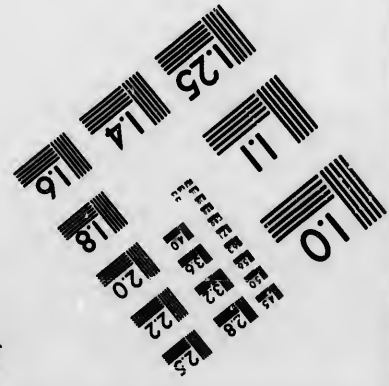
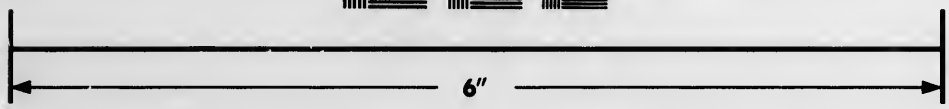
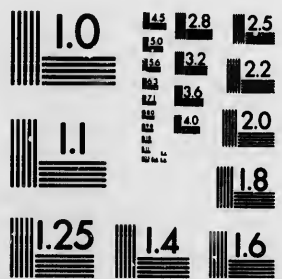


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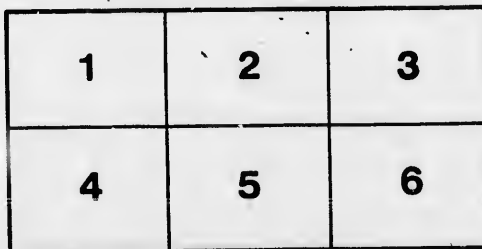
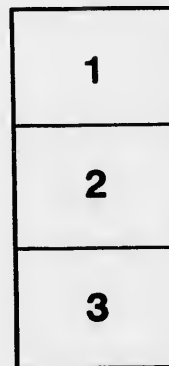
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DEED OF SETTLEMENT
OF THE
FARMERS' JOINT STOCK BANKING COMPANY.

TORONTO :
Printed at the Patriot Office.
1835.

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DEED OF SETTLEMENT.

THIS INDENTURE tripartite, made the _____ day of _____ in the year of our Lord one thousand eight hundred and thirty five, between the Hon. John Emmsley of the City of Toronto in the Home District in the Province of Upper Canada, John Browne of the same place Merchant, Francis Hincks of the same place Merchant, and William Ketchum of the same place Tanner, of the first part, James Saxon of the same place Merchant, George Truscott of the same place Banker, William Musson of the same place Tin Plate Worker, Thomas Ellibt of the same place Inn-Keeper, and Edward Hargrave of the same place Merchant of the second part, and the several other persons parties hereto whose names are or shall be hereunto subscribed and who have sealed and delivered or shall from time to time seal and deliver these presents of the third part.

Whereas the several persons parties to these presents have agreed in manner and by the means hereinafter expressed to form a Public Joint Stock Banking Company in the City of Toronto aforesaid and under and subject to the regulations declarations and agreements hereinafter contained.

Now this Indenture witnesseth that in pursuance of such agreement each of the several persons parties to these presents of the second and third parts for himself and herself his and her heirs executors and administrators and as to and concerning only the acts deeds and defaults of himself and herself and his and her heirs executors and administrators, but no further doth hereby covenant with the parties to these presents of the first part their executors and administrators and each and every of them, and furthermore each of the parties to these presents of the first part for himself his heirs executors and administrators, and as to and concerning only the acts and deeds and defaults of himself, his heirs, execu-

tors and administrators, but no further, doth hereby covenant with the said parties to these presents of the second part their executors and administrators and each and every of them in manner expressed in the several clauses or articles numbered from one to herein contained that is to say—

1. That they the said several persons parties to these presents shall and will become partners together in a company or society to be called the "Farmers' Joint Stock Banking Company" and from time to time and at all times so long as they shall continue partners therein, promote and advance the interest and advantage of the Company, to the utmost of their power.

2. That the Capital Fund, or the Joint Stock of the Company, shall be for the present £500,000, and shall be divided into 50,000 shares, of £10 each; but that the Capital may be increased from time to time, to such extent as a majority of the Stockholders may think necessary.

3. That the number of Shares subscribed for, or holden by each person, shall, at the time of his or her executing these presents, or other, the supplemental or subsisting deed of settlement of the Company, and also, his or her place of abode, be written opposite to his or her name subscribed thereto.— And no person shall, in his or her own right, be allowed previously to the opening of the Bank, to subscribe for, or hold more than 400 Shares in the said Company, or at any subsequent period, to possess more than 1000 Shares in the said Company, save and except such Shares as shall come to any person or persons, by bequest of any previous Shareholder or Shareholders, or as his or her or their next of kin.

4. That it shall not be lawful or competent for two or more individuals to subscribe for, or hold jointly, (except as Trustees, Executors, or Administrators,) any Share or Shares, and in no case, shall any Share or Shares be divided into fractional parts.

5. That no benefit of survivorship shall take place between the Shareholders. All the property of the Company shall, as between the several Shareholders and their real and personal representatives, be deemed personal estate; and each of the Shareholders, as between one another, shall be entitled to,

and interested in the profits, and liable and subject to the losses of the Company, in proportion to his or her Share or Shares in the said Capital, Fund, or Joint Stock.

6. That each of the parties hereto, shall, and will pay the sum of ten pounds on each and every share of the Capital, Fund, or Joint Stock subscribed for by him or her, at the times and in manner following — that is to say: two per cent. on taking Shares; four per cent. on or before the first day of August next, and four per cent. in two months thereafter, and the remainder shall be paid up and advanced by the respective Shareholders, in such sums, and at such times, as the Board of Directors shall call for the same, provided that no such call shall be made for more than five per cent. in any three months thereafter, and three calendar months' notice of each call shall be given by Public Advertisement, previously to the day on which the same is required to be paid. And the Board of Directors, for the time being, is hereby empowered, when, and as the Board may deem it advisable, to make such calls and orders upon the Shareholders for the payment of the remainder, but subject to the restrictions abovementioned.

7. That, if at the time when any share shall hereafter be subscribed for more than one Instalment, shall have been payable on the Shares then already taken—all such Instalments shall also be paid into the Bank of the Company, in respect of such future Shares, so as to be subscribed for at the time of such future subscription.

8. That in case any of the Shareholders for the time being, of the Company or their respective Heirs, Executors or Administrators, shall refuse, neglect, or decline to pay the second Instalment herinbeforementioned, or any future calls or instalments hereinbefore authorised to be made by the Board of Directors, for the time being, for the space of ten days after the days hereinbefore appointed, or hereinafter to be appointed by the said Board for payment thereof, then, and in every such case, the Share or Shares, Estate and Interest of, and in the Company of the respective Shareholders or their respective Executors, or Administrators, so refusing, neglecting, or declining as aforesaid, and all benefit and advantage therefrom, shall, so far as respects the Shares, in

respect of which, default shall have been made, and all previous payments made in respect thereof, thenceforth (unless a Board of Directors shall within two calendar months decide otherwise,) become forfeited to the said Company, nevertheless without prejudice to the right of the Board of Directors, to enforce payment of such call or calls, and to recover damages for the nonpayment thereof. And each Share which shall be so forfeited by default, shall, at the discretion of the Board of Directors, be sold and issued for the benefit of the other Shareholders, to some other person or persons desirous of holding Shares in the place or stead of the person or persons making such default; and the purchaser of each such Share, shall, for all the purposes of these presents, and for the Covenants, Agreements and Regulations to be entered into in conformity with these presents, in respect of each such share, respectively be considered as the proprietor or holder of that Share; and as if in respect of such Share, he were the Assignee of the person making such default, and thenceforth such substitute or succeeding proprietor or Shareholder, his and her Heirs, Executors, and Administrators, shall be liable to all the Acts to be done, and the Covenants and Agreements to be observed and performed in respect of such Share; and shall execute a Deed to the Trustee or Trustees for the time being of the said Company, containing Covenants binding himself and herself, and his and her Heirs, Executors, and Administrators, to observe and perform the same Covenants and Agreements and to make such payments.

