting specially convened for that purpose, and by a majority of the whole of the Directors; and that either of the said officers, having been removed from office by the Directors, shall be at liberty to appeal to a special meeting of the members, to be convened for that purpose, in accordance with and subject to the provisions relating to special meetings, contained in Rule 30, and he shall be re-instated in office by the Directors, provided that three-fourths of the votes properly cast by the members present at such meeting shall be in favour of such re-instatement. The Directors shall see that minutes of all the proceedings of every meeting of the Directors and of the Society, are correctly entered in a book to be kept for that purpose, and the minutes so entered shall be signed in the book by the Director who was in the chair. At every meeting of the Directors, immediately after the minutes of their last meeting shall have been read and signed, the Bankers' book shall be produced and inspected, and the amounts received and paid on Capital and Deposit accounts since their last meeting, and the balances then remaining in the hands of the Bankers and Treasurer shall be entered in the Minute Book, after which applications for advances shall be recorded and considered, and any other matter relating to the Society's business may then be entertained and determined upon as the Directors may think best. The Directors shall also, from time to time, inspect or cause to be inspected, the books and accounts kept by the Treasurer

and Secretary. The Directors shall, if a resolution be passed by them to such effect, be paid out of the funds of the Society, the sum of \$2 each, for each meeting they may respectively have attended on the business of the Society; and they shall be and are hereby indemnified out of the funds of the Society, from all expenses, damages, charges, costs, and losses which they may incur, or be put to, in reference to the formation, conduct and management of the Society; and they shall not be accountable for losses unless incurred by reason of their own respective negligence or default. Provided that no Director shall be liable for the fine inflicted by Rule 16, from the date on which he may lodge with the Secretary for record on the Minute Book of the Society, his written protest against any violation of the said Rule, and such Director may publish such protest (if in his opinion the circumstances of the case require it) in one or more daily Newspapers published in or near to the Society's place of business. Nor shall any Director be liable for any losses incurred through any violation or neglect of these Rules by his co-Directors, during his inability to attend to the business of the Society, by sickness or necessary absence from the City.

Treasurer and Secretary, his duties, &c.

34. A Treasurer shall be appointed who shall also perform the duties of Secretary; who shall hold ten or more unadvanced shares, and who shall furnish security to the satisfaction of the Directors, for the due performance of his duties, for which he shall receive such compensation as the Directors may think reasonable. The Treasurer and Secretary shall be empowered to receive and pay all moneys for or on behalf of the Society, and his receipt shall in all cases (except in the case stated in Rule 26) be a sufficient discharge. He shall keep a Cash Book, wherein all monies received and paid shall be regularly and correctly entered, and which he shall lay before the Directors at their regular meetings, together with the Cheque, Bank, and any other books that they may require, and he shall deposit with the Society's Banker's such moneys as may be in his hands, when they amount to \$100 or upwards; he shall attend all meetings of the Directors or members of the Society, enter minutes of all resolutions and proceedings in the minute book, and shall keep all the accounts in order in proper books to be provided for that purpose, and prepare the same or a balance sheet thereof for the inspection and signature of the Auditors; he shall summon the Directors to all meetings (by circular) and issue all circulars and notices to the members which may from time to time be ordered by the Directors; and he shall conduct the correspondence of the Society, and perform all other duties that the nature of his office may require. It shall be incumbent on the Treasurer and Secretary, under a fine or penalty of Five Dollars for each day's neglect thereof, to object and protest against any violation of Rule 16, by recording a minute of such objection and protest in the minute book of the Society, and (if in his opinion the circum-

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stances of the case require it) he may publish the same in one or more daily Newspapers, published in or near to the Society's place of business. The Treasurer and Secretary shall be and is hereby indemnified out of the funds of the Society, against all losses, costs, charges, damages, and expenses which he may incur, or be put to, in, or about the execution of his official duties, and he shall not be accountable for losses unless incurred by reason of his own negligence or default.

Solicitors, their duties, &c.

