

general purposes of the undertaking, or for the conversion or redemption of the Bonds of the Company, or any portion thereof, or of the Provincial Debentures issued to the Company by way of loan, such increase of capital may be effected in manner following, that is to say, by resolution of the Directors of the Company, sanctioned and approved by two thirds at least of the votes of the shareholders present in person or by proxy, at a general meeting convened with special notice of the intended object; and the further capital so authorized may be raised by the issue of new shares, at such times and to such persons, and in such manner as the shareholders so present in person or by proxy shall by the like proportion of votes approve or direct; provided always, that the original and increased capital stock of the Company shall not exceed three millions of pounds sterling.

20. That it shall be lawful for the said Company, on obtaining subscriptions for shares, and as one of the terms of allotting the Bonds authorized to be issued by the Company, to give to the holders of such bonds respectively the option of converting the same into shares in the capital of the Company at par, provided such option be exercised within the time and in the manner to be prescribed on such allotment, and for the purpose of such conversion to create and issue shares or stock in the Company of equal amount.

21. That it shall be lawful for the Company at any time, and from time to time, with the consent of a general meeting of the Company, to convert or consolidate all or any part of the shares into a general capital stock, to be divided amongst the shareholders according to their respective interests therein; and after such conversion such stock, as well as any stock which shall have been created under the provisions herein contained for the conversion of Bonds, shall be transferrable and transmissible in any sums or parts not being fractional parts of a pound, in the same manner and subject to the same regulations and provisions, so far as applicable, as are or shall be contained in the Acts then in force relating to the Company, in reference to shares in the capital of the Company; provided always, that no consolidation or conversion of the stock held by the Province shall take place without the consent of the Governor in Council.

22. That the Company shall from time to time cause the names of the several parties interested in such stock, and the amount of interest therein of such parties respectively, to be entered in a Book to be called "The Stock Register," and the several holders of such stock shall be entitled to participate in the dividends and profits of the Company according to their respective interests therein, and such interest shall, in proportion to the amount thereof, confer on the respective holders the same privilege of voting qualification and otherwise, as would have been conferred by shares of equal amount in the capital of the Company, but so that none of such privileges, except that of participation in the dividends and profits, shall be conferred by the holding of any aliquot parts of such amount of stock, which would not if existing in shares, have conferred such privileges respectively.

23. And whereas by an Act passed in the sixteenth year of the Reign of Her present Majesty, intituled *An Act in addition to and in further amendment of the Act to incorporate the European and North American Railway Company*, the Company is empowered to raise by way of Loan, in addition to any amount loaned to such Company by the Province, a sum not exceeding one million pounds sterling, and to issue therefor its own Bonds under Seal, of the denomination, and bearing the interest, and redeemable as in the Act mentioned; Be it enacted, that such Bonds may be made payable to bearer, and may be in the Form or to the effect in the Schedule B to this Act; and to every such Bond shall be attached Coupons for the payment of the interest thereon half yearly, and such interest shall be payable

at the Offices or Bankers of the Company in London, as may be determined by the Directors of the Company.

24. That it shall be lawful for the Company to raise the money so authorized to be borrowed by way of Loan on the Company's Bonds, by obtaining subscriptions for the amount of such Bonds respectively, payable by such instalments as the Directors may appoint, and in the mean time, until the amount secured by such Bonds respectively shall have been paid up in full by the persons respectively subscribing therefor, to pay interest on the amounts from time to time paid thereon half yearly, at a rate not exceeding six pounds per centum per annum, and to deliver to the parties so subscribing provisional Bond Certificates in form as the Directors shall think fit.

25. That it shall be lawful for the Company to allot and apportion to and among the several persons subscribing for shares in the Capital of the Company, Provincial Debentures issued under the several Acts relating to the Company, or some of them, in such proportions relatively to the amount respectively subscribed, as the Directors shall think fit and determine; and until the full nominal amount of such Debentures respectively shall have been paid up by the persons to whom the same shall have been so allotted respectively, to pay interest on the amounts from time to time paid up thereon half yearly, at the rate of six pounds per cent. per annum, and to deliver to the allottees thereof provisional Certificates in respect of such Provincial Debentures in such form as the Directors shall think fit.

26. That at the first general meeting of the shareholders to be held after the passing of this Act, and which may be held at such time as the Directors shall appoint, at the City of Saint John, in this Province, the times of holding the ordinary meetings of the Company shall be determined, and two ordinary meetings shall be held in each year in the months of February and August; and at the first ordinary meeting, the Directors not appointed by the Lieutenant Governor shall go out of office, and Directors, qualified as required by the Acts relating to the Company, shall be chosen in their stead; and the Directors to be so chosen shall continue in office until the next meeting to be held in the month of August following; and at such last mentioned meeting two of the Directors, to be agreed upon, (or, in case of disagreement, to be determined by lot among the elective Directors) shall go out of office; and at the ordinary meeting to be holden in the following month of August, two others of such elective Directors who have been longest in office, to be determined in like manner, shall go out of office; and at the meeting to be holden in the next following month of August, the remaining three of the elective Directors who have been longest in office, shall go out of office; and thereafter, at each meeting to be holden in August, the two Directors who shall then have been longest in office shall retire; and at such meetings respectively, Directors shall be chosen in the place of those so respectively retiring, who shall, however, in all such cases, be re-eligible.

27. That at the first general meeting to be held under the provisions of this Act, whereat Directors are to be elected, two Auditors are to be elected, who shall continue in office until the first ordinary meeting to be held in the month of August then next following; and at such last mentioned meeting, one of the said two Auditors, to be determined by agreement among themselves, or, in case of disagreement, by lot, shall go out of office, and another Auditor shall be elected in his stead; and at the meeting to be held in the month of August then next following, the other Auditor shall go out of office, and another be elected in his stead; and at each ordinary meeting in the month of August to be held thereafter, the Auditor then longest in office shall retire, and another be elected in his stead, and in all such cases the retiring Auditor shall be re-eligible.

28. That the Accounts of the Company shall be made