

of which he is a Director; nevertheless, he shall not vote in respect of such contract or work; and if he does so vote, his vote shall not be counted, and he shall incur a penalty not exceeding £20.

POWERS OF DIRECTORS.

68. The Board shall manage and carry on the business of the Company, and may (subject to the regulations contained in these presents) exercise all such powers of the Company as are not by the statutes or by these presents required to be exercised by the Company in general meeting, and no special resolution shall invalidate any prior act of the Directors which would, but for such special resolution, have been valid.

69. Subject to, but without restraining the generality of the last preceding regulation, the Directors shall have power to do all acts and things which they may consider proper or advantageous for accomplishing the objects and carrying on the business of the Company, and in particular they shall have power to do all and every or any of the several matters and things following, that is to say),—

- (a.) To commence the business of the Company as soon as they shall see fit.
- (b.) To purchase or rent such offices and premises as they may deem requisite for the business of the Company.
- (c.) To appoint and at pleasure to remove any manager, agents, officers, clerks, or servants, and at such salary, and upon such terms by way of commission or otherwise, as they may think proper.
- (d.) To acquire for the Company upon such terms in all respects as they may think fit all such freehold or leasehold lands and hereditaments, and make or enter into, execute, rescind, alter, or vary any purchases, leases, exchanges, contracts, and agreements of any kind, and whether relating to real or personal property, for all purposes in any way connected with the objects or business of the Company.
- (e.) To enter into such contract or several and distinct contracts with any person or persons, partnership, company, or association either in New Zealand or elsewhere, as the Board may deem expedient, for the construction and completion of the railway and works intended to be constructed and completed by the Company, or of any part or parts of such railway and works, and upon such terms and subject to such conditions as to payment to the contractors or otherwise as the Board may think fair and proper.
- (f.) To raise or borrow from time to time such sums of money as they may think expedient, and may secure the repayment of such sums by mortgages or sub-mortgages of any property (real or personal) belonging to the Company, or upon debentures or bonds or other securities of the Company, or by bills of exchange, promissory notes, or other negotiable instruments, and upon such terms as to the rate of interest or otherwise, and for such periods as the Board may from time to time determine; and such mortgages or other securities may contain such covenants, powers, and obligations as they may think expedient.
- (g.) To set apart from time to time out of any profits of the Company available for the purpose, such sums as in the judgment of the Board shall be necessary or expedient for the purpose of forming one or more reserve or depreciation funds, to be at the discretion of the Board applied in equalizing dividends, or upon new works, or upon keeping up, repairing, replacing, improving, extending, or increasing the Company's railways, buildings, works, plant, machinery, or fittings, or towards meeting ascertained or contingent claims, or on liabilities of the Company, and to invest all moneys carried to any reserve or depreciation funds, and also such parts of any other funds of the Company as may not be required for the immediate purposes of the Company, on such securities and on such terms as they may think fit, and from time to time to vary the investments thereof, and also at any time after the completion of the railways and works of the Company, and the redemption of any debentures or mortgage bonds that may have been issued by or on behalf of the Company; and if the Board shall consider it expedient so to do, to apply any part of the funds not so required as aforesaid in the purchase, for the benefit of the Company, of any fully paid-up shares therein.
- (h.) The remuneration to the Directors shall be fixed by the Company in general meeting.

BONDS AND DEBENTURES.

70. That all bonds or debentures which shall be made, given, or issued pursuant to any resolution authorizing the same passed at a Board meeting, and which shall be made, given, or issued under the seal of the Company, and signed by two of the Directors, and countersigned by the Secretary for the time being thereof, or other person duly authorized by the Board in that behalf, shall be binding and conclusive on the Company and every shareholder therein.

Enclosure 2 in No. 41.

AN ACT to give further Powers for enabling the Construction of the Dunedin, Peninsula, and Ocean Beach Railway.

WHEREAS a Joint Stock Company called the Dunedin, Peninsula, and Ocean Beach Railway Company (Limited) has been lately established in Dunedin under the Acts in force in the colony relating to Joint Stock Companies, and subject to the provisions and regulations contained in the memorandum and articles of association thereof, dated the twenty-seventh day of November, one thousand eight