35. One or more Solicitors shall be appointed, who shall hold ten or more unadvanced shares, and who shall furnish security to the satisfaction of the Directors, by which they shall be bound to make good to the Society, any losses incurred (through their negligence or default) by any titles or securities proving defective, which they (in writing) may have advised the Directors, were good and sufficient for the purposes of the Society. The Solicitors shall transact such necessary business of the Society as the Directors may require, for which they shall receive a fair and reasonable allowance; they shall also investigate the title to any property offered by any member as security to the Society, and shall in all cases render to the Directors a report, (in writing,) whether such title be deemed by them good and sufficient for the purposes of the Society; and they shall prepare all necessary mortgage deeds and instruments in favour of the Society, the charges and allowances for which and advising on titles, shall (subject to revision by the Directors at any time) be according to the following scale, viz.—

Loans of \$400 and under..	\$6.00	Loans of \$1,100 or 1,200..	11.00
“ 500 or 600...	7.25	“ 1,300 or 1,400..	12.00
“ 700 or 800...	8.50	“ 1,500 or 1,600..	13.00
“ 900 or 1,000...	9.75	“ 1,700 to 2,000..	14.00

And one quarter per cent. additional on excess beyond \$2,000.

The above charges will include all services and attendances connected with a Loan, when a good and complete Title is offered to the Society.

The Solicitors shall be furnished by the Borrower with all necessary abstracts of titles and documents necessary to make titles perfect, or the Borrower shall pay for their being obtained by the Solicitors or Appraisers, and in the event of the security not being completed to the satisfaction of the Directors, the Society or its Officers shall have a first lien on the papers for any charges necessarily incurred in connection therewith.

The Solicitors shall furnish the Treasurer and Secretary with a schedule of the deeds and documents laid before them, and to be retained by the President and Treasurer, relating to the property secured to the Society, and also a written statement of all conditions contained in such deeds, by the non-observance of which the Society might be prejudiced.

Auditors, their duties, &c.

36. Two Auditors shall be appointed annually by the Directors at their first meeting, who shall hold three or more unadvanced shares each, and whose duty it shall be, and who shall have the right at all times, to examine and audit the Treasurer and Secretary's books and accounts, and all documents having reference, financially or otherwise, to the business of the Society; and they shall certify and submit a full and detailed statement of the Society's affairs to the Directors, not later than the first Wednesday in the month of June in each year; they shall also duly certify the statement ordered by Rule 17, or forfeit Five Dollars each for such neglect; and they shall for such services be paid such sum as the Directors may deem reasonable.

Appraisers, their duties, &c.

37. One or more Appraisers may, from time to time be appointed, who shall hold three or more unadvanced shares each, who shall receive proposals for Loans, examine the property offered as security to, or held by the Society, if the Directors shall consider it necessary, and shall in all cases render to the Directors a report, in writing, of the value and state of such property, with such further particulars as may be required, and in such form as the Directors shall prescribe, and who shall furnish security satisfactory to the Directors, for the faithful performance of their duties, and they shall (subject to revision by the Directors at any time) be paid the following commission on Loans introduced through their agency, viz:—

On Loans of \$400 and under.....\$6.00
and Fifty cents extra on each \$400 or fraction of \$400, up to and including \$2000, and one-eighth per cent additional on excess beyond \$2000. Mileage Ten cents per mile, one way only.

Provided that it shall not be a part of the ordinary duties of an Appraiser (as such) to receive Share subscriptions, Loan re-payments, or other moneys on account of the Society, and no payment made to, or undertaking by, an Appraiser shall be held to be a payment made to, or an undertaking by, the Society, nor shall any Appraiser have, or be held to have, power to bind the Society in any way, beyond what he shall have been specially authorized and instructed, in writing, by the Directors. Provided also that any payment made by the Society to one of its Appraisers, on the order of any member or other person, shall be held to be a good and sufficient payment to all intents and purposes whatsoever.

Agents, their duties, &c.

38. Agents may be appointed to transact any business for the Society, and to whom Share subscriptions, Loan re-payments, or other moneys may be paid according to the provisions contained in Rule 10, and such agents shall transmit such moneys, with an account thereof, to the Treasurer and Secretary without delay, according to their instructions, or pay such fines as the Directors shall think proper. Such agents shall hold three or more unadvanced shares, and shall be paid

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such sum for their services as the Directors may deem reasonable, and shall furnish security satisfactory to the Directors, for the faithful performance of their duties, but who shall not be responsible for losses incurred, unless by reason of their own respective negligence or default.

Provided that no Agent shall have, or be held to have, power to bind the Society in any way beyond what he shall have been *specially* authorized and instructed (in writing) by the Directors.

When and how the Society may be dissolved.

