

6. Section 8 of 1911, c. 80, reads as follows:

"8. A shareholder of the Company shall have but one vote, and shall not be entitled to a vote for each share in the stock of the Company he may own."

As the Class "A" shares are non-voting, and as under section 2 of the Bill power is requested to issue other classes of non-voting shares, it is desirable that section 8 be amended to make it clear that it applies only to voting shares.

7. Section 3 (b) of 1940-41, c. 40, reads as follows:

"3. The directors of the Company may by by-law enacted in accordance with a resolution approved as provided in section one of this Act,

(b) limit the number of shares of any class or of all classes together which may be held by any shareholder."

The purpose of the amendment is to enable the Company to vary or remove any such limitation, either generally or in regard to any class of shares or in any particular instance.

8. New. The purpose of this section is to give the Company the ancillary and incidental powers which are given by section 14 (1) of *The Companies Act, 1934*, to companies incorporated by letters patent.

9. New. Subsection (2) of section 17 of 1911, c. 80, as enacted by section 5 of 1940-41, c. 40, authorizes the Company to pay patronage dividends to its customers. Section 68 of the *Income Tax Act* allows a company, in computing its taxable income, to deduct patronage dividends which have been paid to customers. Subsection (4) (f) of said section 68 provides that "payment" (of patronage dividend) includes the issue of a certificate of indebtedness or shares of the Company, and also includes the application by the Company of the patronage dividend to a member's liability to the Company, including an amount applied in fulfilment of an obligation of a member to make a loan to the Company, and an amount applied on account of payment for shares issued to a member, pursuant to a by-law of the Company or pursuant to statutory authority or at the request of the member. The purpose of this section is to enable the Company to pay patronage dividends in the manner allowed by section 68 (4) (f) of the *Income Tax Act*.