

The Companies Acts, 1862 and 1867.

COMPANY LIMITED BY SHARES.

MEMORANDUM OF ASSOCIATION

OF THE

**American Mortgage Company of Scotland,
LIMITED.**

1. The Name of the Company is 'THE AMERICAN MORTGAGE COMPANY OF SCOTLAND (LIMITED).'

2. The Registered Office of the Company will be situate in Scotland.

3. The Objects for which the Company is established are:—

- (1) The investment or advancement of money on loan on the security, by way of first Mortgage only, of Lands, Hereditaments, and Real or Heritable Estate of all and any description and tenures, situated in the United States of America, or Dominion of Canada, or any of the British dependencies;
- (2) The borrowing of money in the United Kingdom of Great Britain and Ireland, or elsewhere, for investment as aforesaid; the granting and issuing of Deposit Receipts, Bonds, Debentures or other Documents, to the lenders for the money so borrowed, or in security thereof; and the granting of Mortgages, Trust Deeds, or other Deeds of Security over all or any of the Company's Securities and Assets for repayment of all or any of the money so borrowed;
- (3) The collecting on commission coupons or interests due in the States and countries above mentioned and referred to;
- (4) The doing of all other acts or things whatsoever incidental to any of the foresaid objects.

4. The liability of the Shareholders is limited.

5. The nominal Capital of the Company is £1,000,000, divided into 100,000 Shares of £10 each, with power to increase as provided by the Articles of Association.

John K. Hinzley

Memorandum of Association.

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of Shares in the Capital of the Company set opposite our respective names.

NAMES, ADDRESSES, AND DESCRIPTION OF SUBSCRIBERS.	NO. OF SHARES TAKEN BY EACH SUBSCRIBER.
(Signed) THOMAS LANDALE, of 4 Mayfield Terrace, Edinburgh, in the County of Edinburgh, Land Valuer,	One Share.
„ ADAM CURROR, The Lee, Edinburgh, in the County of Edinburgh, Land Valuer,	One Share.
„ RO. PATERSON, of 10 Hanover Street, Edinburgh, in the County of Edinburgh, Architect and Land Valuer,	One Share.
„ JAMES KEIR, of No. 10 Albyn Place, Edinburgh, in the County of Edinburgh, Advocate,	One Share.
„ ALEX. T. NIVEN, of No. 6 Abbotsford Crescent, Edinburgh, in the County of Midlothian, Chartered Accountant,	One Share.
„ JOHN K. LINDSAY, of No. 16 Queen Street, Edinburgh, in the County of Edinburgh, Solicitor Supreme Courts of Scotland,	One Share.
„ AUSTIN CORBIN, of No. 61 Broadway, New York, in the United States of America, Banker,	One Share.
TOTAL SHARES TAKEN,	SEVEN.

Dated the Nineteenth day of July Eighteen hundred and seventy-seven.

Witness to the above Signatures—

(Signed) J. G. GLENDINNING, of No. 16 Queen Street, Edinburgh,
in the County of Edinburgh.

John Lindsay

ARTICLES OF ASSOCIATION

OF THE

AMERICAN MORTGAGE COMPANY OF SCOTLAND, LIMITED.

1. The Regulations of Table A in the first Schedule to 'The Companies Act 1862,' shall not apply to this Company, except so far as the same are repeated or contained in these Articles.

INTERPRETATION.

2. In the construction of these Articles the following words and expressions shall have the meaning hereby assigned to them respectively, so far as such meanings are not excluded by the context or subject-matter: That is to say, Words importing the plural number only shall include the singular and *vice versa*. Words importing the masculine gender only shall include the feminine. Words signifying persons shall also apply, *mutatis mutandis*, to Corporations. The word 'Officers' shall include the Secretary, Agents, and all other authorised Officials of the Company; the word 'month' shall mean calendar month; the word 'Mortgage' shall include Deeds of Trust in the nature of Mortgages, and given as security for the payment of Money.

BUSINESS.

3. The Business of the Company may be commenced as soon as the Directors think fit, and notwithstanding the whole of the Capital may not have been subscribed.

OFFICE.

4. The Registered Office shall be situate at such place in Edinburgh as the Directors may from time to time appoint.

SHARES.

5. If several persons are registered as joint holders of any Share, any one of such persons may give effectual receipts for any dividend payable in respect of such Share, or for any interest on prepaid calls.

6. Every Member shall, on payment of such sum, not exceeding Two Shillings and Sixpence, as the Directors may from time to time prescribe, be entitled to a certificate under the Common Seal of the Company, specifying the Share or Shares held by him, and the amount paid up thereon; and if such certificate is worn out or lost, it may be renewed on payment of such sum, not exceeding Two Shillings

John McIntyre

and Sixpence, as the Directors may from time to time prescribe, provided such evidence as the Directors shall deem reasonable shall be afforded of the title of the party applying for the renewal.

CALLS ON SHARES.

Calls.

7. The Directors may from time to time make such calls upon the Members, in respect of all moneys unpaid on their Shares, as they may think fit, provided that one month's notice at least is given of each call, and no single call shall exceed Two Pounds per Share. The sums payable on application and allotment shall not be considered as calls in the sense of this Article.

Liability of Members and Interest on Calls in arrear.

8. Each Member shall be liable to pay the amount of calls, so made, to the persons, and at the times and places appointed by the Directors, and, in case of default, to pay interest for the same at such rate as the Directors shall fix, from the day appointed for payment thereof to the time of the actual payment; and joint holders of Shares shall be so liable, severally as well as jointly, in respect of all calls thereon.

Prepayment of Calls to bear Dividend or Interest.

9. The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the moneys payable upon the Shares held by him beyond the sums actually called up; and the moneys so paid in advance, or so much thereof as shall from time to time exceed the amount of the calls then made upon the Shares, in respect of which such advance shall have been made, may, as the Directors and the Members paying the same may agree, be treated either as payments in advance in respect of such Shares, entitling the holders thereof for the time being to dividends, at the same rates as if such moneys had been paid up in pursuance of calls, or as loans at such interest and on such terms as the Members paying such sums in advance and the Directors shall agree upon.

Notice of Call in case of bankruptcy, etc., of Member.