39. No dissolution of this Society shall take place unless its affairs become deranged, or its principles prove inadequate to promote its objects, or its funds be insufficient to meet the claims, or from any other such cause, rendering the dissolution absolutely necessary, and then only by a special general meeting duly convened for that purpose, at which not less than one-third of the members, entitled to vote by the Rules of the Society, and representing not less than two-thirds of the unadvanced Stock of the Society, shall be present, three-fourths of whom must concur in a vote (by ballot) for such dissolution.

Alteration of Rules.

40. These Rules may be added to, altered, amended, or repealed at a special general meeting duly convened for that purpose, at which not less than one-third of the members entitled to vote by the Rules of the Society, and representing not less than two-thirds of the unadvanced Stock of the Society, shall be present, three-fourths of whom must concur in a vote (by ballot) for such addition, alteration, amendment, or repeal.

Construction of Rules.

41. In the practical application of these Rules, or any Rules hereafter to be made in virtue thereof, the construction put upon them by the Directors shall be final and conclusive. Every word in the singular number shall be applicable to the plural, and every word importing the masculine gender shall, where necessary, be understood to mean a female as well as a male, unless there be something in the subject-matter or context, repugnant to such construction.

COVENANT.

42. WE, the members of "THE HAND-IN-HAND INVESTMENT LOAN AND SAVINGS' SOCIETY," who have hereunto subscribed, and set our hand and seals, and who have become (testified by our signing and sealing hereof) Shareholders in the said Society for the number of shares set opposite our respective names, do hereby severally, each for himself, his executors, administrators, and assigns, and not jointly, or the one for the other, covenant and declare to, and with the President and Treasurer of the said Society, and the said successors in office, that we and our several and respective executors, administrators, and assigns, shall and will well and truly observe, perform, fulfil, and keep all and singular the said foregoing and future Rules and Regulations of the said Society, which, on our several and respective parts, are or ought to be observed, performed, fulfilled and kept.

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Example of the mode in which Shareholders' Stock will mature.

The payment of \$1.77 monthly, with interest allotted thereon at the rate of eight per cent. per annum, *compounded half-yearly*, will amount to \$100 in four years as follows:—

	Subscriptions.	Interest.	Value of Share.
At the end of 1st half-year.....	\$10.82	and \$0.25	= \$10.87
" " 2nd "	21.24	" 0.93	= 22.17
" " 3rd "	31.86	" 2.06	= 33.92
" " 4th "	42.48	" 3.67	= 46.15
" " 5th "	53.10	" 5.76	= 58.86
" " 6th "	63.72	" 8.37	= 72.09
" " 7th "	74.34	" 11.50	= 85.84
" " 8th "	84.96	" 15.18	= 100.14

The other modes of paying subscriptions will mature the Stock in a similar manner. See Rules 2 and 3.

Example of the mode in which the amount charged for interest is reduced half-yearly.

Borrowers from this Society actually pay *less* money into its funds, than by borrowing in the ordinary way at *Seven* per cent. For instance, a Loan of \$100 with interest at the rate of 10 per cent. per annum, charged on the amount of Principal owing at the *beginning* of each half-year, will be discharged by the payment of \$4.70 monthly for two years as follows, viz:—

	Principal owing.	Principal paid.	Interest paid.	Total paid.
1st half-year.....	\$100.00	\$23.20	\$5.00	\$28.20
2nd "	76.80	24.36	3.84	28.20
3rd "	52.44	25.58	2.62	28.20
4th "	26.86	26.86	1.34	28.20
Totals.....	<u>\$100.00</u>		<u>\$12.80</u>	<u>\$112.80</u>

The re-payments on Loans for other periods of time, are dealt with in a similar manner. See Rule 23. **NOTE**—The rates for *quarterly* and *half-yearly* re-payments, include the fines levied by Rule 15, for not paying monthly.

Savings' Bank Branch.

Interest allowed on Deposits.

On sums of from \$2 to \$50 re-payable on demand	5 per cent.
" " 50 to 200 " 30 days' notice	5½ "
" " 200 to 500 " 60 " "	6 "
" " 500 to 1000 " 90 " "	6½ "
Special Deposits, as to time and amount.....	7 "

Interest will be allowed from date of deposit to date of withdrawal, and will be payable half-yearly, but if not claimed within a month it will then be added to the principal, and interest allowed thereon.