9. That the business of the Company shall commence when 25,000 Shares shall have been subscribed, or on such day as shall be appointed at a General Meeting of the Stockholders, and shall consist of issuing Notes of hand or Bank Notes, lending money on cash or other accounts, personal Securities, Bills of Exchange, Promissory Notes, or Letters of Credit, discounting Bills of Exchange or Promissory Notes, borrowing or taking up money on Receipts, Bills, Promissory Notes, or other obligations, advancing money on Purchases, Investments, Dealings or Sales in the Government or Public Funds of Great Britain or any of its North American Colonies; Navy or Exchequer Bills, India Bonds, Bank or East India Stock, Stock of the Company, or any

Chartered Company or Annuities. But for, or in no other adventure, Trade, Merchandize or business whatsoever, than that of Banking in all its branches, or the purchases and investments before enumerated and described.

10. That the business, affairs, and concerns of the Company, shall, from time to time and at all times hereafter, be under the controul of twelve Shareholders (to be appointed Directors) who shall have the entire ordering, managing and conducting of the Company, and of the Capital Stock, Estate, Revenue, Effects, Affairs, and other the concerns thereof, and who shall also regulate and determine the mode and terms of carrying on and transacting the business of the Company, conformably to the provisions contained in these presents; and no Shareholder or Shareholders, not being a Director or Directors, shall, on any account or pretence whatsoever, use the name, style, or firm of the Company, in drawing inserting, accepting, or otherwise negotiating any Bills, Notes, or other securities or otherwise howsoever, or any way have access to, or meddle or interfere with the Books, Bills, Cash, Securities, or other property of the Company, or the managing, ordering or conducting the Business, Affairs or Concerns thereof, but shall and do hereby, fully and entirely commit, entrust, and leave the same to be wholly ordered, managed, and conducted by the Directors for the time being, and whom they shall appoint, save as hereinafter mentioned.

11. That at a General Meeting of the Shareholders, to be held on the 25th day of July next, twelve Directors shall be chosen in the manner appointed by Clause 23: provided always, that the list of the qualified Shareholders, provided by said Clause, shall be sent to each Shareholder, at least 20 days before said Meeting, by the Chairman of the Committee.

12. That the Directors for the time being of the company, shall meet at the Company's Banking-house, in Toronto, weekly, on such a day as they shall appoint, and on such other days and at such shorter intervals as they may think necessary: That the manager of the Company, or any one Director, shall have power to call an *extraordinary board of Directors*, by sending or addressing to each of the Directors a letter by post, or otherwise, at least one clear day; previously specifying the place, day, and hour, fixed for

meeting, and the special purpose thereof: That five of the Directors, at least, must be present, to constitute a board for transacting business; and all orders, acts, deeds, matters and things made, done, executed, or ordered, by or at any such meeting of five or more Directors, shall be equally binding, valid, and effectual, as if all of the twelve Directors had been present, and assented thereto, or joined therein.

13. That at the first Board of Directors to be holden in each year, after the annual general meeting of the Shareholders of the Company, and before any business is commenced, the said Board shall choose one of the then Directors to be their President for the ensuing year; and at every Board each Director shall have but one vote, but the President, or in his absence the Chairman, in addition to his privilege of voting as any other director, shall have a casting vote whenever upon any question the votes (including his single vote as such Director,) shall be equal; and in case of the absence of the President another Director shall be appointed Chairman, who shall have the same privilege of giving a casting vote as the President would have had.

14. That minutes of all the proceedings of each Board of Directors, and of the names of every Director present, shall be made and entered in a book, and signed at the end of the business of the Board by the chairman at such Board, and every such book shall be kept by the manager for the time being, at the Banking-house of the Company.

15. That it shall be lawful for any Board of Directors for the time being of the Company, to purchase or erect, or rent, or take upon lease, or otherwise, such house, houses, or premises as the said board shall from time to time think requisite or necessary for carrying on and managing the business, affairs, and concerns of the Company, upon such terms and stipulations, and in such manner as they may deem advisable, and to fit up, adapt, and furnish the same, for the use and purposes of the Company, and at the expence thereof, and from time to time, and at all times afterwards to make sale, exchange, let, demise or otherwise dispose of such house, houses, or premises, for the benefit of the Company, either together, or in parcels, and by auction or private contract, and upon such conditions and

for such prices as the said Board shall think most advisable ; and to purchase or erect, or take such other house, houses, or premises in the place thereof, as the Board shall from time to time deem expedient, and likewise to insure the buildings, furniture, and effects of the Company against loss or damage by fire, in such sum or sums, and with such office or company as the said Board shall think proper.

16. That the Board of Directors for the time being, shall have full power and authority, without the interference or controul of the Shareholders, to nominate and appoint the banker or bankers, broker or brokers, and also the manager, teller, accountant and all such other agents, officers, clerks and servants, as the said board may consider necessary for carrying on and managing the business, affairs, and concerns of the Company, and in like manner from time to time to remove and displace all or any of the said banker or bankers, broker or brokers, manager, teller, accountant, agents, officers, clerks, and servants ; and at any time or times to re-instate them or any of them, or nominate other persons to the same offices and stations respectively, as occasion shall require ; and shall also on behalf and out of the funds of the Company, allow and pay to every such person, such reasonable salaries, charges, commissions or remunerations as the Board shall from time to time deem proper or necessary, provided that the said Board shall take such amount and species of security for the due performance of the offices and trusts to be from time to time reposed in the manager, teller, accountant, agent, officers, clerks, and servants, as such Board may deem proper.

17. That it shall be imperative on the Directors for the time being of the Company, at some such Board as aforesaid from time to time, and without any delay or interval to appoint two at least of the shareholders of the Company to be the public officers thereof, for the purpose of the Company suing and being sued in the names or name of such public officers or either of them, under the provisions hereinafter contained in the 42nd clause of these presents ; and also from time to time to appoint two or more of the Shareholders of the Company to be trustees thereof, in the names of whom the several securities, estates, and effects to be taken by or

given to, or in favor of the Company, or wherein the Company may be interested, shall be taken and whose receipts shall be sufficient discharges.

18. That any Board of Directors for the time being may give credit or make advances in account or otherwise, to any person or persons whomsoever, so as no such credit or advance be given or made for a permanency, or for any longer period than three calendar months.

19. That no Director shall be authorised to vote in the matter of any such advance or credit, or of the withdrawing of any such advance or credit, or as to the discounting any Bill or note wherein he solely or in partnership with any other person or persons, or wherein his father, brother, sister, son, grandson, grand-daughter, nephew or niece, or father in law, brother in law, son in law, sister, in law, or nephew in law, or niece in law, may be interested: but it shall be competent for the said Board of Directors to discount for Shareholders upon their own notes to the amount of one-half of the paid up capital of such Shareholders; provided that no smaller Note shall be so discounted than shall be authorised by the general usage of the Bank.

20. That the Directors for the time being shall cause to be provided and kept at the Banking-house of the Company, all necessary and proper books of account, wherein shall be entered in a fair, regular, and plain method, an account of all receipts, payments, transactions, and dealings, that shall from time to time be made, by or on behalf of the Company, and of all profits, gains, or losses arising therefrom; and also an account of all dealings and investments that shall be made with or of the Stock and Capital of the Company, or of any part thereof, and how the same shall be applied, and paid from time to time, and shall twice in every year during the continuance of the Company, that is to say upon the 30th day of June and the 31st day of December in every year, in such manner as to the Directors shall seem correct and equitable, take and make up a fair, accurate, and just statement, and account of the Stock and Capital of the Company, upon each of those days, and of the profits and gains which shall have been made therein, and the losses which may have been incurred during the preceding half year; and in each such

Stock taking reference shall be had to the then value of the funded and all other property of the Company which shall be estimated not at the cost but at the then selling price thereof, so that the real state of the affairs of the Company may in such statement plainly appear, which half yearly statement shall be entered in the books of the Company, and be examined, audited, and signed by three or more of the Directors, and a summary or balance sheet thereof shall be made for the inspection of the subscribers, at any general meeting; that the period from the opening of the Bank, to the 31st day of December, 1835, shall be included in and considered as part of the half year, beginning the 30th day of June, 1835.

