1970

c 129 The Loan and Trust Corporations Amendment Act, 1970 (No. 2)

Ontario
CHAPTER 129

An Act to amend
The Loan and Trust Corporations Act

Assented to November 13th, 1970
Session Prorogued November 13th, 1970

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1.—(1) Clause a of section 1 of The Loan and Trust Corporations Act, as re-enacted by section 1 of The Loan and Trust Corporations Amendment Act, 1967, is amended by adding at the end thereof “and includes a partnership of which the members are accountants”, so that the clause shall read as follows:

(a) “accountant” means a person who is a member of The Canadian Institute of Chartered Accountants or any other person who is an accountant and who, in either case, is acceptable to the Registrar as being competent to audit the accounts and transactions of corporations under this Act, and includes a partnership of which the members are accountants.

(2) Clause c of the said section 1 is repealed and the following substituted therefor:

(c) “corporation” means a loan corporation or a trust company.

(3) Clauses h and i of the said section 1 are repealed and the following substituted therefor:

(h) “loan corporation” means an incorporated company, association or society, constituted, authorized or operated for the purpose of lending money on the security of real estate or investing money in mortgages, charges or hypothecs upon real estate or for those and any other purposes, but does not include a chartered bank, an insurance corporation, a trust company, or an investment company registered under The Investment Contracts Act.
(4) Clauses 1 and 2 of the said section 1 are repealed.

(5) The said section 1 is amended by adding thereto the following clause:

(na) "provincial trust company" means a trust company that is a provincial corporation.

2. Subsection 1 of section 3 of The Loan and Trust Corporations Act is amended by striking out "a loaning land corporation" in the second line, so that the subsection shall read as follows:

(1) An application for the incorporation of a loan corporation or a trust company shall be made by petition to the Lieutenant Governor in Council through the Minister in the prescribed form, and shall be delivered to the Registrar.

3.—(1) Clause c of subsection 2 of section 4 of The Loan and Trust Corporations Act is repealed and the following substituted therefor:

(c) state the capital of the corporation, the classes, if any, into which it is to be divided, the number of shares of each class and the par value of each share, and where more than one class of shares is provided for, one class shall be common shares designated as such, and the other class or classes shall be preference shares designated as such;

(ca) in the case of preference shares, provide for the preferences, rights, conditions, restrictions, limitations or prohibitions attaching thereto including, without limiting the nature thereof, the right of the corporation to purchase for cancellation or at its option to redeem all or part of the preference shares of any class, or provide for conditions, restrictions, limitations or prohibitions on the right to vote.

(2) Clause d of subsection 2 of the said section 4 is amended by striking out "or a loaning land" in the first line and by striking out "and loaning land corporations" in the fourth and fifth lines, so that the clause shall read as follows:

(d) in the case of a loan corporation, define and regulate the exercise of such general powers of borrowing as are by this Act conferred upon loan corporations, and declare within what limits such borrowing powers are to be exercised, and whether by issuing debentures or otherwise.

(3)
(3) Clause e of subsection 2 of the said section 4 is amended by striking out "ordinary and special" in the first and second lines, so that the clause shall read as follows:

(e) provide for the holding of general meetings of the shareholders.

(4) Subsection 2 of the said section 4 is amended by inserting "and" at the end of clause g, by striking out "and" at the end of clause h and by striking out clause i.

4. Section 9 of The Loan and Trust Corporations Act is repealed and the following substituted therefor:

9.—(1) No share shall be issued on or after the 30th day of June, 1970, until it is fully paid and a share is not fully paid until all consideration therefor has been received by the corporation.

(2) No shares of any class shall be issued at a discount or upon any terms, agreement or understanding that the holder thereof is liable for any lesser amount than the par value thereof.

(3) No transfer of shares shall be made that has the effect of reducing the number of shareholders to less than twenty-five.

5. Subsection 1 of section 13 of The Loan and Trust Corporations Act is repealed and the following substituted therefor:

(1) If a corporation does not go into actual bona fide operation and becomes registered under this Act within two years after incorporation or if it does not use its corporate powers for the purposes set forth in its letters patent, the Act or instrument of incorporation, or is not registered under this Act during a period of two consecutive years, its corporate powers, except so far as is necessary for winding up the corporation, shall thereupon cease and determine.

