

Secretary of State's office, there should also, analogous to the practice in the registry offices, be a record of satisfaction.

Mr. R. B. BENNETT: Section 60D seems to give recognition to the court of the province. The court comes in there and the Secretary of State has power to order the making of an entry of satisfaction under section 69E. Under that section you have to have it done every six months, whereas it would seem that it would be amply sufficient if such report were made at the termination of the receivership or when the entry of satisfaction was put in. It does not make any difference but it is putting them to needless expense. However, it is not a matter that is vital.

On section 69G—Penalties:

Mr. CARVELL: This does not invalidate the deed but it simply provides a penalty for officials failing to register these instruments.

Mr. R. B. BENNETT: The other section did that.

Mr. A. K. MACLEAN: This penalty is very much in contrast with the penalty provided in the reduction-of-capital clauses.

Mr. CARVELL: Two hundred dollars a day is quite a penalty.

Mr. A. K. MACLEAN: I think that the penalty provided for by the reduction-of-capital clauses ought to be reduced. You ought to keep them uniform.

Mr. MEIGHEN: This is not so serious as the other offence; there is very great disparity between them.

Mr. A. K. MACLEAN: The penalty should be very much lower than \$200 a day. What is the penalty in the English Act?

Mr. MEIGHEN: I do not recall the penalty in this case but I do in the other. Where we provide a five years' punishment they simply make it a misdemeanour and do not provide a punishment at all. Ours, of course, is simply the maximum. Here is the English Act that corresponds with this law and it provides that any person upon conviction shall be liable to a penalty not exceeding £50 for every day during which default continues.

Mr. R. B. BENNETT: All these sections refer to debentures. As a matter of fact we only issue debentures in this country once in a blue moon.

Mr. A. K. MACLEAN: "Debentures" includes bonds.

Mr. R. B. BENNETT: Where is the definition of that?

Mr. A. K. MACLEAN: It is not in the Bill.

Mr. R. B. BENNETT: That is the point I am raising.

Mr. A. K. MACLEAN: It is in the Provincial Companies Act.

Mr. MIDDLEBRO: What is the difference?

Mr. R. B. BENNETT: There is a very great difference between a debenture and a bond. Speaking generally, used in the sense in which it is used here, a debenture very often means something unsecured by a specific instrument.

Mr. MIDDLEBRO: It all depends on the document itself.

Mr. R. B. BENNETT: Certainly. You can have debenture and a bond. On the American continent the word "bond" is usually used to mark a security that is emitted by a company and secured by a trust deed and mortgage on property.

Mr. A. K. MACLEAN: As a matter of fact they are practically one.

Mr. R. B. BENNETT: But if you are going to sell them in New York a five per cent gold bond is the word they use. Go down there and talk about selling a debenture and they at once think you are dealing with an English security. We must not pass a Bill that is going to preclude us from using the word "bond."

Mr. A. K. MACLEAN: We can fix that by amending the interpretation clause. Say: "Debenture" includes "debenture stock and bonds."

Mr. MEIGHEN: Section 69 of the Act authorizes the issue of bonds, debentures or other securities.

Mr. R. B. BENNETT: All these sections deal with a security called a "debenture" as if it were the only class of security that might be emitted by a corporation secured under the provisions of a trust deed. It would be fatal to the administration of the Act, having regard to what we have to call our securities for the purpose of marketing them, probably, in the United States, if we insisted upon the use of the word "debenture" instead of the word "bond" with which they are familiar in that country. They use the words "municipal debenture" and they also use the word "bond" with respect to industrial and other securi-