21. That a meeting of the Shareholders of the company shall be convened and held on the second Wednesday in February 1836 and on the same day in every succeeding year at 12 o'clock at noon at the city of Toronto and each meeting so to be convened and held shall be called "The annual general meeting" and the shareholders respectively qualified to act and vote therein according to the provisions hereinafter contained and who personally shall attend the same shall have full power and authority to decide upon all such matters and questions as by virtue of these presents shall be brought before such annual general meeting.

22. That at every annual general meeting the directors shall exhibit a summary of the two preceding half yearly balance sheets and such further statement of the affairs of the company in accordance with the stock taking of the then preceding 30th day of June and 31st day of December as to the directors may seem expedient for the interests of the company to be made public, and the annual dividend of profits shall be then and there declared.

23. That in every year such proportion of the net profits that shall appear to have been made by the company during that year not exceeding one fourth part thereof, as the board of directors for the time being may think requisite shall be retained and form part of a fund to be called "the guarantee fund" and the residue of such net profits or so much thereof as the annual general meeting shall from time to time determine shall be divided amongst the shareholders in proportion

to their several shares, provided nevertheless that no part of such net profit shall be so set apart in any year in which a dividend of £8 per cent. on the paid up capital shall not have been declared.

24. That the said guarantee fund shall accumulate by way of compound interest at the rate of six pounds per centum per annum and is intended to meet and provide against any extraordinary demands upon the company. And the same shall be applied by the Board of Directors for the time being for such purposes accordingly, and when and so often as such fund with the accumulations thereof shall amount to one half of the paid up capital the excess beyond that sum shall as any general annual or extraordinary meeting of the shareholders may decide, either be still suffered to accumulate or be divided among the then shareholders of the company by way of bonus or in addition to the annual dividend, at such times and manner as the shareholders at such meeting may agree upon, or be added to the Capital as fresh stock for the benefit of the then shareholders in proportion to their respective number of shares.

25. That the Board of Directors for the time being shall at such time or times as may be thought fit, after a dividend shall have been declared at any annual general meeting or a bonus decided upon pay or cause to be paid at the office of the company to each shareholder or his or her executors or administrators his or her proportion of such dividend and bonus and shall at least ten days before the day fixed for payment of such dividend or bonus by advertisement in any two of the Toronto Newspapers inform the shareholders of the dividend or bonus declared or decided upon when the same respectively will be payable; but the party or parties entitled to receive any dividend or bonus, shall be at the entire expense of receiving the same, but no proprietor who, or whose executors or administrators, or other representatives may happen to be in arrear in respect to any instalment, or call, shall be entitled to receive any dividend or bonus, until the arrear and interest thereon at the rate of six pounds per cent per annum, shall have been paid up.

26. That all dividends or bonuses which may not be paid for six calendar months after the same respectively

shall become payable, shall be passed to an account to be called "The unclaimed dividend Fund," which fund shall from time to time be laid out and invested by the Board of Directors, in such manner as they shall think proper, and all dividends and bonuses passed to "the unclaimed Dividend Fund," shall when duly called for, be paid thereout but without any interest for the same. And all the surplus of "the unclaimed Dividend Fund" which shall remain after payment of, or allowing for all the dividends or bonuses passed to the same as aforesaid, shall from time to time, when and as the Directors may think proper, be transferred to the "guarantee Fund," and applied accordingly.

27. That at the annual general meeting of Shareholders to be holden on the 2nd Wednesday in February, 1836, and at each subsequent annual general meeting of the then Directors, six of the then Directors shall retire from office, and shall be replaced by six other Directors, to be elected by a majority of votes, such a majority to be ascertained in manner hereinafter mentioned, provided nevertheless that on all occasions any retiring Director may be re-elected, and that the six Directors chosen at the first meeting, whose names shall have stood at the foot of the list when chosen, shall go out of the Direction at the end of the year; and in case any two or more persons shall have an equal number of votes in such manner that a greater number than six shall appear to be elected, that then those persons whose names are first written upon the deed of settlement, shall be preferred and considered duly elected.

28. That for better regulating such respective elections, the Board of Directors or the manager for the time being, shall, 20 days at least before each Annual General Meeting, cause to be made out and printed, a list containing the Christian and Surnames, and the residences; so far as shall be known of the Shareholders of the Company, who shall then be qualified to be Directors, and a printed Copy of such list, shall be sent by the Manager for the time being, to each Shareholder by post, at least 20 days before such Annual General Meeting, and every Shareholder, or such of them as shall think fit so to do, shall affix to six of the names of the Shareholders comprised therein, some mark indicating

his or her vote or votes, that the several persons so marked, may be appointed Directors, and shall return such list so signed and marked as aforesaid, to the manager or Directors of the Company at the Bank, on or before the day of such Annual General Meeting, which several lists shall be produced at such Annual General Meeting in a sealed envelope, stating that the list sent, is the one that the party wishes to vote for. And such persons comprised in the said lists as shall have the greatest number of votes (calculated from the number of marks affixed to their respective names in the lists to be returned as aforesaid, and the number of votes which the several persons affixing such marks, shall, in pursuance of the provision hereinafter contained, be entitled to give,) shall be Directors for the year ensuing, in lieu of the six retiring Directors. And in case of an equality of votes, the Shareholder or Shareholders, whose name or names appear first on the Deed of Settlement, shall be considered Elected.

29. That the Board of Directors for the time being, shall be authorised to appoint any of their number, not less than two, with the manager as a sub-committee for discounting, and for the better attending to, and transacting the business of the Company, and their Acts shall be subject to the approval of the Board of Directors, or their Quorum as aforesaid.

30. That no person shall be Elected a Director, who shall not be a holder of 50 Shares at least in his own right, in the Capital of the Company, or who shall reside at a greater distance than 25 miles from the City of Toronto, or who shall be a Banker or Clerk, or Accountant in, or Agent to any other Banking-House, or a Director in any other Banking Company; and if any of the present or future Directors, shall cease to hold fifty Shares, or shall become Banker or Clerk, or Accountant, or Agent, to any Banking-House or Director in any other Banking Company, his office as Director shall thereupon and thenceforth become vacated, provided that in case any such Director shall have become disqualified, and such disqualification shall not be notorious, no Act or Resolution of any Board of Directors at which he may have attended, previously to such disqualification becoming notorious, shall be avoided or vacated in consequence of there not having been five Directors present, independently of such

disqualified Director, unless any Board of Directors, or General or Special Meeting of Directors shall so determine.

31. That in case the conduct of any one Director shall be such that his continuance in office shall appear to the other Directors prejudicial or injurious to the interests of the company, it shall be lawful for all the other directors, at a Board to be convened for that purpose, if they be unanimous in that behalf, but not otherwise, to remove any such Director from his office.

32. That any Director or other officer of the Company may at any time vacate his office by sending his resignation in writing to any Board of Directors for the time being, of the Company.

33. That when and so often as any vacancy shall occur in the office of Director of the Company, either by death, resignation, disqualification, or removal previously to the time at which such Director or Directors would otherwise have retired as aforesaid, then the Board of Directors for the time being shall and they are hereby authorised and directed to appoint a proper person qualified as aforesaid to fill the office of Director in the stead of the Director respectively so dying resigning, becoming disqualified, or being removed as aforesaid and every such Director so appointed shall be as fully and effectually a Director of the Company as if he had been originally elected by the shareholders and shall retire from the direction of the company at the same time and in like manner as the Director in whose place he shall be so appointed would have retired, under the regulations here contained.

34. That every Director shall, previously to entering on the duties of his office, sign a declaration in a book to be kept for that purpose, that he will not reveal or make known any of the matters, affairs, or concerns which may come to his knowledge as a Director of the Company, to any person, or persons whomsoever, except when officially required by the Board of Directors for the time being, or by any general or extraordinary meeting of the Company or by the Committee of Inspection appointed as hereinafter mentioned.