10. Where the Directors find it necessary or expedient to make a call in respect of the moneys unpaid on any Share standing registered in name of any Member, who is then bankrupt or deceased, or afterwards becomes bankrupt or dies, or being a female, is then married, or afterwards marries, notice of such call shall be sufficiently given by posting the same addressed to such Member at his or her address entered in the Register, and thereafter the said call, with interest and expenses, shall be a debt due to the Company by such Member or his representatives, or in the case of a female, by her and her husband; and if such call be not duly paid, the said Share may be forfeited in manner aftermentioned, the notice required by Article 13 being sufficiently given by posting the same addressed to such Member at his or her address entered in the Register.

Date of Calls.

11. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed.

In action for Calls, certain proofs unnecessary.

12. In any action to be brought by the Company against any Member or other person liable, or alleged to be liable, for payment of any call, interest thereon or expenses, it shall not be necessary to prove the appointment of the Directors, the resolution of the Directors to make such a call, or that the meeting at which such call was made was duly constituted; nor shall it be a relevant defence to such action that such Directors were not duly appointed, such resolution not duly passed or such meeting not duly constituted.

John H. Lindsay

FORFEITURE AND DISPOSAL OF SHARES.

13. If any Shareholder shall fail to pay any call due from him on the appointed day, the Directors of the Company may at any time thereafter, during such time as the call shall remain unpaid, serve a notice upon him requesting him to pay such call, together with any interest which may have accrued thereon by reason of such non-payment.

Notice to pay Calls in arrear.

14. The notice shall name a further day, not less than fourteen days after the day first appointed, on or before which such call, and all interest and expenses accrued by reason of such non-payment, are to be paid. It shall also name the place where payment is to be made, the place so named being either the Registered Office of the Company, or some other place at which the calls of the Company are usually made payable. The notice also shall state that in the event of non-payment at or before the time and at the place appointed, the Shares in respect of which such call was made will be liable to be forfeited.

Requisites of notice.

15. If the requisitions of any such notice as aforesaid be not complied with, any Share in respect of which such notice shall have been given may at any time thereafter, before payment of all calls, interest, and expenses due in respect thereof shall have been made, be forfeited by a resolution of the Directors to that effect.

Forfeiture in case of non-payment.

16. Any forfeited Share shall be deemed to be the property of the Company, and may be re-sold, re-allotted, or disposed of in such manner as the Directors shall think fit.

Disposal of forfeiture Shares.

17. Any Member whose Shares have been forfeited shall, notwithstanding, be liable to pay to the Company all calls owing upon such Shares at the time of forfeiture and the interest thereon.

Owner of forfeited Shares liable for Calls, owing at date of forfeiture.

18. A certificate in writing, under the Seal of the Company and the hands of two Directors, and countersigned by the managing Director or Secretary, or other authorised officer of the Company, that a Share has been duly forfeited in pursuance of the regulations of the Company, shall be conclusive evidence of such forfeiture.

Evidence of forfeiture.

19. On any sale by the Directors of Forfeited Shares, the purchaser shall be registered as the proprietor of the Shares, and shall receive a certificate of such proprietorship under Article 6, and shall hold the Shares discharged from all calls due prior to his purchase, and he shall not be bound to see to the application of the purchase money.

Registration of new Holder.

20. The Directors may in their discretion remit or annul the forfeiture of any Share within one year from the date thereof upon payment of all moneys due to the Company from the late holder or holders of such Share or Shares, and all expenses incurred in relation to such forfeiture.

Forfeiture may be remitted.

TRANSFERS OF SHARES.

21. The Instrument of Transfer of any Share in the Company shall be executed both by the Transferor and Transferee, and the Transferor shall be deemed to remain a holder of such Share until the name of the Transferee is entered in the Register Book in respect thereof.

Execution of Transfers.

John H. Lindsay

Form of Transfer.

22. Shares in the Company shall be transferred in the Form (Number 5), given in the Schedule at the end of these Articles. One witness shall be sufficient to the subscription of a transfer.

Directors may decline to transfer in certain cases.

23. The Directors may decline to register any transfer of Shares made by a Member who is indebted to the Company, or made to a minor, lunatic, married woman, bankrupt, or any other person who, in the opinion of the Directors, is of doubtful solvency; and every transferor who is aware or suspects that his transferee is a minor, lunatic, married woman, bankrupt, or of doubtful solvency, shall be bound to intimate his knowledge or suspicion to the Directors. For the purposes of this Article, a Member shall be deemed indebted in respect of a call made but not yet payable. No Member shall cease to be such until a transfer, or other legal title to his Shares, in favour of some other person, has been registered.

Closing of Transfer Books.

24. The Transfer Books shall be closed during the period of one month, or such shorter period as the Directors may from time to time fix, immediately preceding the Ordinary General Meeting in each year.

TRANSMISSION OF SHARES.**Transmission to Executors.**

25. The executors or administrators of a deceased Member shall be the only persons recognised by the Company as having any title to his Share.

Transmission, Registration, and Forfeiture, in case of Death, Bankruptcy, etc.

26. Any person becoming entitled to a Share, in consequence of the death, bankruptcy, or insolvency of any Member, or in consequence of the marriage of any female Member, may be registered as a Member, upon such evidence being produced as may from time to time be required by the Company or Directors; and in the case of a share which has not been fully paid up, any such person shall apply for registration, and produce the necessary evidence within three months of such death, bankruptcy, insolvency, or marriage, failing which the Directors may, after giving fourteen days' notice, by posting the same addressed to the registered holder of such Share, at his or her registered address, declare such Share forfeited, and the same shall be forfeited accordingly.

INCREASE IN CAPITAL**Increase of Capital.**

27. The Directors may, with the sanction of the Company, previously given in General Meeting, increase its capital beyond the nominal capital of £1,000,000 and that either by increasing the amount of each of the original Shares, or by the creation of new Shares of greater or less amount than the original Shares, or partly by both of these modes, as shall appear to the Directors most conducive to the interests of the Company.

New Shares from increased Capital to form part of original Capital.

28. Any capital raised by the creation of new Shares shall be considered as part of the original capital, and shall be subject to the same provisions with reference to the payment of calls, and the forfeiture of Shares on non-payment of calls or otherwise, as if it had been part of the original capital.