6. Section 14 of The Loan and Trust Corporations Act is repealed.

7. Section 18 of The Loan and Trust Corporations Act is repealed and the following substituted therefor:

18.—(1) A loan corporation may apply by petition to the Lieutenant Governor in Council for an order authorizing
authorizing the corporation to act generally as agent for the transaction of business, the collection of loans, rents, interest, dividends, mortgages and other securities for money, as a depository for the safe-keeping of securities and personal property and to carry on the business of a mortgage or real estate broker.

(2) An application under subsection 1 shall be authorized by a resolution of the directors.

(3) Upon the making of an order under subsection 1, the Registrar shall amend the registration of the corporation kept under clause a of subsection 1 of section 111 and subsection 1 of section 121.

8. Sections 20, 21, 22 and 23 of The Loan and Trust Corporations Act are repealed and the following substituted therefor:

20.—(1) A corporation shall hold an annual meeting of shareholders at the head office of the corporation or elsewhere in Ontario at least once in each year for the purposes of considering the financial statement of the corporation required to be laid before the meeting by section 69, the election of directors, the appointment of auditors and the transaction of such other business as is permitted or required by law or by the by-laws of the corporation.

(2) Notice of the time and place of the annual meeting shall be given to each person who on the record date for notice appears on the records of the corporation as a shareholder by delivering or sending the notice by mail to his latest address as shown on the records of the corporation at least ten days before the date of the meeting.

21.—(1) The directors of a corporation may at any time by resolution call a general meeting of the shareholders for the transaction of any business specified in the resolution.

(2) Shareholders holding not less than 10 per cent of the issued shares of a corporation carrying the right to vote at the meeting may request the directors to call a general meeting of the shareholders for any purpose that is connected with the affairs of the corporation and that is not inconsistent with this Act.
(3) The requisition shall state the general nature of the business to be presented at the meeting and shall be signed by the requisitionists and deposited at the head office of the corporation, and may consist of several documents in like form signed by one or more requisitionists.

(4) Upon deposit of the requisition, the directors shall call forthwith a general meeting of the shareholders for the transaction of the business stated in the requisition.

(5) Notice of any general meeting of the shareholders shall be given in the manner provided in subsection 2 of section 20.

(6) No business other than that specified in the notice thereof shall be transacted at a general meeting unless all the shareholders are present in person or are represented by proxy and unanimously consent thereto.

22. Every director or officer of a corporation wilfully neglecting or omitting to give or cause to be given the notice for any general meeting required by section 21 is guilty of an offence.

23.—(1) The by-laws may provide for the fixing in advance of a date as the record date,

(a) for the determination of the shareholders entitled to notice of meetings of the shareholders, which record date for notice shall not be more than fifty days before the date of the meeting and not fewer than the minimum number of days for notice of the meeting and where no such record date for notice is fixed by by-law, the record date for notice shall be at the close of business on the day next preceding the day on which notice is given or sent; and

(b) for the determination of the shareholders entitled to vote at meetings of the shareholders, which record date for voting shall be not more than forty-eight hours, excluding Saturdays and holidays, before the date of the meeting and, where no such record date for voting is fixed by by-law, the record date for voting shall be at the time of the taking of the vote.
Voting rights

23a. The holder of each common share and, subject to clause ca of subsection 2 of section 4, the holder of each preference share who, on the record date for voting appears on the records of the corporation as a shareholder is entitled to one vote for each share held by him, upon which he is not in arrear in respect of any call, at all meetings of shareholders of the corporation.

9. Section 25 of The Loan and Trust Corporations Act is amended by striking out "annual and special" in the first line, so that the subsection shall read as follows:

25. The transactions of all general meetings of the corporation and of all meetings of the board of directors shall be entered in a book known as the "Minute Book" of the corporation.

R.S.O. 1960, c. 222, s. 25, amended

Minute Book

10. Subsections 3 and 4 of section 34 of The Loan and Trust Corporations Act are repealed and the following substituted therefor:

(3) On and after the 1st day of January, 1972, no person is qualified for appointment or election as a director if he has attained the age of seventy-five years.

(4) The majority of the directors shall at all times be Canadian citizens ordinarily resident in Canada.

(4a) Where more than the permitted number of non-residents and aliens are elected, a new election shall be held forthwith to fill all the directorships to which non-residents or aliens have been elected, and so on until the number of non-residents and aliens elected is reduced to or below the permitted number.

