Mr. CAHAN: If you insist I shall let the section stand. All I can say is that I am in the hands of the committee. In four years there has been no case in which such a difficulty could arise, because the applicants are notified, and I suppose there is an average of at least four or five times a month where parties object that certain names should be granted.

Mr. HANSON (York-Sunbury): I say the name should not be changed without notice; that is the point I make.

Mr. ELLIOTT: There would be no objection to the section standing. I know that in a number of cases in which I have been interested no change has been made without its being communicated to the applicant.

Mr. CAHAN: I do not think such change was ever made without notice.

Mr. ELLIOTT: I do not think a charter would be granted until the applicant has assented to the change.

Mr. HANSON (York-Sunbury): I agree that should be so. I have in mind a case in another jurisdiction where I applied for a charter, and the officials of the department proceeded to give another name. It was only after strenuous argument that I succeeded in getting the name I wanted. However, I am not pressing the point.

The CHAIRMAN (Mr. Gagnon): Shall section 8 stand?

Mr. HANSON (York-Sunbury): I should like the minister to give it consideration.

Mr. ELLIOTT: Do I understand the minister to say there is now a regulation in the department?

Mr. CAHAN: Yes. If the official in charge of the branch were to follow the course the hon. member has just suggested he knows he would likely lose his office.

The CHAIRMAN (Mr. Gagnon): Section 8 stands.

Sections 9, 10 and 11 agreed to.

On section 12—Different classes of shares.

Mr. DUPRE: I move to strike out subsection 7 of this section and substitute the following therefor:

(7) In the absence of other provisions in that behalf in the letters patent, supplementary letters patent or by-laws of the company, the issue and allotment of shares without nominal or par value may be made from time to time for such consideration as may be fixed by the board of directors of the company; and in fixing the amount of such consideration, the board, subject to the provisions of this part, may provide that a part, not exceeding twenty-five per centum thereof, may be set aside as a distributable surplus; provided that in addition, where the company acquires a going concern, which has a surplus over and above all liabilities, and any shares without nominal or par value in the company are issued and allotted as fully paid in payment or part payment for such going concern, the directors may by resolution set aside such further part of the consideration for the issue and allotment of such shares without nominal or par value as a distributable surplus as does not exceed the unappropriated balance of realized net profits of the going concern immediately before such acquisition.

Mr. CAHAN: A number of suggestions have been coming to the department from lawyers and others, and the opinions stated were that subsection 7 as drafted was not perfectly clear. We have had opinions from some of the most eminent lawyers in the country, and finally an agreement was reached. I think the section is now quite all right.

Mr. BUTCHER: Will the minister allow this section to stand?

The CHAIRMAN (Mr. Gagnon): Section 12 stands.

Section 13 agreed to.

Sections 14, 15 and 16 stand.

Section 17 agreed to.

On section 18—contracts of agent binding on company.

Mr. CAHAN: I have an amendment to suggest to this section. Hon. gentlemen will remember that in 1932 a decision was given by the Supreme Court of Canada in the case of the Bank of the United States vs. Ross with regard to the old section which is repeated in section 18 as it now stands. In view of that decision, after very lengthy consultation with eminent counsel, it has been suggested that the clause should be amended by striking out the words in the forty-fifth and forty-sixth lines, "as such under the by-laws of the company" and inserting in lieu thereof the words "either as expressed or implied." The reason for this suggested amendment is that the by-laws of the company are not known to the public and under the recent decision in the Bank of the United States vs. Ross there is the suggestion that in every case in dealing with the company an outside party must insist upon the production of the by-laws in order that he may make himself acquainted with all the powers vested by the by-laws in an officer of the company. If the amendment is accepted it will then