New Shares to be offered to Members.

29. Subject to any direction to the contrary that may be given by the meeting that sanctions the increase of capital, all new Shares shall be offered to the Members in proportion to the existing Shares held by them, at such price as the said meeting, or failing the said meeting, as the Directors may fix, and such offer shall be made by notice specifying the number of Shares to which the Member is en-

Shankar Day

titled, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of such time, or on the receipt of an intimation from the Member to whom such notice is given that he declines to accept the Shares offered, the Directors may dispose of the same in such manner as they think most beneficial to the Company.

GENERAL MEETINGS.

30. The first Ordinary General Meeting shall be held at such time within four months after the incorporation of the Company as the Directors may determine; and thereafter an Ordinary General Meeting shall be held annually, at such time and place as the Directors may annually determine. Time of holding Ordinary Meetings.

31. The Directors may, whenever they may think fit, and they shall, upon a requisition made in writing by not less than twenty Members of the Company holding in the aggregate Shares to the nominal amount of one-tenth of the issued capital for the time being of the Company, convene an Extraordinary General Meeting. Extraordinary Meeting.

32. Any requisition made by the Members shall express the object of the Meeting proposed to be called, and shall be left at the Registered Office of the Company; but no Member shall be qualified to sign a requisition who shall be under the disabilities mentioned in Article 46, or any of them. Requisition for Extraordinary Meetings.

33. Upon the receipt of such requisition, the Directors shall forthwith proceed to convene an Extraordinary General Meeting. If they do not proceed to convene the same within fourteen days from the date of the requisition, the requisitionists may themselves convene an Extraordinary General Meeting. Calling of Extraordinary Meetings.

34. The Directors or Members convening any Meeting shall give seven days' notice at least, specifying the place, the day, and the hour of Meeting, and in case of special business, the general nature of such business, to the Members, in manner hereinafter mentioned, or in such other manner, if any, as may be prescribed by the Company in General Meeting; but the non-receipt of such notice by any Member shall not invalidate the proceedings at any such Meeting. Notice of Meeting.

35. All business shall be deemed special that is transacted at an Extraordinary Meeting, as well as all business that is transacted at an Ordinary Meeting, with the exception of choosing a Chairman (if necessary), sanctioning a Dividend, electing Directors and Officers, considering the accounts and the report of the Directors, and passing any resolution relating to or arising out of the subject-matter of such report. Special Business.

PROCEEDINGS AT GENERAL MEETINGS.

36. No business shall be transacted at any General Meeting, except the choice of a Chairman (if necessary) and the declaration of a Dividend, unless four Members shall be present, in person or by proxy, at the time when the Meeting proceeds to such business. Quorum.

37. If within half-an-hour from the time appointed for the Meeting a quorum (as defined by the article immediately preceding) be not present, the Meeting, if convened upon the requisition of Members, shall be dissolved. In any other case, When no Quorum present, Meeting to be adjourned or dissolved.

John H. L. Lay

it shall stand adjourned to the same day in the next week, at the same time and place; and if at such adjourned Meeting a quorum be not present, it shall be adjourned *sine die*.

Chairman.

38. The Chairman (if any) of the Board of Directors shall preside as Chairman at every General Meeting of the Company.

Temporary Chairman.

39. If there is no such Chairman, or if at any Meeting he is not present within fifteen minutes after the time appointed for holding the Meeting, the Directors present shall choose one of their own number to act as Chairman, and that failing, the Members present and entitled to vote shall appoint some one of their own number to be Chairman.

Meetings may be adjourned.

40. The Chairman may, with the consent of the Meeting, adjourn any Meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place, but it shall not be necessary to send any notice of such adjourned Meeting to the Members.

Chairman's decision final, unless poll is demanded.

41. At any General Meeting, unless a poll is demanded by at least three of the Members present, in person or by proxy, and entitled to vote, a declaration by the Chairman that a resolution has been carried, and an entry to that effect in the book of proceedings of the Company shall be sufficient evidence of the fact, without proof of the number or proportion of votes recorded in favour of or against such resolution.

Taking of poll.

42. If a poll is demanded by three or more Members present in person or by proxy, and entitled to vote, it shall be taken in such manner as the Chairman directs, and the result of such poll as declared by the Chairman shall be deemed to be the resolution of the Company in General Meeting.

Minute Books to be kept.

43. Minutes shall be made in books provided for the purpose of all resolutions and proceedings of General Meetings, and any such minutes, if signed by any person purporting to be the Chairman of the meeting to which they relate, or by any other person present thereat and appointed by the Board of Directors to sign the same in his place, shall be receivable as evidence of the facts therein stated, without further proof; but if such minutes be signed otherwise than by the Chairman of the meeting to which they relate, they shall be read to the next succeeding General Meeting, and, on being found or made correct, shall be signed by the Chairman thereof.

VOTES OF MEMBERS.

Voting.

44. Every Member shall have one vote for every number of five Shares held by him, and in case of an equality of votes at any General Meeting or poll, the Chairman shall, in addition to the votes to which he otherwise may be entitled, have a second or casting vote.

Votes of Joint-Members.

45. If two or more persons are jointly entitled to a Share or Shares, the Member whose name stands first in the Register of Members as one of the holders of such Share or Shares, and no other shall be entitled to vote in respect of the same.

John H. L. Lay

46. If any Member is an infant, pupil, minor, married woman, lunatic, or person of unsound mind, he or she may vote by his or her guardian, tutor, husband, committee, or legal curator, or by any one of them, if more than one, such person having previously furnished to the Directors such evidence as they shall require of his title to represent such Member. Voting by representation.

47. No Member shall be entitled to vote at any General Meeting unless all calls due from him have been paid; and no Member shall be entitled to vote in respect of any Share that he has acquired by transfer, at any Meeting held after the expiration of four months from the registration of the Company, unless he has been possessed of the Share in respect of which he claims to vote for at least three months previously to the time of holding the Meeting at which he proposes to vote. Members in arrears not to vote. Transferee must hold Share three months before voting.