35. That every Board of Directors shall act in strict conformity to the rules and provisions hereby established, or to be established, modified, varied, or altered by any annual or

extraordinary meeting or meetings of the Shareholders of the Company. But in all cases where there shall be no such existing or subsisting rule or provision applicable, the Board of Directors shall act in such manner as may appear to them best calculated to promote the welfare of the Company; and for the better guidance of the Directors in the management of and superintendence over the affairs and concerns of the Company, it shall be lawful for every or any Board of Directors to make whatever by-laws, rules and regulations they shall think fit, and from time to time to alter and rescind the same or any of them, as to any such Board may seem meet: provided that such by-laws be not inconsistent with or repugnant to the fundamental principle or constitution of the Company, as agreed and settled by these presents, or as may be altered or established by any annual or extraordinary meeting or meetings of Shareholders, under the power herein given for such purpose.

36. That the Shareholders, at any annual general meeting, shall fix the remuneration (if any) to be paid to the Board of Directors for the time being of the Company.

37. That the Bills or Notes of the Company shall be signed, drawn, accepted or indorsed by the Manager for the time being, or such other officer or officers of the Company as the Board of Directors for the time being shall appoint, by a minute to be signed by the President, and to be entered in the book of proceedings of the said Board, and no Bills or Notes of the Company, signed, drawn, accepted, or indorsed in any other manner than by the person or persons so authorised, shall be binding on the Company.

38. That it shall be the duty of the manager for the time being, to enter in a book to be provided for that purpose, the name and place of residence of every shareholder for the time being, of the Joint Stock of the Company, and the number of shares belonging to him or her, and from time to time, to correct or alter such entries as circumstances shall require; and for the purpose of enabling him so to do, every shareholder changing his or her name or place of abode, or whose name or place of abode, through his or her default, shall be incorrectly entered in the Books of the Company, or who, being a female, may have married, shall immediately give

notice in writing at the office of the Company, of such circumstances, and therein correct or explain the mistake or omission or (being a female) notify such marriage, and give the name and place of abode of her husband.

39. That every or any notice to Shareholders required to be given by these presents, and the mode of giving which is not herein otherwise provided for, shall be given in such manner as the Board of Directors shall appoint, and shall for all the intended purposes thereof, be deemed effectual notice and binding upon each and every Shareholder.

40. That the Board of Directors for the time being, may from time to time, establish Branch Banks or Agents in any other Districts or places, as such Board may think advisable, and may appoint Directors out of Shareholders, holding not less than thirty Shares,—Managers, Tellers, and other officers and servants thereof, and suppress, discontinue, or remove all or any such Branch Banks or establishments, and such Directors, Managers, Tellers, officers and servants, and fix for them and pay to them respectively, such salaries and remunerations as any such Board from time to time, may judge expedient; and such Branch Banks, or Agents, Directors, Managers, Tellers, officers, and servants when so established and appointed, shall immediately thenceforward be under the direction, conduct, management and controul of the Directors in the same manner as the principal establishment of the Company.

41. That the conduct and management of all actions and suits, by, or against the Company, or by, or against the public officer or officers of the Company, shall be confided to the Board of Directors, and it shall be the first duty of the said Board to apply, or cause to be applied, a competent part of the fund called "the Guarantee Fund," or if deficient thereof, the other funds of the Company in satisfying and discharging all money which either as damages or costs the Company or such public officer or officers, or any Shareholder or Shareholders of the Company, may become liable to pay, or pay for or on behalf of the Company by reason of any such action or suit; and each Director for the time being, shall, under, and by virtue of these presents, be liable to be sued on his Covenant, for his neglect or refusal to join in the

necessary orders for the application of the said funds, so as to accomplish and give effect to this provision, but no public officer or Shareholder, who shall refuse or neglect to confide his defence to the management of the said Board, shall be entitled to have or claim the benefit of such reimbursement or indemnity.

42. That when and so often as any person or persons whether Shareholders in the Company or not, shall break or refuse, or neglect to perform or comply with any of the Covenants conditions, stipulations or agreements contained in these presents, or other, the supplemental or subsisting Deed of settlement of the Company, and which on his her or their part ought to be performed or complied with, or to pay and discharge any sum of money, debt, claim, or demand due or claimed to be due to the Company or otherwise, to satisfy any cause of action which the Company may possess, it shall be lawful for the Board of Directors for the time being, to direct an action or suit, or other proceeding at law or in equity to be commenced in the name of the Trustees of the said Company, or in the name or names of such other person or persons who the said Board may be advised ought to be the Plaintiff or Plaintiffs against the person or persons for the time being, committing such breach, or refusing or neglecting as aforesaid, or liable to pay such sum of money, debt, claim or demand, or satisfy such cause of action, his her or their heirs, executors or administrators. And if the said Board of Directors shall be advised to proceed in the name of the said Company, then in the name of the said Company above, and in their aggregate capacity, that is to say, by the name or style of "The Farmers' Joint Stock Banking Company," and without the necessity of setting forth the name or names of the persons composing such Company; and it shall not be necessary to include any other parties as Plaintiff or Plaintiffs in any such action, suit, or proceeding, besides such plaintiff or plaintiffs named, who alone, (or if any such action, suit or proceeding shall be commenced in the name of the Company as above provided, then the said Company by such description above,) shall be competent to maintain and prosecute every such action, suit or proceeding to judgment, and execution against the defendant, or de-

Defendants therein, and his and their Goods and Chattels lands and tenements, or against his, her, or their heirs executors or administrators having assets and being liable to be sued by the said Company, as fully and effectually to all intents and purposes as if other the rightful parties (if any) as plaintiff or plaintiffs, in any such action, suit, or proceeding had been specifically named, and that the form of every or any such action, suit or proceeding may be in debt, *ca sa assumpsit*, or otherwise as the said Company shall be advised and deem expedient, and the person or persons in whose name or names any such action, or suit shall be so commenced shall not discontinue, release, or become non-suit in such action or suit, without the consent of the Board of Directors for the time being, of the Company, and it shall not be lawful for the Defendant or Defendants in any such action, suit or proceeding to plead in abatement, the want of other or sufficient parties as plaintiff or plaintiffs therein, but the Defendant or Defendants in any and every such action, suit, or proceeding shall be confined in his, her, or their defence to the issue in fact of his, her, or their being indebted or otherwise accountable to the said Company, and if any plea to the contrary be offered, or set forth, or pleaded in any such action suit or proceeding, the same shall be and is hereby expressly declared, provided and agreed to be fraudulent and void as against the said Company, and the plaintiffs in any such action, suit or proceeding. And it shall be lawful for the said plaintiffs in any such action suit or proceeding, to treat every such plea as a nullity, and as if no such plea or exception had been taken by such Defendant or Defendants and thereupon either to sign judgment against such defendant or defendants, as in cases of judgment by default and to proceed to execution against him, her, or them, and his, her, or their goods and chattels, lands and tenements, as in ordinary cases, and that such judgment so signed shall not upon any account or pretence whatsoever be afterwards set aside or otherwise to apply to the Court which such action, suit or proceeding shall be pending, in a summary way, in order that such plea may (if the said Court shall think fit) be avoided and taken off the file of proceedings, and moreover that any attempt or endeavour made to contravene the provisions

of this clause shall not only be deemed fraudulent and void to all intents and purposes as aforesaid, but shall also subject the party or parties acting in contravention of these presents, to the forfeiture of the whole of his, her, or their actually remaining stock, share and interest in the Capital Stock funds and property of the said Company, and the same shall be immediately transferred to, and form and constitute part of "the guarantee fund" of the said Company, and provided such person or persons as shall be the plaintiff or plaintiffs in such actions, suits, or proceedings, obey the directions of the Board of Directors in and about such actions, suits, and proceedings he and they shall be indemnified out of the funds or property of the Company against all expenses damages and losses which they or he may incur or sustain in consequence of such action or suit in like manner as is herein provided, conveying the Trustees or Public Officers of the Company and the sum or sums of money to be recovered and received in any such action or suit shall form part of the funds of the Company.