R.S.O. 1960, c. 222, s. 34,
re-enacted

Retirement age

11. Section 49 of The Loan and Trust Corporations Act, as re-enacted by section 2 of The Loan and Trust Corporations Amendment Act, 1961-62, is amended by striking out "stock" in the first line, so that the section shall read as follows:

49. The par value of a share of capital shall be $1 or any multiple thereof not exceeding $100.

R.S.O. 1960,
c. 222, s. 49,
(1961-62,
c. 74, s. 2),
amended

Par value of shares

12. Section 58 of The Loan and Trust Corporations Act, as amended by section 1 of The Loan and Trust Corporations Amendment Act, 1968-69, is repealed and the following substituted therefor:

58.—(1) The directors of a corporation may by by-law provide for the increase or decrease of its capital.

R.S.O. 1960,
c. 222, s. 58,
re-enacted

Increase or decrease of capital
(2) The by-law shall state the number, class and par value of the shares by which the capital is so increased or decreased.

(3) The directors may by by-law provide upon terms therein stated for the conversion of partly paid up shares into paid up shares or for subdividing shares or altering the par value of shares.

(4) The liability of shareholders to persons who, at the time the capital is increased or decreased or shares are converted or altered, are creditors of the corporation remains as though the capital had not been increased or decreased or the shares had not been converted or altered.

(5) Where a by-law under this section would have the effect of increasing or decreasing the capital of a corporation or altering the liability of any shareholder thereof, a copy of the proposed by-law shall be delivered to the Registrar and no such by-law shall be passed for at least one month thereafter.

(6) No by-law under this section has any force or effect until it has been submitted to a general meeting of the shareholders of the corporation duly called for that purpose at which the holders of at least 50 per cent of the issued shares of the corporation for the time being carrying voting rights are present in person or represented by proxy and is confirmed thereat, with or without variation, by a resolution passed by the affirmative votes of the holders of at least two-thirds of the shares represented at the meeting, and has thereafter been confirmed by order of the Lieutenant Governor in Council.

(7) Notice of such general meeting of the shareholders shall be given as provided in subsection 2 of section 20 and such additional notice as the Registrar may direct.

(8) The Lieutenant Governor in Council may grant his confirmation, required by subsection 6, if he is satisfied of the bona fide character of the changes provided for in the by-law, unless it appears that the confirmation of the by-law would not be in the public interest.

(9) With the consent of the corporation, evidenced by a resolution of the directors, the changes provided for in
Evidence of confirmation

(10) A copy of the order in council confirming a by-law under this section, certified by the Clerk of the Executive Council, shall be received in evidence as _prima facie_ proof of the confirmation.

Effective date of by-law

(11) A by-law under this section becomes effective on the date specified in the confirming order in council.

R.S.O. 1960, c. 222, s. 61, repealed

13. Section 61 of _The Loan and Trust Corporations Act_ is repealed.

R.S.O. 1960, c. 222, s. 62, amended

14. Section 62 of _The Loan and Trust Corporations Act_ is amended by striking out “and subsections 5 to 8 of section 59 apply to the books prescribed by section 61” in the second and third lines, so that the section shall read as follows:

62. Subsections 6 to 8 of section 59 apply to the registers prescribed by section 60.

R.S.O. 1960, c. 222, ss. 66-69, re-enacted

15. Sections 66, 67, 68 and 69 of _The Loan and Trust Corporations Act_ are repealed and the following substituted therefor:

Auditors

66.—(1) The shareholders of a corporation at their first general meeting shall appoint one or more auditors to hold office until the close of the first annual meeting and, if the shareholders fail to do so, the directors shall forthwith make such appointment or appointments.

Appointment annually

(2) The shareholders shall at each annual meeting appoint one or more auditors to hold office until the close of the next annual meeting and, if an appointment is not so made, the auditor in office continues in the office until a successor is appointed.

Casual vacancy

(3) The directors may fill any casual vacancy in the office of auditor, but, while such vacancy continues, the surviving or continuing auditor, if any, may act.

Removal of auditor

(4) The shareholders may, by resolution passed by a majority of the votes cast at a general meeting duly called for the purpose, remove an auditor before the expiration of his term of office, and shall by a majority of
of the votes cast at that meeting appoint another auditor in his stead for the remainder of his term.

(5) Before calling a general meeting for the purpose specified in subsection 4, the corporation shall, fifteen days or more before the mailing of the notice of the meeting, give to the auditor,

(a) written notice of the intention to call the meeting, specifying therein the date on which the notice of the meeting is proposed to be mailed; and

(b) a copy of all material proposed to be sent to shareholders in connection with the meeting.

