

Hugh Shields - Feb. 7/17 - 2.

present at the Directors' meeting, in order that they may have an opportunity of setting forth their views as to the different by-laws, and the shareholders again meet after the Directors' meeting is adjourned to approve, ratify and adopt the by-laws passed at the Directors' meeting.

As you will see by the by-laws we have provided for the following officers, viz., President and Vice-President, Secretary Treasurer and Managing Director. Your Company may not require a Managing Director, but may require some other officer to look after the business of the Company, and he can be substituted in lieu of the Managing Director.

If there are any points in connection with the meeting, or any of the affairs of the Company upon which you are not clear, the writer will be glad to take them up with you in Cobden on Thursday next.

Each subscriber, as you are aware, is entitled to seven shares in the Company, and the assets of the Company are limited to the poles, wire, etc., on the highway, each subscriber being the owner of the line erected on his property to connect with the main line, and also owns his telephone instrument, so that in the event of a sale, a shareholder would transfer his shares in the Company for a price to be agreed on and would also make a separate sale of the lines on his property and his telephone instrument.

It would be advisable to explain this matter fully at the Shareholders' meeting, as questions often arise on the purchase of a farm as to whether or not the interest in the line and the telephone pass on the sale of the farm to the purchaser.

We also prepared for you Stock Certificates for each