48. Every vote given at any Meeting shall be deemed valid, unless objection has been taken to it at such Meeting, by the Secretary or Solicitor of the Company, or any Member of the Company present, and entitled to vote, or unless a written note of objection, and reasons of objection, signed by two Members present, and entitled to vote, is lodged at the Registered Office of the Company, before five o'clock afternoon of the day after such Meeting. All objections to votes shall be referred to the Solicitor for the Company for the time being, whose decision thereon shall be final. Validity of votes.

49. Votes may be given either personally or by proxy, but no female Shareholder shall be entitled to vote at any Meeting except by proxy; and no person shall be appointed a proxy who is not a Member of the Company. Voting by Proxy.

50. The instrument appointing a proxy, which may be either written or printed, shall be deposited at the Registered Office of the Company not less than three clear days before the time for holding the Meeting at which the person named in such instrument proposes to vote, but no instrument appointing a proxy shall be valid after the expiration of two months from the date of its execution. Proxy to be lodged at office of Company. Duration of Proxy.

51. The instrument appointing a proxy shall be in the Form (No. 1) given in the Schedule at the end of these Articles, with such variations as circumstances may require. Form of Proxy.

DIRECTORS.

52. Every male Member holding not less than One Hundred Shares of the Company, upon which all calls for the time being shall have been paid, shall be eligible as a Director. Qualification.

53. The number of Directors shall not be less than Five or more than Ten, but this clause shall be construed as being only directory, and the continuing Directors may act notwithstanding any number of vacancies. Number.

54. The first Directors shall be—ADAM CURROR, Land Valuer, The Lee, Edinburgh; HENRY INGLIS, of Torsonce, Writer to the Signet; JAMES KEIR, Advocate, Edinburgh; THOMAS LANDALE, Land Valuer, 4 Mayfield Terrace, Edinburgh; ALEXANDER THOMAS NIVEN, Chartered Accountant, Edinburgh; First Directors.

B

John H. L. Lay

ROBERT PATERSON, Architect, Edinburgh; and JOHN KYLE LINDSAY, Solicitor Supreme Courts of Scotland, Edinburgh; who shall act until the Annual Ordinary Meeting in the year 1878. In addition, the Corbin Banking Company of New York, in the event of their holding not less than one-tenth of the first issued 25,000 Shares of the Company, shall be entitled to have a representative at the Board of Directors, who shall possess all the rights and powers of an Ordinary Director. The Directors hereby appointed may elect other three or less number of additional Directors, who shall be entitled to remain in office for the same period as themselves.

Remuneration of
Directors.

55. The remuneration of the Directors, other than the Managing Director, shall be fixed by the Company from time to time at any Ordinary or Extraordinary Meeting, and such remuneration shall be divided among the Directors in such proportions as they shall from time to time determine among themselves.

Remuneration to
Directors for extra
services.

56. If any Director shall be called upon to perform extra services, or to make exertions in going or residing abroad on the Company's business, the Board may arrange with such Director for such special remuneration for such services or exertions, either by way of salary, commission, or the payment of a lump sum of money, as they shall think fit.

POWERS OF DIRECTORS.

Directors to arrange
Company's business.

57. The business of the Company shall be managed by the Directors, who may pay all expenses incurred in the formation and registering of the Company.

Powers of Directors.

58. The Directors may do all the acts mentioned in the Memorandum of Association, and may exercise all such powers of the Company as are not by the Companies Acts, 1862 and 1867, or by these Articles required to be exercised by the Company in General Meeting, subject, nevertheless, to any regulations of these Articles and the provisions of any of the said Acts or any other Act of Parliament, and to such regulations, not being inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting, but no regulation made by the Company in General Meeting shall invalidate any prior Act of the Directors which would have been valid if such regulation had not been made, and the generality of the powers hereby conferred upon the Directors shall not be limited by any Article herein contained conferring any express power.

Directors may
establish Agencies and
appoint Officers, etc.

59. The Directors may establish Offices and Agencies in the United Kingdom, and in any of the States and Countries mentioned or referred to in the Memorandum of Association, and may make such regulations for the management of such Offices and Agencies as they may from time to time think proper; and, farther, the Directors may appoint in this country and abroad Advisers, Managers, Agents, Secretaries, Treasurers, Officers, Clerks, and Servants, with such remuneration and at such salaries as they may consider advisable, and may pay the expenses occasioned thereby out of the funds of the Company, and may from

John H. Lindsay

time to time discontinue all or any Branch Offices or Agencies, and may remove or suspend at any moment all or any of the Advisers, Managers, Agents, Secretaries, Treasurers, Officers, Clerks, or Servants of the Company, for such reasons as they may think proper and advisable, and without assigning any cause.

60. The Directors shall have the power to make temporary investment of the Company's funds in the United Kingdom, and that in such way or upon such Stocks, Shares, Bonds, Debentures, or Securities as they may from time to time approve; and they may from time to time realise such temporary investments and invest of new in whole or in part.

Temporary Investments.

61. Subject to the provisions of these Articles, the Directors may from time to time borrow for the purposes of the Company such sum or sums of money as they may from time to time think proper, and grant Deposit Receipts, Bonds, Debentures, Coupons, Interest Warrants, or other Documents, to the Lenders, and also Mortgages, or other Deed or Deeds of Security, over all or any of the Company's Assets, for repayment of all or any of the money so borrowed.

Borrowing Powers.

62. Money may be borrowed for the purposes of the Company with a stipulation, if approved by a General Meeting, that the security may be converted into Preference or other Shares of the Company.

Loans to Company may be converted into Shares.

63. In the event of any moneys being borrowed for the purposes of the Company on the terms of the securities for such moneys being convertible into Shares, the Directors may create and issue such new Shares, either Preferential, Ordinary, or Deferred, as may be necessary for carrying such conversion into effect.

Issue of New Shares for that purpose.

64. The Company shall have power to use Official Common Seals, under 'The Companies Seals Act 1864,' in such foreign or other countries as the Directors shall determine, and the Directors shall have power to appoint any Agent or Agents, Committees or Committee abroad to be duly authorised Agents of the Company for the purpose of affixing and using such foreign Common Seals, and they may impose such restrictions on the use thereof as they shall think fit.