43. That in case the said Company shall be sued in any action suit or proceeding at law or in equity, it shall be lawful for the plaintiff or plaintiffs, if he or they shall think fit, to commence, prosecute, and maintain their action, suit, or proceeding against the said Company by their name or description "The Farmers' Joint Stock Banking Company" and to proceed to judgment and execution therein, under such designation, and no plea in abatement shall be set up by the said Company or any advantage whatever be taken of their being sued in such name or style; and the service of process or other proceedings in any such action suit or proceeding upon the President or Manager for the time being, of the said Company shall be deemed and taken as good and effectual service of such process or proceedings, and in case judgment shall be obtained by the plaintiff or plaintiffs in any such action, suit, or proceeding, execution therefrom shall and may be issued and levied against the said Company as fully and effectually as if the names of the members composing such Company had been fully set forth in such process or proceedings.

44. That any Board of Directors for the time being in its direction may agree to refer and submit to arbitration any

matter in dispute, question or difference between the Company and any person or persons, and may compound any debt or debts owing to the Company, and accept part thereof, or a security for the same, or give further time for the payment thereof, and may refrain from suing for any debt or debts, which in the opinion of the said Board shall be bad or desperate, or not worth suing for, and also from time to time by a minute in the book of proceedings of the Board may authorise the public officer or officers of, or any other person or persons on behalf of the Company to prove any debt or debts due to the Company, from any bankrupt or insolvent, or to act in the matter of such bankruptcy or insolvency, and to receive any dividend thereon, or to sign the certificate or certificates, of any person or persons indebted to the Company, who may become bankrupt, and the receipt for every or any such dividend by the person or persons so to be appointed, shall be a complete and effectual discharge.

45. That as to such of the funds of the Company as shall not be employed or appear necessary to be employed in the ordinary business thereof, the Board of Directors for the time being may lay out and invest the same either in the names of the Trustees for the time being of the Company, or of such other persons as the said Board may appoint in or upon the Parliamentary stocks of funds of this Province or Great Britain, or in any navy or exchequer bill, or India bonds or Bank, or East India Stock, or on freehold or leasehold securities in this Province, or in the purchase of Stock in the Company, or in any chartered company, or of annuities for one or more life or lives, to be insured either by the grantors, or by the Company, or of other description; and any Board of Directors when they shall think proper may cause any of the funds or property so to be laid out and invested to be disposed of, called in, or otherwise converted into money, and the money arising thereby, to be again laid out and invested upon securities as aforesaid, and so from time to time as occasion may require.

46. That at every meeting of Shareholders of the Company whether annual or extraordinary, or by adjournment, the Chair shall be filled by the President for the time being of the Board of Directors, if present, or if in his absence, then

by one other of the Directors, or in case of absence of all the Directors, then by such Shareholder as the Majority of the Shareholders then and there present qualified to vote as hereinafter mentioned, shall elect to fill the chair; and the Chairman who may preside at such meeting shall regulate the proceedings thereof and shall not only vote as any other Shareholder, but in case of an equality of votes, shall have the casting vote, and all the acts, orders, and proceedings of each respective meeting, shall be entered in a book to be kept by the manager for the time being of the Company, and shall be authenticated by the Chairman's signature, which shall be conclusive evidence of all such acts, orders, and proceedings.

47. That at each meeting of Shareholders of the Company whether annual or extraordinary, or by adjournment; all questions, motions, rules, orders, and regulations which may be brought forward or proposed for the discussion, opinion, decision of the Shareholders, shall be determined and decided by the majority of votes of the Shareholders then and there present, and so that each holder of ten shares or upwards, but less than thirty shares, shall have one vote, and each holder of thirty shares, or upwards, but less than sixty shares, shall have two votes, and each holder of sixty shares or upwards, but less than one hundred shares, shall have three votes, and each holder of one hundred shares or upwards, but less than two hundred shares, shall have four votes, and each holder of two hundred shares or upwards but less than four hundred shares, shall have five votes, and each holder of four hundred shares and upwards, shall have six votes and no more; provided that if ten or more Shareholders present at such respective meetings, and qualified to vote as therein mentioned, and the aggregate of whose shares shall not be less than four hundred shall demand that the votes be ascertained and taken by ballot, then the same shall be done accordingly, but unless ten or more such Shareholders having such amount of shares do so require, no ballot shall take place but in case a ballot shall be duly required, each Shareholder present and to vote at such meeting shall deposite in a balloting box to be provided by the manager, for the time being of the Company a piece of paper on which shall be written his or her own

name, and the number of votes which he or she shall claim to exercise, and also the assent or dissent of the said *Shareholders* to the question or matter under consideration, and one of the Directors to be chosen by the Chairman, assisted by two persons to be chosen by the Meeting as scrutineers, shall thereupon retire and report to the Meeting or to any adjournment thereof the result of such ballot, and the same shall be declared by the Chairman, and entered in the Book of proceedings, as the decision of the Meeting accordingly.

48. That no Shareholder shall be allowed to vote at any meeting of Shareholders, or to allow any dividend or bonus; or to exercise any right by virtue of these presents, until such Shareholders shall have paid the amount of every call in respect of the Share or Shares in the Capital of the Company to which he or she may be entitled, and shall otherwise have conformed to the provisions and regulations of these presents, or the then subsisting or any supplemental deed of Settlement.

49. That no business shall at any Meeting of Shareholders whether annual, extraordinary, or by adjournment, be gone into or discussed, nor shall any decision be made, or any business which may have been then gone into or discussed, unless there shall be personally present at such respective meeting, at the commencement of the days' business, and also when any question shall be decided, at least twenty Shareholders duly qualified to vote as aforesaid, and the Shareholders present shall be holders of at least fifteen hundred Shares.

50. That if at any Meeting of Shareholders, whether annual, extraordinary, or by adjournment, twenty such shareholders, and holders of at least 1500 Shares, shall not be present within one hour after the time appointed for holding the same, respectively then, and in every such case, such respective meeting shall be adjourned, and the President for the time being of the Board of Directors or any other Director then present, or if no Director be present, then the Manager for the time being of the Company, shall, and is hereby required to declare such Meeting adjourned, and the same shall be thereupon adjourned to such future time and place, in the City of Toronto, as the majority of the Shareholders then

present and qualified to vote, may determine; and notice of such adjournment shall be given in like manner as was required for convening the Meeting whence such adjournment took place, and there shall be an interval between such first Meeting and the subsequent one sufficient to enable 20 days notice to be given to the Shareholders by advertisement or circulars as before provided.

51. That the Shareholders present at any such Meeting, whether annual or extraordinary, being sufficient in number to transact business, may adjourn the same once or oftener to such day and hour, days and hours, and such convenient place in the City of Toronto as they may deem advisable and after a motion for adjournment has been carried, no business shall on any pretence be brought forward; and it shall not be necessary to give any notice by advertisement of any adjournment, except the same shall take place through the non-attendance of twenty Shareholders, or Shareholders not holding one thousand five hundred Shares, or such adjournment shall be for a longer period than 20 days after, and inclusive of the day of holding the meeting which shall so adjourn; and also inclusive of the day to which the meeting shall be adjourned, and no subject or business shall be proposed, debated, or disposed of, in any such adjourned meeting, other than so much of any subject or business as shall remain undecided or undisposed of at the meeting whence the adjournment took place, and the Shareholders who shall be present at every or any adjourned meeting, although they might not have been present at the meeting whence the adjournment took place, and who respectively may be qualified to act and vote therein according to the provisions aforesaid may act and vote at such respective adjournment.

52. That no subscriber to or Shareholder of the Company his or her executors or administrators, legatees, assignees, or creditors, or any other person or persons, claiming or to claim by through under or in trust for him or her, shall be entitled to inspect any of the Books, accounts, documents, or writings of the Company, except such as may be produced for that purpose at any general, annual, extraordinary, or adjourned meeting of Shareholders.

