

those countries, including a correspondent relationship with nine Canadian banks.

I do not wish to review in detail all the paragraphs of the submission, but I wish to highlight some of them. Sub-paragraph (6) refers to Appendix 1, which is attached to the submission, and Appendix 1 consists of a number of newspaper clippings basically from different countries showing that the bank we represent is known as "Continental Bank" in England, Taiwan, Holland, Kenya, Belgium, Egypt, Italy, Mexico, West Germany and Columbia. That is just a representative sample of newspaper clippings.

Senator Molson: Mr. Chairman, if I may ask the witness a question, when was the name of the bank changed from Continental Illinois Bank to Continental Bank?

Mr. Robert O'Boyle, President, Continental Illinois Leasing and Financial Ltd.: The legal title of the bank has not been changed, senator. The legal title of the bank is Continental Illinois National Bank and Trust Company of Chicago.

Senator Molson: That has not been changed in recent years at all? It is the original name?

Mr. O'Boyle: That is correct, sir.

Mr. Felkai: It carries on business under "Continental Bank," but the full corporate name is the one stated by Mr. O'Boyle.

In Appendix 2 we wish to show that the bank has acquired goodwill and a reputation around the world, and for that purpose we have enclosed copies of advertisements from different economic magazines. The first one, "The Oriental Economist," shows that in Japan the bank is known as "Continental Bank." The next one is also from Japan. The third one shows that in England the bank is known as "The Continental Bank." The next exhibit shows that in West Germany it is known as "The Continental Bank." The next copy is from Belgium and on that it is shown that in a French language advertisement the bank is known as "Continental Bank."

The Chairman: Mr. Felkai, you referred to page 3 of your brief. In paragraph 4 on that page it indicates how your operations in some aspects touch on financial operations in Canada.

Mr. Felkai: Yes, sir.

The Chairman: I think it is important to mention that.

Mr. Felkai: Perhaps I may come back to it in a second. I will just deal with this matter first.

The Chairman: Very well.

Mr. Felkai: Finally, we have included several items which contain copies of advertising material from the United States.

There is a very important document called the International Message, which is used to send remittances in foreign currency around the world, and on that copy you can see that the bank is known as the Continental Bank.

The Continental Bank in the United States is the third largest trader in foreign currency, and Canadian dollar transactions form a major part of that business.

During the last five years Continental Bank was first or second or third in the volume of foreign currency transac-

tions in the United States, and as I explained, it has correspondent relations with many other banks.

Mr. Chairman, you mentioned page 3 of our submission, and the bank's activities in Canada. Sub-paragraph 4 speaks for itself, and it shows that the Continental Illinois Corporation, the holding company, does have interests in Canada.

The Chairman: Yes. I see it has a joint venture with the Royal Trust Company "to engage in construction and development, lending and other interim financing of Canadian real estate, through Builders Financial Co. Limited, and its subsidiaries," etc.

Mr. Felkai: Perhaps some questions might be asked at this point, but I also wish to point out, as I mentioned to you in my introduction, that there could be a possibility of confusion even within Canada, and for that purpose I wish to refer to the fiftieth annual report of IAC Limited issued in 1974. This is not an exhibit. I am sorry, but I did not have enough copies of this particular document. At page 40, the last page, the banks and transfer agents are listed for IAC Limited, and under the heading of "United States" there are several banks named, including the Continental Illinois National Bank and Trust Company of Chicago.

In addition, honourable senators, I wish to refer to another public document. This can be passed around, if you wish.

Senator Laird: Could it not be filed, Mr. Chairman?

Mr. Felkai: It most certainly can. It is the report for 1974 of the Laurentide Financial Corporation Limited, which at page 5, similarly, lists its bankers. First it gives its bankers in Canada, and on page 5 its bankers in the United States. In this document the bank we represent is listed simply as "Continental Bank". This is a Canadian document.

Finally, and this is evidence which has come to my attention only within the last day or so, Continental Bank also participates in the "Mastercharge" program, which is, as you know, similar to Chargex. I was able to obtain only one copy of a Mastercharge card, upon which the only identification is, "Continental Bank."

This is issued in the United States, but of course tourists could bring it into Canada and could use it here. It is accepted now in most Canadian cities. This is a "live" card, but I am happy to make it an exhibit.

The Chairman: I notice in this statement of the Laurentide Financial Corporation, the long form report for 1974, that on page 5 it does indicate banks and lines of credits in the United States. It says, "Continental Bank". Is there any Continental Bank other than the Continental Bank of Illinois operating in the United States?

Mr. Felkai: Yes, sir. I am coming to that. I wish to point out to the committee that there are other corporate entities in the United States known as such.

Senator Macnaughton: In paragraph 4 you seem to be in bed with the Sovereign Mortgage and Insurance Company, which was formed with the Royal Trust, IAC, and Canada Permanent.

Mr. Felkai: That is correct.

Senator Macnaughton: You have 20 per cent of that.

Mr. Felkai: Yes, sir.