

Hypotheca-
tion.

stock of the said corporation held by such member, the said mortgage or hypothecation conditioned for the payment by such member to said corporation of the unpaid installments to be paid on the share or shares of stock so redeemed or sold by him together with interest on the sum so paid or advanced ; and all assessments, fines and penalties incurred according to the by-laws in respect thereof ; provided however that in case of such hypothecation of stock no greater sum of money shall at any time be drawn out by any member than shall have been already paid in by him on his shares at the time of such hypothecation, the property so mortgaged as aforesaid to the corporation being taxed in the hands of the individual member or mortgagor.

Redeemed
shares.

Sec. 7. *And be it enacted*, That all shares of stock redeemed by the hypothecated to purchase or advanced on by the Society in accordance with the preceding Section, shall be considered as redeemed shares and shall be cancelled ; and it shall be lawful for the Society to issue an equal number of new shares in their stead so that the number of unredeemed shares authorized by this Act may always equal and not exceed the number of one thousand unredeemed shares perpetually, and the member or members of the corporation so redeeming the said share or shares of stock, shall cease to be stockholders and shall not be entitled to vote at any meeting of the corporation held for the purpose of electing Directors or for any other purpose, and shall not be eligible for any of the offices of the corporation mentioned in this Act ; *provided*, however, that any stockholder who may redeem his stock to the Association shall *thereupon* have the privilege to subscribe for as many shares of new stock at the price fixed by the Board as he shall have redeemed at that time, and upon so doing he shall not be deemed to have forfeited any of his rights enunciated above in consequence of redeeming the previous shares.

Proviso.

Investigate
affairs.

Sec. 8. *And be it enacted*, That it shall be the duty of the Board of Directors at least ten days previous to each and every election for Directors in each and every year to appoint from the stockholders three competent persons to investigate the