53. That all debts and engagements to the Company of

any Shareholder or Shareholders either for cash advanced or balances or running bills, or notes being direct bills, notes, or endorsements passed to the Company by such Shareholder or Shareholders, his, her, or their partner or partners, or otherwise howsoever, shall be at all times and in all cases set off against all Shares and Stocks of such Shareholder or Shareholders, whether such debts and engagements be the debts and engagements of such Shareholder or Shareholders, individually or jointly, or in partnership with any other person or persons: and the Board of Directors for the time being may extinguish or dispose of such Share or Shares, either entirely or partially as the case may seem to require, by way of, or towards satisfaction or payment of all or any part of such debts or engagements.

54. That no Share in the Stock of the Company shall be transferable until all calls or instalments in respect thereof, have been duly paid up, but from and after that time, if any Shareholder or her or his legal representative or representatives, whether by marriage or as executors, administrators, legatees, guardians, committees, assignees under Bankruptcy or insolvency, shall be desirous of selling or disposing of any Share or Shares in the Company, he, she, or they shall state in writing to the Board of Directors, for the time being, the name or names of the person or persons who is or are writing, to become the purchaser or purchasers thereof, and shall also leave at the Banking House of the Company, the written consent of such proposed purchaser or purchasers, to become a member or members of the Company, subject to the rules and regulations thereof; and if the said Board of Directors shall approve of such proposed purchaser, they shall notify the same to the proposed vendor within fourteen days after receiving such notice, and such purchaser or purchasers may then take a transfer of the same Share or Shares, and shall have the like advantages in the same and be subject to the like liabilities in respect thereof, as the previous owner or owners had therein, and was or were subject in respect thereof, but no transfer shall be made without such approval of the Board of Directors, as aforesaid, or in any other form than is hereinafter provided.

55. That the Transfers of every Share in the said Compa-

ny shall be executed at the Banking House of the said Company, at Toronto, either by the party himself personally or by Attorney, authorized in manner hereinafter provided, that is to say, in the absence of such party or parties, and upon his, her, or their written request, the Manager (for the time being) of the said Company, shall have full power and authority to transfer all or any such shares purchased, to the proposed and approved purchaser, in the name and on the behalf of the vendor or vendors of such Shares: and for this purpose he is hereby expressly authorized, constituted, and appointed, the Attorney of, and for, each and every party to these presents, and each and every future Shareholder, his, her, or their respective executors, administrators, and assigns, with full power and authority to sign, seal, execute, and deliver, in his, her, or their names or name, each and every such transfer, to the respective purchaser or purchasers, and to sign receipts for the purchase money, for and on behalf of such vendor or vendors, and every transfer so executed by him in the name of such vendor or vendors shall be as binding and effectual, to all intents and purposes, as if made and executed by the Vendor or Vendors in person; and that the expense of each and every such transfer which the said Board of Directors shall ascertain and fix, shall be borne and paid by the vendor and purchaser in equal shares, unless the parties shall otherwise agree between themselves.

56. That the husband of any female Shareholder, or the representative or representatives of any Shareholder (whether executors, administrators, legatees, trustees, guardians, committees, assignees, under Bankruptcy or insolvency or otherwise) on leaving three days previously for inspection at the Banking House of the Company the certificate of the marriage, the probate of Will, Letters of Administration, or other documents under which he, she, or they may claim to receive the dividend or dividends, bonus or bonuses (if any) due on the Shares of such Shareholder at the time of marriage or his, or her death, lunacy, Bankruptcy, or insolvency, as the case may be, at, or after, the expiration of such three days, receive such dividend or dividends, bonus or bonuses; but the receipt thereof shall not constitute any person so receiving the same a partner in the Company, or authorize him or

her to exercise any right or power in the affairs thereof, and no such person in any such capacity shall be entitled to receive any future dividends, bonuses or other profits accruing or becoming due after the marriage, death, lunacy, bankruptcy, or insolvency of any such shareholder, upon, or in, respect of his, or her Share, but the same dividends, bonuses, or profits, shall not be receivable until the Share or Shares in respect of which, such dividend or dividends, bonus or bonuses, is or are payable, shall be transferred into the names of such husband, executors, or administrators, legatees, trustees, guardians, committees, or assignees, or his, her or their nominee or nominees (as the case may be) and after such transfer the same dividend or dividends, or bonus or bonuses shall be paid to the transferee or transferees of such share or shares:

57. That the husband of any female Shareholder or any such executors, administrators, legatees, trustees, guardians, committees, or assignees, who shall be desirous of retaining the share or shares of his wife, or of the person or persons whom he, she, or they represent, and of having the same transferred into his, her or their names or name, shall, on giving notice in writing of such desire to the Board of Directors for the time being, be admitted and become a Shareholder or Shareholders in the Company, in respect of such Share or Shares, and have the same transferred into his, her, or their names or name accordingly.

53. That the Board of Directors for the time being shall be at liberty to decide upon the form and manner of the transfer to be made and executed upon the Sale or transfer of Shares in the Company, and shall from time to time, and at all times hereafter make such further rules, orders, and regulations respecting such transfers, and by whom the same shall be prepared as shall appear to them necessary and advisable, for the security of the company, and the due assignment of the said Shares but so that all transfers shall be signed by three of the Directors, and so that all transfers, sales, or assignments of any Share or Shares in the Company which shall not be made conformably to the provision of these presents, and any supplemental or subsisting Deed of Settlement of the Company, and according to the regulations of the Directors shall be null and void

59. That every person who is a subscriber to the Company, or who shall acquire any Share or Shares therein, shall, although he or she shall not have executed these presents as to all duties, obligations, claims and demands, in respect of his or her share or shares be considered as a Shareholder of the Company, from the time of his or her subscription, for, or otherwise acquiring his or her share or shares; but as to all profits, rights, privileges, benefits and advantages to arise from the said share or shares, shall not be considered a Shareholder of the Company, until he or she shall have executed these presents, either in person or by Attorney, at the Banking-House in Toronto, or at such other place as the Board of Directors for the time being shall require, and in case any of the present or future subscribers, or any other person or persons claiming to be entitled to a share or shares in the Company either as purchasers, executors, administrators, legatees, trustees, guardians, committees, assignees or otherwise, shall for three calendar months after notice in writing from the manager of the Company, neglect or refuse to execute personally or by Attorney, as the Board of Directors may require, these presents or some Deed of Covenant to be prepared at the expense of, or paid for by such person or persons, and to be approved of by the said Board, whereby he or she or they shall covenant to abide by the regulations of the Company, then the share or shares of the party or parties so neglecting or refusing to execute or to pay the expense of any such deed of covenant, and also all deposits paid in respect of such share or shares, and all benefit and advantage whatsoever, shall from, and as from the expiration of the above period, become forfeited in such manner as directed by Article 8,—subject to such discretionary power as therein mentioned.

60. That from and immediately after the completion of any sale, and transfer in the manner aforesaid, the person or persons to whom such sale and transfer may be made, shall have, and be subject to all the same privileges and liabilities, as the person or persons by, or from whom such sale and transfer was or were made; and every person or persons whose share or shares shall, by the Board of Directors for the time being, have been sold by any of the powers hereinbefore contained, shall, in respect of such share or shares,

cease to be shareholder or shareholders in the Company, and shall for ever thenceforth be acquitted and discharged from all further obligations in respect of such share or shares, and from all the covenants, agreements, regulations and stipulations to which, by this or any supplemental or other subsisting deed of settlement of the Company, he, she or they would have been liable in respect of the same share or shares, if the same had not been sold as aforesaid, provided nevertheless, that nothing in this article contained, shall extend or be meant or construed to extend, to release such shareholder or shareholders from his, her, or their proportion of the losses (if any) sustained by the Company, up to the period of his, her, or their ceasing to be such shareholder or shareholders as aforesaid.