(6) The auditor has the right to make to the corporation, three days or more before the mailing of the notice of the meeting, representations in writing concerning his proposed removal as auditor, and the corporation, at its expense, shall forward with the notice of the meeting a copy of such representations to each shareholder entitled to receive notice of the meeting.

(7) The remuneration of an auditor appointed by the shareholders shall be fixed by the shareholders, or by the directors if they are authorized so to do by the shareholders, and the remuneration of an auditor appointed by the directors shall be fixed by the directors.

(8) If for any reason no auditor is appointed, the Registrar may appoint one or more auditors to hold office until the close of the next annual meeting and fix the remuneration to be paid by the corporation for his or their services.

(9) The corporation shall give notice in writing to an auditor of his appointment forthwith after the appointment is made.

(10) A person, other than an incumbent auditor, may not be appointed auditor at an annual meeting unless notice of an intention to nominate that person to the office of auditor has been given by a shareholder to the corporation not less than fifteen days before the meeting at which the auditor is to be appointed and where such notice is given the corporation shall send a copy of the notice to the incumbent auditor and
to the person whom it is intended to nominate and shall give notice thereof to the shareholders in the manner specified in section 20.

(11) The incumbent auditor has the right to make to the corporation, three days or more before the mailing of the notice of the meeting, representations in writing concerning the proposal not to reappoint him as auditor, and the corporation, at its expense, shall forward with the notice of the meeting a copy of such representations to each shareholder entitled to receive notice of the meeting.

67.—(1) In this section, “related person” means,

(a) any spouse, son or daughter of that person;

(b) any relative of such person or of his spouse, other than a relative referred to in clause a, who has the same home as such person; or

(c) any body corporate of which such person and any of the persons referred to in clause a or b or the partner or employer of such person, either alone or in combination, beneficially owns, directly or indirectly, equity shares carrying more than 50 per cent of the voting rights attached to all equity shares of the body corporate for the time being outstanding.

(2) An auditor of a registered corporation shall be an accountant.

(3) No person shall be appointed auditor of a registered corporation if he or any member of his firm is a shareholder, director, officer or employee of such corporation, or of any company in which such corporation has invested its funds under section 138a or 140a.

(4) A registered corporation shall, where possible, cause its auditor or one of its auditors to be appointed auditor of any company in which such corporation has invested its funds under section 138a or 140a and where such appointment is not possible the corporation shall inform the Registrar of the circumstances that prevent such appointment.

(5) Subsection 3 does not apply to a person, partner, employer or related person who is not empowered to decide
decide whether securities of the registered corporation or its holding company, as the case may be, are to be beneficially owned, directly or indirectly, by him, or if he is not entitled to vote in respect thereof.

(6) Where, on the date this section comes into force, an auditor or his partner, employer or related person owns securities as set out in subsection 3, notwithstanding subsection 3, he may for a period of two years from the date this section comes into force continue to act as auditor if he discloses in the report required under subsection 2 of section 68 that he or his partner, employer or related person so owns such securities but, at the expiration of such period he shall cease to act as auditor unless he or his partner, employer or related person, as the case may be, has disposed of such securities.

(7) No person shall be appointed a receiver or a receiver and manager or liquidator of any registered corporation of which he or a related person is the auditor or has been auditor within the two years preceding his appointment as receiver or receiver and manager or liquidator.

(8) No person who is appointed a trustee of the estate of a registered corporation under the Bankruptcy Act (Canada) or a related person shall be appointed or act as auditor of the registered corporation.

68.—(1) The auditor shall make such examination as will enable him to make the reports required under subsection 2.

(2) The auditor of a registered corporation shall make reports,

(a) to the shareholders on the financial statement of the corporation referred to in sections 20 and 69; and

(b) to the Registrar on the annual statement filed with the Registrar under section 152.

(3) In the reports required by subsection 2, the auditor shall state,

(a) whether he has obtained all the information and explanations he has required;
(6) whether in the opinion of the auditor the financial statement presents fairly the financial position of the corporation as at the date of the balance sheet included therein and the results of the operations of the corporation for the financial period ended on that date; and

(c) whether the financial statements are in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding period, if any,

in accordance with the information he has obtained and the explanations given to him and as shown by the books of the corporation.

Qualified report

(4) When the opinion expressed in a statement under subsection 2 is not an unqualified opinion, the auditor shall state in his report the reasons therefor.

