

Many of the provinces had no laws in reference to trust companies at all; the Dominion House was just engaging in preparing an act; in the various States to the south, where there were such laws at all, they differed in each State. The American Bankers' Association had a "Model Act" which no State followed exactly; so that it will be readily understood that there were no precedents to go by in the framing of an act.

From a careful reading of the act as passed in March, 1914, the main feature noticeable to a layman is the evident design to protect— to protect the investor who buys shares in said companies, to protect the person who uses these concerns as his agent to invest his funds, to protect the depositor who leaves his savings with a trust company, and to protect the widows and orphans whose funds and securities are left with a trust company whom the husband and protector has appointed as executor or trustee after his decease.

Every possible reasonable requirement has to be complied with by trust companies who continue to act as such under the operation of this act. Many companies will require to have the trust powers eliminated from their charters, and it is surprising the number of companies and the varieties of the businesses they were engaged in, who had such powers; why such powers were asked for and granted originally is a marvel. For instance, one of the largest departmental stores in the province had trust powers; a large meat and provision company, a large contracting company, and a small retail grocery company in an interior town each had power to receive money and to act as executor and trustee.

Now, under the act just passed, each company desiring to retain their trust powers must change the name (if the word "trust" does not already exist in the name) so that the word "trust" is in it; the word "limited" must be eliminated, there must be a paid up capital of at least \$100,000, and a subscribed capital of at least \$250,000; the Inspector must be satisfied that the officers and directors of the company are such that they deserve the confidence of the public and are fit and suitable persons for such positions; that the company can pay its obligations, that its paid-up capital is unimpaired, that the books and records are in a proper condition and the company is required to deposit with the Government either in cash or acceptable securities, described in the act, a sum ranging from \$25,000 to \$200,000, as required by the Inspector, as a guaranty for the protection of the public.

When these requirements, and others, are complied with, the company which has successfully emerged triumphant from the ordeal, receives a licence to operate, which licence is revocable if other requirements as to the investment of funds, management of their business, &c., are not satisfactorily fulfilled.