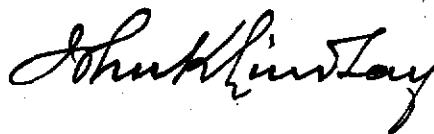
The Foreign Seals.

DISQUALIFICATION OF DIRECTORS.

65. The office of Director shall be vacated—

Disqualification of Directors.

- (1) If he ceases to hold the due qualification;
- (2) If he holds any office or place of profit under the Company other than that of Director which the Company have not in General Meeting sanctioned his holding or retaining, except that of Managing Director, Solicitor, or Agent, or Trustee;
- (3) If he becomes of unsound mind, or bankrupt, or compounds with his creditors, or is convicted of any crime.



Acts of Directors not void through latent defects.

66. All acts done by any Meeting of Directors, or of a Committee of Directors, or by any person acting as a Director, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

ROTATION OF DIRECTORS.

Order of seniority of Directors, how determined.

67. The order of seniority of Directors shall be determined by themselves, and at each Annual General Meeting after that of 1878 the senior Director for the time being shall retire from office, but shall be re-eligible. Retiring Directors shall continue to act until their successors are elected. At the General Meeting at which any Director retires from office by seniority, the Company shall fill up the vacancy.

Directors may be removed before expiry of period of office.

68. The Company in General Meeting may remove any Director before the expiration of his period of office, and may elect another person in his stead. The person so appointed shall hold office during such time only as the Director in whose place he is appointed would have held the same if he had not been removed.

Director may give notice of wish to retire.

69. A Director may at any time give notice in writing to the Chairman of the Board or Secretary of his wish or intention to resign, and on the acceptance of his resignation by the Board, but not before, his office shall be vacant.

Casual vacancy, how to be filled up.

70. Any casual vacancy occurring in the Board of Directors may be filled up by the Directors, but any person so chosen shall retain his office so long only as the vacating Director would have retained the same if no vacancy had occurred.

Remaining Directors may continue to act as Board.

71. The remaining Directors may continue to act as a Board notwithstanding any vacancy in their number by death, resignation, or otherwise.

PROCEEDINGS OF DIRECTORS.

Meetings of Directors. Quorum.

72. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction of business by the Board and Committees.

Voting at Meetings.

73. Questions arising at any Meeting of the Directors shall be decided by a majority of votes, each Director having one vote. In case of an equality of votes the Chairman shall have a second or casting vote.

Directors may call Meeting.

74. A Director may at any time summon a Meeting of the Directors.

John H. Lintley

75. The Directors may elect a Chairman of their Meetings, and determine the period for which he is to hold office, but if no such Chairman is elected, or if at any Meeting the Chairman is not present at the time appointed for holding the same, the Directors present shall choose some one of their number to be Chairman of such Meeting. The Directors may also from time to time appoint one of their number to act as Managing Director, and upon such remuneration as they may fix, and he shall in other respects possess and exercise all the privileges of ordinary Directors.

76. The Directors may delegate any of their powers to Committees consisting of such members of their body as they think fit. Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on them by the Directors.

77. A Committee may elect a Chairman of their Meetings. If no such Chairman be elected, or if he is not present at the time appointed for holding the same, the Members present shall choose one of their number present to be Chairman of such Meeting.

78. A Committee may meet and adjourn as they may think proper. Questions at any Meeting shall be determined by a majority of votes of the Members present, each Member having one vote, and in case of an equal division of votes, the Chairman shall have a casting vote.

79. The Directors shall cause minutes to be made in books provided for the purpose.

- 1st. Of all appointments of officers made by the Directors, and of their Salary and remuneration ;
- 2d. Of all orders made by the Directors and Committees of Directors ; and
- 3d. Of all resolutions and proceedings of the Directors and Committees of Directors.

And any such minute as aforesaid, if signed by any person purporting to be the Chairman of the Meeting to which it relates, or of the next Meeting of the Directors, or of the same Committee, shall be receivable in evidence, without any further proof.

80. The Directors shall cause a Common Seal to be made for the Company, which shall be kept by the managing Director or by an authorised Officer of the Company at its Registered Office, and shall be under the sole control of the Directors, and shall be employed only in pursuance of a resolution of the Board of Directors.

INVESTMENT OF MONEYS.

81. Without prejudice to Article 60 hereof, it shall be the duty of the Directors to invest the money of the Company (in name of the Company itself, or of

John H. H. Lay

such Trustees for the Company as the Directors may at any time or from time to time appoint), in any of the States or Countries mentioned and referred to in the Memorandum of Association, upon First Mortgages only of and over Lands, Hereditaments, and real or Heritable Estate of all or any description and tenures; provided that no Mortgage Security actually taken on behalf of the Company shall be invalidated or in any ways prejudiced by reason of any breach of the regulations imposed by this Article on the Directors.

Directors not to be personally liable.

82. In no case, nor under any circumstances, shall personal liability attach to any Director for anything done or omitted to be done by him in good faith, although loss arise.

LIMITATIONS OF BORROWING POWER.

Borrowing not to exceed amount of unpaid subscribed capital.

83. The Directors shall regulate the exercise of their power to borrow money in such manner that the total amount borrowed shall not exceed a sum equal to the amount of the Company's unpaid subscribed capital for the time being, provided that every person taking from the Company, or by assignment, any Deposit Receipt, Bond, Debenture, or other obligation or security of the Company, shall be entitled to assume, without inquiry, that no such excess has taken place, and provided, farther, that no *bona fide* holder of any obligation or security shall be prejudiced by any excess which may have taken place.

POWER TO HOLD PROPERTY.

Powers of holding Property.

84. The Directors shall be entitled, in the event of their considering it expedient with the view of avoiding loss, to enter into possession of, or to buy in, any Lands, Hereditaments, and Real or Heritable Property or Estate mortgaged to the Company, and to manage, expend money in the improvement of, sell, let, or otherwise dispose of the same, or of any other real or personal property which the Company in the course of its business may acquire.

DIVIDENDS OR BONUSES AND RESERVE FUND.

Dividends or Bonuses.

85. The Directors may, with the sanction of the Company in General Meeting, from time to time declare a dividend or bonus to be paid to the Members in proportion to their Shares, but no dividend or bonus shall be payable except out of nett profits, as shown upon the Balance-Sheet, which shall from time to time have been examined and passed by the Auditor.

