

this company, and no other person was named. I will withdraw the word "mythical".

Mr. STEVENS: To save any misunderstanding there—I am trying to be correct in my statement—I will say that the next largest holder would be William J. Mollard. He appears in the prospectus. I am trying to be correct as to whether myself plus Bell plus Mollard control—those three certainly control.

Senator McCUTCHEON: Then I think the answer to my question follows from that, that you and Mr. Mollard and Mr. Bell are in a position to sell the control of British International Finance (Canada) Limited to any person you choose.

Mr. STEVENS: Yes.

Senator McCUTCHEON: Your answer is "yes"?

Mr. STEVENS: Yes.

Senator McCUTCHEON: In selling that control you would thereby transfer effective control of Wellington, effective control of York, and possibly effective control of C.F.I.

Mr. STEVENS: I think if you use the word "effective" it is generally true, yes.

Senator McCUTCHEON: And in doing that you would dispose of the effective control of 433,000 shares of the new bank?

Mr. STEVENS: Yes, if you follow your line of reasoning.

Senator McCUTCHEON: Yes, we are following it, and the answer is Yes or No.

Mr. STEVENS: Yes.

Senator McCUTCHEON: Would you consider that 43.3 per cent of the shares of a bank held by one group would constitute effective control of the bank?

Mr. STEVENS: Yes.

Senator McCUTCHEON: So that despite the provisions in your charter that prohibit foreign holdings you could convey effective control of the new bank to any foreign group you wanted to very readily?

Mr. STEVENS: Except that we will not, and we will give any agreement or assurance to that effect that is required. Any company holdings that we have set up have been deliberately set up by us to be able to show that there is control in firm hands. We will give any assurance that is required that that control will not go out of the country.

Senator McCUTCHEON: I suggest that you could only give that assurance with regard to yourself, and that having sold, as some people do sell, this assurance cannot pass on down the line.

Senator LEONARD: It could be put in the statute, if necessary. If there is any question then put it in the statute.

Senator McCUTCHEON: What would be put in the statute?

Senator LEONARD: Carry your line of ownership right on down through to make sure the same provisions that are in the bill would apply to these holdings.

Senator BEAUBIEN (*Bedford*): You cannot put in the statute a stop on the selling of shares of British International Investments.

Senator LEONARD: You could provide effectively that the control shall not directly or indirectly go outside of Canada, if that is what is worrying you.

Senator BEAUBIEN (*Bedford*): It would not be the shares of the bank that would be going out. It would be the shares of British International Finance that would be going out.