61. That it shall be lawful for any Board of Directors for the time being, to purchase any share or shares, by, or out of the funds of the Company for the benefit thereof, and afterwards to sell and dispose of such share or shares rather than to retain the same to persons capable of promoting the interests of the Company at such times, and from time to time, and either by auction or private contract, or in such other manner as such Board shall deem most beneficial for the general benefit of the Company, and the person or persons who shall purchase any such share or shares from the Directors, shall, on completion of such purchase, become a Shareholder or Shareholders in the Company, and be entitled to a proper transfer or certificate thereof; but it shall not be necessary for the previous owner or owners of any such share or shares, to join in any transfer or assignment thereof.

62. That any annual general meeting of shareholders, if dissatisfied with the statement of the affairs of the company submitted to them, may appoint three shareholders (each qualified to be a Director) as a Committee of inspection to investigate into all, or any of the affairs and concerns of the Company, and such Committee shall have full power and authority to call for the production of all Books, Vouchers, and documents, and also require the aid and personal and other explanation, from the Manager, Accountant, Clerks or other officers of the Company, who shall accordingly give, and ren-

der, or cause to be given and rendered, such aid and explanation; and the annual general meeting, at which such Committee of inspection shall have been appointed, may be adjourned to some future day, to hear the report thereon, but such inspectors shall, previous to entering upon, such investigation, sign, as similar declaration of secrecy as is hereinbefore required, to be signed by the Board of Directors for the time being of the Company.

63. That the majority of Shareholders qualified and voting according to the right of voting hereinbefore mentioned, and personally present at two successive extraordinary meetings, or at one general annual meeting, and one extraordinary meeting to be convened in such manner, and with such notice as hereinafter mentioned, may from time to time increase the Capital of the Company, or lessen or increase the present number of Directors to any other number, or may remove any Director from his office, or apply for a Charter or Act of Parliament as hereinafter mentioned, or make any new order, rule, law, regulation or provision, not being repugnant to the principles and Constitution of the Company or to these presents, for better managing and governing the Company or the business, affairs, or concerns thereof, or may amend, alter, repeal, or make void any of the existing laws, regulations and provisions thereof or any of the articles contained in these presents, or to be contained in any future deed or deeds relating to the Company; provided that no order, rule, law, regulation, provision, matter, or thing be entered into, or done at any such meeting so as to relate to, or release or exonerate any of the Shareholders for the time being of the Company, from their respective liabilities to pay, and make good the sum of £10 in the whole, in respect of each share therein as aforesaid, or to alter the provisions contained in Articles 5 and 7.

64. That for effectuating all, any, or either of the purposes mentioned in the last preceding Article, the Board of Directors for the time being may, from time to time, call an extraordinary meeting of the Shareholders at some convenient place in the City of Toronto, of which the manager for the time being, of the Company, shall give 20 days previous notice, signed by him, stating the day, hour and place such

meeting is appointed to be holden, and the object thereof, and such notice shall be sent to Shareholders in the manner required by Article or Clause 39, 20 days before the time fixed for holding the meeting; and the Board of Directors may also in like manner call a second extraordinary meeting, for the purpose of confirming any new order, rule, law, regulation, provision, matter, or thing passed or agreed to at such first meeting.

65. That twenty or more Shareholders of the Company qualified to vote as aforesaid, the aggregate amount of whose shares shall not be less than 1500, may at any time or times by writing under their hands, require the Board of Directors for the time being, to call an extraordinary meeting of Shareholders for any of the purposes mentioned in clause or article 63; and every such requisition shall set forth the object of such extraordinary meeting, and shall be left with the manager for the time being at the office of the Company, at least two calendar months before the time named in the requisition for the meeting to be holden, otherwise the said Board shall not be bound to take notice thereof, but in case the Directors neglect or refuse for fourteen days after such requisition shall be so left as aforesaid to call such extraordinary meeting, then the Shareholders signing the requisition may for the purposes mentioned in such neglected or refused requisition call an extraordinary meeting of the Shareholders by notice signed by them, and advertised in two of the Toronto newspapers, at the least 20 days before the time fixed for holding the meeting, and in every such advertisement the object of such extraordinary meeting, and the day and hour and place in the City of Toronto, of holding the same; and the delivery of the requisition to the said Board, and its refusal to call such extraordinary meeting, shall be specified, provided that no new order, rule, law, regulation, provision, matter, or thing to be passed or agreed to at the first of said meetings, (whether annual or extraordinary) shall be binding or conclusive until confirmed by a second meeting, nor shall any such question be in the first instance proposed by the said Board at any annual meeting, without giving 20 days clear notice thereof in manner as prescribed by article nor be proposed by the Shareholders, without giving a like

notice, and also leaving with the manager at the office of the Company a copy of such notice, at least two calendar months previous to the time for holding such annual meeting.

66. That in all cases where any share or shares in the Capital of the Company, shall be bequeathed to, or otherwise become vested in any person or persons in trust for or subject to any equitable claim of any other person or persons in whom any such share or shares, shall be vested at Law, or his, her, or their executors or administrators, shall, notwithstanding any claim or demand whatsoever of any person or persons equitably entitled to, or having any equitable claim on the said share or shares, be a good and sufficient discharge for the money which may become payable from the Company, for in respect of such share or shares, and shall discharge the Company from the obligation of seeing to its application, or being answerable for its misapplication.

67. That the securities, or other investments hereinbefore authorised to be taken, and made in the names of the Trustees of the Company, and all monies to be secured or become due thereon, shall from time to time be under the controul and subject to the disposition of the Board of Directors for the time being, and the order in writing of the said Board, and countersigned by the manager for the time being, shall be obligatory on and a justification to the said trustees, as to any purchase, sale, investment, payment, or disposition of the securities or money of the Company, and the said Trustees shall from time to time execute and deliver to the said Board of Directors at the expense of the Company, such declarations or acknowledgments of trust of the estates, securities, monies and effects purchased, taken, holden, or possessed by the same trustees, on behalf of the Company, as the Board for the time being shall decree or require.

68. That every or any receipt of the Trustees for the time being of the Company or such number of Directors thereof as may constitute a Board or be sufficient to constitute a Board for any of the monies of the Company that may be paid to such Trustees or Directors, or by the direction of the said Directors, shall effectually discharge the person or persons paying the same, his, her, or their heirs, executors, administrators or assigns from being obliged to see to the applica-

tion thereof, or from being answerable or accountable for the misapplication or non-application thereof.

69. That within two months next after the Trustees of the Company or any or either of them refuse to act, die, go to reside out of this Province, or become incapable to act or shall resign, the Board of Directors for the time being shall name and appoint another Trustee or other Trustees in the stead of the Trustee or Trustees so refusing, dying, going to reside out of this Province, becoming incapable to act, or resigning; and such new Trustee or Trustees shall execute a covenant in such form as shall be devised by the said Board that they will hold the estates and funds of the Company upon the trusts and for the purposes of these presents or of the subsisting deed or deeds of settlement of the Company and give such further security for the due performance of their trusts as the Board of Directors for the time being shall from time to time require; and immediately after such appointment, or the execution of such covenant, the trusts, estates, monies, securities and effects of and belonging to the Company, which shall be or have been vested in the Trustee or Trustees so refusing, dying, going to reside out of the Province, becoming incapable to act, or resigning, shall be assigned, assured, paid and transferred so and in such manner that the same may rest in such new Trustee or Trustees jointly with the surviving or continuing Trustee or Trustees, or solely as the case may require upon the trusts of these presents, or upon the trusts of the subsisting deed or deeds of settlement of the Company.

70. That the Directors, manager, trustees, public and other officers for the time being of the Company shall be indemnified and saved harmless out of the funds or property of the Company from and against all costs, charges, losses, damages and expenses which they respectively shall or may pay sustain or incur in or about the execution of their respective trusts or offices, or in or about any action, suit or proceeding either at law or in equity relating to the acts or property of the Company, which the Board of Directors for the time being may deem proper to use, take, prosecute or defend, except such costs, damages, or expenses as shall happen by or through the wilful neglect or default of any such Directors,

managers, trustees, and other officers respectively, and none of them shall be answerable for any act or default of any others or other of them, or for joining in receipts for the sake of conformity, or for any bankers, brokers, or other persons with whom any monies or effects belonging to the Company shall be lodged or deposited for safe custody or otherwise for the insufficiency or deficiency of any security upon which any monies of or belonging to the Company shall be placed out or invested, or for any loss misfortune or damage which may happen in the execution of their respective trusts or offices, or in relation thereto respectively except the same shall happen by or through their own wilful default respectively.