Interim Dividends.

86. The Directors may at any time in any year pay such sum or sums as they think fit on account or in anticipation of dividend, or by way of interim dividend.

Reserve Fund, and investment of same.

87. It shall be in the power of the Directors, before recommending any dividend or bonus, to set aside out of the profits of the Company such sums as they think proper as a Reserve Fund to meet contingencies, provide against losses, or

John Khin Lay

for equalising dividends, or to cover depreciation or diminution in value of any Property which shall from time to time be acquired by the Company, or for any other purpose of the Company sanctioned by the Company, and the Directors may invest the sum so set apart as a Reserve Fund upon such securities in the United Kingdom or First Mortgages upon land abroad as they may from time to time approve.

88. In any case, where the Board think fit, investments may be made and securities taken and held in the names of Trustees to be named by the Board. Board may Invest in name of Trustees.

89. No Member shall be entitled to receive payment of any dividend or bonus in respect of a Share or Shares whilst any moneys may be due or owing from him to the Company in respect of such Share or Shares, and any dividend or bonus which, but for this provision, might be payable to him, may be set off by the Company against the debt owing to the Company from such Member. Dividends not to be received by Members in Arrear.

90. Every dividend or bonus payable in respect of any Share held by several persons jointly may be paid to, and an effectual receipt given by, any one of such persons. Dividend of Joint-Holders.

91. No dividend or bonus shall, under any circumstances whatever, bear interest against the Company. Dividends not to bear Interest.

ACCOUNTS.

92. The Directors shall cause true Accounts to be kept of the Company's investments and business transactions; of the sums of money received and expended by the Company, and of the matter in respect of which such Receipt and Expenditure takes place; and of the Credits and Liabilities of the Company. The Books of Account shall be kept at the Registered Office of the Company, and, subject to any reasonable restrictions as to the time and manner of inspecting the same that may be imposed by the Company in General Meeting, and to three days' clear notice to the officer in charge thereof, shall be open to the inspection of the Members during the hours of business. Account Books, and inspection thereof.

93. At the Ordinary General Meeting to be held in the year 1878, and once at least in every year thereafter, the Directors shall lay before the Company, in General Meeting, a Statement of the Income and Expenditure of the past year, made up to a date not more than four months before such Meeting. Yearly Statement of Income and Expenditure.

94. The statement so made shall show, arranged under the most convenient heads, the amount of gross Income, distinguishing the several sources from which it has been derived, and amount of gross Expenditure, distinguishing the expense of the Establishment, Salaries, and other like matters: Every item of Expenditure fairly chargeable against the year's Income shall be brought into account, so that a just balance of Profit and Loss may be laid before the Meeting; and in cases where any item of Expenditure which may in fairness be distributed over several years, has been incurred in any one year, the whole amount of such item shall be stated, with the addition of the reasons why only a portion of such expenditure is Form and contents of Yearly Statement.

John Lindsay

charged against the income of the year. The said statement shall also include a Balance Sheet containing a summary of the Property and Liabilities of the Company, arranged under the heads appearing in the form annexed to Table A of the first Schedule of 'The Companies Act 1862,' or as near thereto as circumstances admit, and a printed copy of such Balance Sheet shall, seven days previous to such Meeting, be served on every Member in the manner in which Notices are hereinafter directed to be served.

Shareholders to receive copy Balance-Sheet before Meeting.

Approve of Directors' Accounts.

95. Every Account of the Directors, when audited and approved of by a General Meeting, shall be signed by the Chairman of such Meeting, and by the Secretary, or other officer appointed by the Directors in token of such approval, and shall be conclusive as between the Directors and Shareholders.

AUDIT.

Yearly Audit.

96. The Accounts of the Company shall be annually examined, and the correctness of the Balance Sheet ascertained, by one or more Auditor or Auditors.

Appointment of Auditors.

97. The first Auditors shall be appointed by the Directors; subsequent Auditors shall be appointed by the Company in General Meeting. If one Auditor only is appointed, all the provisions herein contained relating to Auditors shall apply to him.

Who may be Auditors.

98. The Auditors may be Members of the Company; but no person is eligible as an Auditor who is interested otherwise than as a Member in any transaction of the Company; and no Director or other officer of the Company is eligible during his continuance in office.

Election of Auditors.

99. The election of Auditors shall be made by the Company at their Ordinary Meeting in each year, but the first Auditors shall remain in office till the Ordinary Meeting of the Company in 1879. Any Auditor shall be re-eligible on his quitting office.

Auditors' remuneration.

100. The remuneration of the first Auditors shall be fixed by the Directors, that of subsequent Auditors shall be fixed by the Company in General Meeting.

Vacancy in Auditorship.

101. If any casual vacancy occurs in the office of Auditor appointed by the Company, the Directors shall forthwith appoint another Auditor who shall supply the vacancy until the next Ordinary Meeting.

Appointment of Auditor where no Election.

102. If no election of Auditors is made in manner aforesaid, the Board of Trade may, on the application of not less than five Members of the Company, appoint an Auditor for the current year, and fix the remuneration to be paid to him by the Company for his services.

Auditors' Duties.

103. Every Auditor shall be supplied with a copy of the Balance Sheet, and it shall be his duty to examine the same, with the Accounts and Vouchers relating thereto.

John H. W. Lay

104. Every Auditor shall have a list delivered to him of all books kept by the Company; and shall at all reasonable times have access to the Books and Accounts of the Company. He may in relation to such Accounts examine the Directors or any officer of the Company.

Books open to Auditor.

105. The Auditors shall, prior to the first Ordinary Meeting of the Company in 1879, and once in each subsequent year, make a report to the Members upon the Balance Sheet and Accounts; and in every such report they shall state whether, in their opinion, the Balance Sheet is a full and fair Balance Sheet, containing the particulars required by these Regulations, and properly drawn up, so as to exhibit a true and correct view of the state of the Company's Affairs, and in case they have called for explanations or information from the Directors, whether such explanations or information have been given by the Directors, and whether they have been satisfactory; and such Report shall be read, together with the Report of the Directors, at the Ordinary Meeting.

Auditors' Report.