Facts discovered after statement

(5) Where facts come to the attention of the officers or directors which, if known prior to the date of the last annual general meeting of shareholders, would have required a material adjustment to the financial statement presented to such meeting, the officers or directors shall communicate such facts to the auditor who reported to the shareholders under this section and the directors shall forthwith amend the financial statement and send it to the auditor.

Amendment of auditor's report

(6) On the receipt of facts furnished under subsection 5 or from any other source, the auditor shall, if in his opinion it is necessary, amend his report in respect of the financial statement in accordance with subsection 4 and the directors or, if they fail to do so within a reasonable time, the auditor shall mail such amended report to the shareholders.

Auditor's statement

(7) The auditor in his reports shall make such statements as he considers necessary,

(a) if the corporation's financial statement or annual statement is not in agreement with its accounting records;

(b) if the corporation's financial statement or annual statement is not in accordance with any
any requirements of this Act or as prescribed by the Registrar; or

(c) if proper accounting records have not been kept so far as appears from his examination.

(8) The auditor of a corporation has right of access at all times to all records, documents, accounts and vouchers of the corporation and is entitled to require from the directors, officers and employees of the corporation such information and explanations as in his opinion are necessary to enable him to report as required by subsection 2.

(9) The auditor of a corporation has right of access at all times to all records, documents, accounts and vouchers of all subsidiaries of the corporation and is entitled to require from the directors, officers and employees of each such subsidiary such information and explanations as in his opinion are necessary to enable him to report as required by subsection 2.

(10) Where a subsidiary of the corporation is a body corporate to which this Act does not apply, the holding corporation shall make available to its auditor the records, documents, accounts and vouchers of that subsidiary, and shall require the directors, officers and employees of that subsidiary to make available to its auditor the information and explanations required by subsection 8.

(11) The auditor of a corporation is entitled to attend any meeting of the shareholders of the corporation, to receive all notices and other communications relating to any such meeting that a shareholder is entitled to receive and to be heard at any such meeting that he attends on any part of the business that concerns him as auditor.

(12) Any shareholder of a corporation, whether or not he is entitled to vote at meetings of shareholders, may, by notice in writing to the corporation given five days or more before any meeting of shareholders, require the attendance of the auditor at such meeting at the corporation's expense, and in such event the auditor shall attend the meeting.

(13) At any meeting of shareholders the auditor, if present, shall answer inquiries directed to him concerning the basis
basis upon which he formed the opinion stated in the report made under subsection 2.

(14) The Registrar may direct that the scope of the annual audit of a corporation be enlarged or extended and may appoint for such purpose an accountant as an auditor of the corporation and the expenses incurred by reason of such appointment are payable by the corporation.

69.—(1) The directors shall lay before each annual meeting of shareholders,

(a) a financial statement for the period that commenced on the date of incorporation and ended not more than six months before the annual meeting or, if the corporation has completed a financial year, that commenced immediately after the end of the last completed financial year and ended not more than six months before the annual meeting, as the case may be, made up of,

(i) a statement of profit and loss for such period,

(ii) a statement of retained earnings, or surplus for such period,

(iii) a statement of general reserve,

(iv) a statement of accumulated reserves for investments,

(v) a balance sheet as at the end of such period,

and if the Registrar so directs, showing in each case the corresponding figures for the last preceding financial period of the corporation; 

(b) the report of the auditor to the shareholders;

(c) such further information respecting the financial position of the corporation, as its letters patent, supplementary letters patent, or by-laws, require.

(2) The Lieutenant Governor in Council may make regulations prescribing the form and content of the financial statement required under subsection 1.
(3) The report of the auditor to the shareholders shall be read at the annual meeting and shall be open to inspection at the meeting by any shareholder.

(4) The financial statement shall be approved by the board of directors and the approval shall be evidenced by the signature at the foot of the balance sheet by two of the directors duly authorized to sign and the auditor's report shall be attached to or accompany the financial statement.

(5) A corporation shall, at least ten days before the date of the annual meeting of the shareholders, send by prepaid mail to each shareholder entitled to notice of the meeting at his latest address shown on the records of the corporation a copy of the financial statement and a copy of the auditor's report.

(6) A copy of the financial statement and auditor's report shall be mailed or delivered without charge to any holder of a debenture or guaranteed investment certificate of the corporation or to any depositor of the corporation who requests the same.