71. That if at any time during the continuance of the Company, or at or after the dissolution or determination or expiration thereof, any question, doubt, cause of action or suit dispute or difference shall happen, or arise between all or any of the parties to these presents, or the parties to any such supplemental deed as aforesaid, or between all or any of the Shareholders for the time being, or every then late Shareholder of the Company, or their heirs, executors, administrators or assigns, respectively touching or concerning any matter, cause or thing relating to or respecting the Company, or in which the Company may be in any manner interested, or touching or concerning the breach or construction of any covenant, clause, matter, or thing herein, or in any supplemental deed as aforesaid contained or between all or any of the Directors of the Company, as such Directors, or all or any of the Shareholders, or between any Shareholder or Shareholders, Director or Directors, as Shareholders or Directors, and any individual or individuals, by reason of any acts done or omitted, permitted, or suffered by him or them respectively, then and in every such case and as often as the same shall happen every such question, doubt, cause of action or suit dispute or difference, shall on the request of either or any of the parties thereto, or the heirs, executors, or administrators of any or either of them be reduced into writing, and referred to three indifferent persons, one of them to be chosen by the person or persons taking one side of the matter in difference, and another of them by the person or persons taking the other side of the matter in difference,

within twenty one days after such request, and a third to be chosen by such two first chosen arbitrators within fourteen days after they shall be chosen; and in case the person or persons taking either side of the matter in difference, shall neglect or refuse to choose an arbitrator on his or their part, within the time aforesaid, then the arbitrator to be so chosen on the part of the person or persons taking the other side of the matter in difference, shall choose another person to be joined with him in such arbitration, and such two persons shall nominate a third person to be joined with them in such reference, and the award or determination of such three persons so to be chosen as aforesaid, or of any two of them concerning the matter or matters so referred to them, shall be binding and conclusive on the parties, and their respective heirs, executors, and administrators, and shall be performed and kept by them accordingly without any further suit or trouble, so as such award or determination be made in writing under the hands of such three persons acting as arbitrators, or two of them, within three calendar months next after the said three persons shall be elected as aforesaid; and for further and better enforcing the performance of every such award, the same award and the submission hereby made or which may be made or entered into, (if any) by any other instrument, shall from to time be made a rule of the Court of King's Bench according to the statute in that case made and provided.

72. That if ever the losses of the Company shall have absorbed not only the whole fund called "The Guarantee Fund," but also five per cent of the subscribed capital of the Company, the Board of Directors for the time being shall within thirty days or so soon after such losses being incurred as the said Board possibly can, and they are hereby required to call an extraordinary general meeting of the Shareholders in manner as hereinbefore mentioned, and lay a statement of the affairs of the Company before such meeting, when it shall be lawful for any one of the Shareholders present at such meeting personally to require the dissolution of the Company, and the same shall be accordingly dissolved and the affairs thereof wound up in manner hereinafter mentioned, unless two thirds of the Shareholders qualified to vote as aforesaid then

and there personally present, shall be desirous of continuing and carrying on the Company, which they shall be at liberty to do, upon purchasing the share or shares of the party or parties so desirous of withdrawing from the Company, at the then estimated bona fide value thereof, (such value being determined by arbitration as aforesaid, if any difference exist respecting the same) and also upon indemnifying such retiring Shareholders from the debts and engagements of the Company, and releasing them from the covenants, clauses, and agreements contained in these presents, or in any subsisting deed or deeds of settlement of the Company, provided that nothing herein contained shall extend or be construed to extend, to release such retiring shareholder or shareholders from bearing and paying his her or their proportion of the losses of the Company up to the day of such extraordinary general meeting. And it is further covenanted and agreed, that in case of the loss of ten per cent. upon the paid up Capital accruing during the first year of the business of the Company, and at any future time after the first year, then in case of the loss of five per cent. upon such paid up capital, the President and manager of the said Company, shall immediately advertise the same, in two of the Toronto Newspapers at the least, and in such other newspapers as they may think proper, and continue such advertisement therein, until forbid by the Board of Directors, and shall also immediately cease to transact business, either by discounting, issuing Notes or otherwise, save that of receiving and recovering monies due to the Company, and transacting such other affairs as shall be necessary for winding up and settling the affairs and business of the Company, and that no call for a further instalment shall be made on the Shareholders after twenty-five per cent shall have been paid up unless a dividend of at least six per cent for the past year shall have been previously declared, and in case the Company shall continue for two years minus any part of the paid up Capital consecutively, the same shall be made known, and a general meeting convened by public advertisement, in the manner hereinbefore prescribed for the dissolution of the Company.

73 That if such loss shall not be incurred, an absolute and

entire dissolution of the Company, and determination of this partnership may lawfully take place on the terms hereinafter expressed, and on no other terms, (that is to say,) by and with the consent and approbation of three or more of the Directors for the time being, to be testified by some writing signed by them, and by, and with the consent and approbation of two-third parts at least in number and in value, of the votes of the Shareholders present in person, and voting at each of two successive meetings of the Proprietors, and each meeting to be for that purpose exclusively, respectively convened by a Board of Directors, by one calendar month's notice at least, to be signified by the manager for the time being, by advertisement in two or more of the Toronto newspapers, and that proper measures for effectuating such dissolution, shall be taken by a Committee, to be composed of three of the Directors for the time being of the Company, and by an equal number of persons to be chosen by the majority of votes of the Shareholders present, in person, and voting at the last of such meetings, and that the resolution in writing of such Committee or a majority thereof, shall be deemed and taken as a sufficient act of dissolution of the said Company, from the date of such resolution, and that after such resolution, the affairs and concerns of the Company shall, with all convenient speed, be wound up, and the debts and liabilities of, and claims on the Company, shall be satisfied, discharged or otherwise sufficiently provided for, and all the effects, securities or assets, guarantees and other funds and interest and benefit of existing engagements, shall be converted into money, and for that purpose, all outstanding debts owing to, and the benefit of engagements belonging to the Company, may be sold for money, and the balance (if any,) of the assets and property of the Company, shall be divided among the persons who shall be the respective shareholders at the period of dissolution, and their respective Executors and Administrators, rateably, and in proportion to the amount of their respective shares at that time; and any of the Shareholders (not being a Director or manager,) may become purchasers of any of the assets of the Company, which shall be sold, and the majority of voters, (according to the rules of voting hereinbefore contained,) present in person and voting

at any special meeting to be convened for the purpose, may declare the accounts of the Company finally closed, and the assets of the Company fully administered, or with such exceptions as they may think fit to declare ; and the Directors trustees and all other parties to be released and discharged with or without such exceptions, from all suits, claims, and demands, under and by virtue, or in consequence of these presents, and they shall be released and discharged according to such resolution, and in the forms and under the modifications thereof.

74. That the Board of Directors for the time being, shall cause these presents or any future deed or deeds as aforesaid, relating to the Company, to be registered in such place as the majority of the Directors shall think most fit, for the benefit and security of all the parties to the same ; and such deed or deeds shall afterwards be deposited in such place as the Board of Directors shall think fit, and shall at any time or times, on the request and at the charges of any person or persons requesting the same be produced, on any trial or trials, hearing or hearings at law or in equity, or on any other reasonable occasion, due notice in writing being first given to the manager for the time being of the Company, of the time and place when and where the production thereof will be required.

75 That the Board of directors for the time being, may whenever they see fit, apply for, and solicit out of the funds of the Company, an act of Parliament for the purpose of giving full effect to, and carrying into execution the provisions, agreements, and stipulations in these presents or in any supplemental deed contained and procuring such other privileges as may be requisite or necessary for the purpose ; or as may be deemed advantageous for the interests of the said Company.

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