NOTICES.

106. A notice may be served by the Company upon any Member, either personally or by sending it through the Post in a prepaid letter, addressed to such Member at his registered place of abode.

Service of Notices.

107. All Notices directed to be given to the Members shall, with respect to any Share to which persons are jointly entitled, be given to whichever one of such persons they may appoint, or, failing such appointment, to whichever one is named first in the Register of Members, and notice so given shall be sufficient notice to all the holders of such share.

Notices to Joint-Holders.

108. Any Notice, if served by post, shall be deemed to have been served at the time when the letter containing the same would be delivered in the ordinary course of the post; and in proving service it shall be sufficient to produce a certificate by the Managing Director or Secretary, or other authorised Officer of the Company, and the server or poster of such notice, that the letter containing the notice was served personally, or properly addressed and put into the Post Office. The Managing Director or Secretary, or such other authorised Officer, shall be entitled to grant such a certificate though he may not have been an actual witness of such serving or posting, and the same shall be conclusive evidence, unless it be proved that such posting or service was not made.

Service by Post.

109. All Members resident out of the United Kingdom shall name a place in the United Kingdom at which notices of the Company may be served, and no such Member who fails so to do shall be entitled to any notice, but shall be treated and dealt with as having had notice, or as having agreed to dispense with notice, anything herein contained to the contrary in any respect notwithstanding.

Notice to Members out of United Kingdom.

110. Every person who, by operation of law, transfer, or other means, shall become entitled to any Share, shall be bound by any and every Notice or other document which, previous to his name and address being entered on the Register in respect of such Share, shall have been given to or left at the address of the person in whose name the Share shall have been registered, or would have been given, had such Member had a registered place for being served with notices in the United Kingdom.

Notice to registered Shareholder for time being to be sufficient.

111. Every notice or application to the Directors, or the Company, except when otherwise specially provided, shall be sufficient if the same be signed by the person giving or making the same, and be left at the Office of the Company, between the hours of ten in the forenoon and four in the afternoon, or be forwarded

Notices to Directors, etc., how to be given.

C
John Lindsay

to such office by registered post packet; and every person giving or making such notice or application shall be entitled to require an acknowledgment of the receipt of such notice or application.

Notice by
Advertisement.

112. Any notice required to be given by advertisement shall be advertised in such one or more daily newspapers published in Scotland as the Directors may select.

EXECUTION AND FORM OF DEEDS AND OTHER DOCUMENTS.

Deposit-Receipts, etc.,
how to be signed.

113. All deposit-receipts, cheques, bills, notes, drafts, letters of credit, or other negotiable instruments, except interest coupons and dividend warrants, shall be signed, accepted, or endorsed by at least one Ordinary Director, and the Managing Director and the Secretary, or other specially authorised officer. Interest coupons and dividend warrants may be signed by one Director and the Secretary or other specially authorised officer.

Mortgages, etc., how
to be executed.

114. All mortgages, debentures, bonds, conveyances, and other formal deeds, executed in the United Kingdom by the Company, shall be sealed with the Seal of the Company, and signed by at least two Directors and the Secretary, or other specially authorised officer, all in the presence of two witnesses, who will also sign as such.

Deeds, etc., out of
United Kingdom,
how to be executed.

115. The Directors shall prescribe from time to time the manner in which, and the persons by whom, negotiable instruments, and formal deeds requiring to be executed by the Company out of the United Kingdom, shall be executed.

Form of Debentures,
etc.

116. Debentures, renewals of debentures, and deposit-receipts by the Company, may be in the respective forms (Numbers 2, 3, and 4), given in the Schedule at the end of these Articles, and such documents, if granted in, or as nearly as may be in, said forms, shall be in all respects valid and binding, but this Article shall not prejudice the validity of any of the foresaid documents which may be granted in any other form.

DISSOLUTION.

How and when
Company may be
dissolved.

117. If the Directors shall pass a resolution recommending the Company to be dissolved, and a General Meeting shall, in pursuance of such recommendation, resolve that the Company shall be dissolved, and a second General Meeting shall confirm that resolution, then the Company shall thenceforward subsist and carry on business for the purpose only of winding up its affairs; and its affairs shall be wound up, and it shall be dissolved in accordance with and subject to the provisions of 'The Companies Acts 1862 and 1867,' which are and may be applicable to the voluntary winding up of a Company under the same, on the occurrence of an event on which it is provided that a Company under the same may be wound up voluntarily.

Members entitled to
call Meeting to
consider as to
winding-up.

118. Farther, if twenty or more Members, qualified in terms of the 31st Article hereof, shall request the Directors, in writing, to convene an Extraordinary General Meeting of the Members to consider the propriety and expediency of winding up the Company, they shall be bound to do so; and if at such Meeting it is resolved that the Company shall be dissolved and wound up, and a second General Meeting shall confirm that resolution, then the course provided in the immediately preceding Article shall be followed and carried out.

Dissolution only to
be caused by majority
of two-thirds in value.

119. The majority necessary to carry any resolution, as set forth in the two immediately preceding Articles, shall be not less than two-thirds in value of the Members present, personally or by proxy, at the foresaid Meetings.

John McIntyre

SCHEDULE OF FORMS.

(1.) Form of Proxy.

THE AMERICAN MORTGAGE COMPANY OF SCOTLAND, LIMITED.

I, _____ of _____
in the County of _____, being a Member of the above-named Company,
and entitled to _____ Vote (or Votes), HEREBY APPOINT
_____ of _____ as my PROXY to vote for me, and on
my behalf, at the [Ordinary or Extraordinary as the case may be] General Meeting
of the Company, to be held on the _____ day of _____, and
at any adjournment thereof; [or, in case of Shareholders resident out of the United
Kingdom, at any Meeting of the Company until revocation hereof is intimated to
the Company].

As Witness my hand this _____ day of _____ 18 _____.

(2.) Form of Debenture.