16. Section 70 of The Loan and Trust Corporations Act is repealed and the following substituted therefor:

70. Sections 71 to 76 apply to every loan corporation incorporated under the law of Ontario or having its head office in Ontario and also to every loan corporation borrowing in Ontario by taking deposits or issuing debentures or like obligations.

70a.—(1) The directors of a corporation shall elect annually from among their number a committee to be known as the audit committee to be composed of not fewer than three directors, of whom the majority shall not be officers or employees of the corporation or an affiliate of the corporation, to hold office until the next annual meeting of the shareholders.

(2) The members of the audit committee shall elect a chairman from among their number.

(3) The corporation shall submit the financial statement to the audit committee for its review and the financial statement shall thereafter be submitted to the board of directors.
(4) The auditor has the right to appear before and be heard at any meeting of the audit committee and shall appear before the audit committee when required to do so by the committee.

(5) Upon the request of the auditor, the chairman of the audit committee shall convene a meeting of the committee to consider any matter the auditor believes should be brought to the attention of the directors or shareholders.

17.—(1) Section 71 of The Loan and Trust Corporations Act, as amended by section 5 of The Loan and Trust Corporations Amendment Act, 1966, is repealed and the following substituted therefor:

(2) Subject to the qualifications, limitations and restrictions contained in this Act, a registered loan corporation, if authorized by by-law, may,

(a) borrow money by way of loan or on deposit at such rates of interest and upon such terms as the directors may from time to time determine;

(b) issue debentures, bonds and other securities to evidence any such borrowing; and

(c) charge, mortgage, hypothecate or pledge all or any of the real or personal property of the corporation present or future, including book debts and unpaid calls, rights, powers, franchises and undertaking, to secure any such debentures, bonds or other securities or any money borrowed.

(3) No by-law for any of the purposes mentioned in subsection 2 takes effect unless such by-law,

(a) has been passed by the affirmative vote of the holders of two-thirds of the shares for the time being carrying voting rights and present or represented by proxy at a general meeting of the shareholders of the corporation duly called to consider such by-law; or

(b)
(b) has been passed by the directors and confirmed at a general meeting of the shareholders of the corporation duly called to consider such by-law by resolution passed by the affirmative vote of the holders of at least two-thirds of the shares for the time being carrying voting rights present or represented by proxy at such meeting.

(2) Subsection 1 does not apply to a loan corporation that was registered before the 1st day of January, 1968.

18. Sections 72 and 73 of The Loan and Trust Corporations Act are repealed and the following substituted therefor:

72. Subject to the terms and conditions of any charge, mortgage, hypothec or pledge given by a registered loan corporation to secure any particular borrowing, the holders of deposits and the holders of debentures, bonds or other securities rank pari passu on the assets of such corporation and are ordinary creditors thereof.

73. Debentures, bonds or other securities of a registered loan corporation shall,

(a) be for such individual amounts not less than $100;

(b) be payable in such currency and at such place;

(c) mature on such date not less than one year from the date of issue thereof;

(d) bear such rate of interest; and

(e) in all other respects be in such form and terms,

as the directors of the corporation shall from time to time determine.

19.—(1) Clauses a, b and c of subsection 1 of section 74 of The Loan and Trust Corporations Act, as re-enacted by section 8, 73, 6 of The Loan and Trust Corporations Amendment Act, 1966, s. 6, and amended by subsections 1 and 2 of section 3 of The Loan and Trust Corporations Amendment Act, 1968, are repealed and the following substituted therefor:

(a)
(a) cash on hand or on deposit in a chartered bank or other depository approved by the Registrar;

(b) unencumbered debentures, bonds, stocks or other securities of or guaranteed by the Government of Canada or of or guaranteed by any province of Canada;

(c) loans payable on demand and fully secured by securities referred to in clause (b); and

(2) Clauses (a) and (b) of subsection 2 of the said section 74 are repealed and the following substituted therefor:

(a) at least 25 per cent shall be maintained in cash on hand or on deposit in a chartered bank or other depository approved by the Registrar and in unencumbered debentures, bonds, stocks or other securities of or guaranteed by the Government of Canada, maturing in three years or less; and

(b) at least 50 per cent shall be maintained in cash on hand or on deposit in a chartered bank or other depository approved by the Registrar and in unencumbered debentures, bonds, stocks or other securities of or guaranteed by the Government of Canada, maturing in ten years or less.