WE, THE AMERICAN MORTGAGE COMPANY OF SCOTLAND (Limited), grant
us to have instantly borrowed and received from A. B. [here name and design the
Creditor] the Sum of _____ Sterling,
which sum we bind ourselves to repay to the said A. B., his Executors or Assignees
whomsoever [or insert any other destination required], on the [here insert date and
place of payment], with interest at the rate of _____
per centum per annum, from the _____ day of _____
in the year _____ till payment, payable half-yearly
on presentation of the proper coupon for the same herewith issued [or hereunto
annexed]. [In the event of its being required that the interest be payable to one or
more of several grantees, insert, Declaring that until it be otherwise agreed the said
interest shall be paid to, or on the sole order of, the said A. B. (or otherwise as
may be arranged)]. And we consent to the registration hereof for preservation and
execution. In Witness Whereof, these presents are subscribed and sealed at
Edinburgh, on the _____ day of _____
in the year _____

J. K., of _____
Witness.
L. M., of _____
Witness.

C. D., } Directors.
E. F., }
G. H. Secretary.
(Or other officer.)
Seal of Company.

(3.) Form of Renewal of Debenture.

The term of payment of this Debenture is postponed to the [insert date], and
the interest from [insert original date of payment] till payment shall be at the
rate of _____ per centum per annum, payable half-yearly, on presentation
of the proper coupon for the same, herewith issued. In Witness whereof, these
presents are subscribed and sealed with the Company's Seal, on the
day of _____, in the year _____

J. K., of _____
Witness.
L. M., of _____
Witness.

C. D., } Directors.
E. F., }
G. H., Secretary.
(Or other officer.)
A. B.
Seal of Company.

John Lindsay

(4.) Form of Deposit Receipt.

EDINBURGH,

18

RECEIVED ON DEPOSIT from A. B. the Sum of Sterling [if wished,
add repayable on months' previous notice from either party,
and to bear interest at per centum per annum].

For the AMERICAN MORTGAGE COMPANY OF SCOTLAND (Limited).

C. D., Director.

E. F., Director.

G. H., Secretary.

(Or other officer.)

(5.) Form of Transfer of Shares.

I, A. B. of in consideration of the Sum of
Pounds paid to me by C. D., of DO HEREBY TRANSFER to the said
C. D., the Share (or Shares) numbered standing in my name in the
Books of the American Mortgage Company of Scotland (Limited), to hold unto
the said C. D., his Executors, Administrators, and Assigns, subject to the several
conditions on which I held the same at the time of the execution hereof; and I,
the said C. D., DO HEREBY AGREE to take the said Share (or Shares) subject to
the same conditions.

As Witness our hands the of 18

NAMES, ADDRESSES, AND DESCRIPTIONS OF SUBSCRIBERS.

(Signed) THOMAS LANDALE, of 4 Mayfield Terrace, Edinburgh, in the County of
Edinburgh, Land Valuer.

„ ADAM CURROR, The Lee, Edinburgh, in the County of Edinburgh,
Land Valuer.

„ RO. PATERSON, of 10 Hanover Street, Edinburgh, in the County of
Edinburgh, Architect and Land Valuer.

„ JAMES KEIR, of No. 10 Albyn Place, Edinburgh, in the County of
Edinburgh, Advocate.

„ ALEX. T. NIVEN, of No. 6 Abbotsford Crescent, Edinburgh, in the
County of Midlothian, Chartered Accountant.

„ JOHN K. LINDSAY, of No. 16 Queen Street, Edinburgh, in the County
of Edinburgh, Solicitor Supreme Courts of Scotland.

„ AUSTIN CORBIN, of No. 61 Broadway, New York, in the United States
of America, Banker.

Dated the Nineteenth day of July 1877.

Witness to the above Signatures—

(Signed) J. G. GLENDINNING, of No. 16 Queen Street, Edinburgh, in
the County of Edinburgh.

John Lindsay
We, hereby certify that what is contained on
the *Landale*
Edinburgh *John Lindsay*

the twenty preceding pages and signed at the foot of each page by the signature "John H. Lindsay" is a true and correct printed copy of the Memorandum and articles of Association of the American Mortgage Company of Scotland limited. In testimony whereof we Thomas Landale and John Campbell

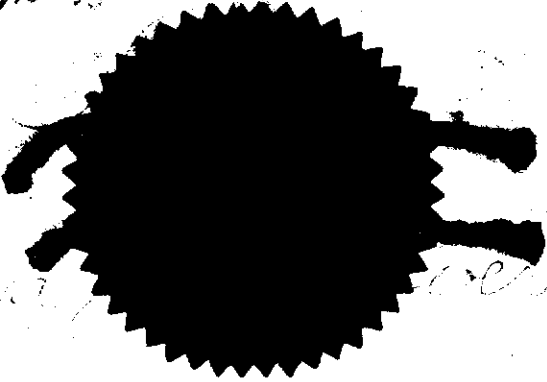
two of the Directors of the said Mortgage Company and the said John Hyle Lindsay Secretary of said Company have hereunto set our hands at Edinburgh Scotland on the twentyfirst day of November Eighteen hundred and ninetyone years and have also sealed the same with the Common Seal of the Company upon the day month and year last mentioned.

Signed and Sealed by the said Directors and Secretary before and in presence of ~~James Murray~~ 16 Queen Street Edinburgh Chartered Accountant and John Murray Clerk for the Co. 16 Queen Street Edinburgh.

x^x *Thos Landale*

x^x *John Hyle Lindsay*

x^x *John H. Lindsay*



Attest *James Murray* *16 Queen Street*

Consulate of the United States of America at Edinburgh (Edinburgh)

Be it remembered that on this twentyfirst day of November A.D. 1891 before me *Hugh C. Peacock* Vice-Consul of the United States of America at Edinburgh (Edinburgh) in Scotland, United Kingdom of Great Britain and Ireland personally appeared *Thomas Landale* and *John Campbell* two of the Directors and *John Hyle Lindsay* the Secretary of the American Mortgage Company of Scotland limited, to me known to be the identical persons described in and who executed the foregoing Certificate as such Directors and Secretary of said Company, and acknowledged each for himself that they executed said Certificate voluntarily as the Act and deed of said Company, having affixed the Corporate Seal of the said Company and subscribed their names as such officers to said Certificate by the authority and direction of said Company.

In Witness whereof I have hereunto set my hand and the Seal of this Consulate at Edinburgh the day and year above written.

Hugh C. Peacock
U.S. Vice-Consul.