20. Section 75 of The Loan and Trust Corporations Act, as amended by section 1 of The Loan and Trust Corporations Amendment Act, 1965, is repealed and the following substituted therefor:

75. The total amount borrowed by a registered loan corporation, by way of the issue of debentures, bonds or other securities and by way of deposits shall not at any time exceed an amount equal to four times the aggregate of its unimpaired capital and reserve, but the Lieutenant Governor in Council may, on the report of the Registrar and on such terms and conditions as are prescribed in the order in council,

(a) increase the total amount that may be borrowed by such corporation to an amount not exceeding twenty times the aggregate of such unimpaired capital and reserve; and
(b) prescribe the portion of the total amount that may be borrowed by such corporation that may be borrowed by way of deposits.

21. The Loan and Trust Corporations Act is amended by adding thereto the following section:

78a.—(1) In this section, "pooled trust fund" means a trust fund maintained or operated by a trust company in which moneys belonging to various participants are combined for the purpose of investment and entitling the participant to receive on demand, or after a specified period after demand, an amount computed by reference to the value of a proportionate interest in the assets of such trust fund, but does not include a trust fund operated where participation is limited to less than fifty persons.

(2) The assets of a pooled trust fund shall be held and managed in trust under a trust document for the purpose that complies with the regulations made under subsection 8.

(3) No trust company shall offer to any person units or other interests in a pooled trust fund until there has been filed with the Registrar the form of the documents evidencing the trust and such other material as to the reporting to participants, advertising, and training of personnel as the Registrar requires in respect of such offering and a receipt therefor has been obtained from the Registrar.

(4) The Registrar may, when in his opinion such action is in the public interest, require a trust company to file with him an information folder in the form prescribed by the regulations with respect to a pooled trust fund and no application or moneys for participation in the pooled trust fund shall be received by the trust company from a prospective purchaser until the trust company has delivered to the prospective purchaser a copy of the information folder that has been filed and the trust company shall obtain from each prospective purchaser with his application a statement in writing acknowledging that he has received a copy of the information folder.

(5) The information folder shall provide brief and plain disclosure of all material facts relating to the pooled trust fund, shall comply as to form and content with the requirements of the regulations and shall be
so certified by the president, vice-president, or managing director or other director appointed for such purpose and by the secretary or manager of the trust company.

(6) A trust company that has filed an information folder in respect of a pooled trust fund shall, as long as the trust company continues to offer participation in the pooled trust fund, file with the Registrar a copy of a new information folder in respect of its contracts,

(a) forthwith upon any material changes in any facts set out in the information folder filed in respect of such pooled trust fund; and

(b) within one year and one month after the date of the latest information folder filed with the Registrar in respect of such pooled trust fund.

(7) When it appears to the Registrar that,

(a) the information folder, or any other document filed with the Registrar by a trust company under this Act or the regulations,

(i) fails to comply in any substantial respect with the requirements of this Act or the regulations,

(ii) contains any promise, estimate, illustration or forecast that is misleading, false or deceptive, or

(iii) conceals or omits to state any material fact necessary in order to make any statement contained therein not misleading in the light of the circumstances in which it is made; or

(b) the condition or method of operation of the trust company in connection with its pooled trust fund will render its operations hazardous to the public or to its participants in Ontario,

the Registrar shall report the same to the Minister and the Minister, if he concurs in the report and after hearing the trust company, may order the Registrar to prohibit the trust company from continuing to offer participation in such pooled trust fund.
(8) The Lieutenant Governor in Council may make regulations,

(a) prescribing the form and content of the trust instrument establishing a pooled trust fund;

(b) prescribing investment restrictions and reserves in respect of pooled trust funds;

(c) prescribing the form and content of information folders;

(d) prescribing the qualifications and training of persons who may sell interests in pooled trust funds;

(e) governing the furnishing of information and advertising to the public in connection with a pooled trust fund;

(f) requiring trust companies to furnish the Registrar with such information, returns and reports respecting pooled trust funds as is prescribed.

22. Section 79 of The Loan and Trust Corporations Act is repealed and the following substituted therefor:

79.—(1) A provincial trust company does not have power to borrow money by taking deposits or by issuing debentures.

(2) A provincial trust company may borrow money and charge, mortgage, hypothecate or pledge all or any of the real or personal property, present or future, of the company other than property deemed by this Act to be held by the company as trustee or received for investment under sections 80 and 82, to secure any moneys so borrowed.

23. Section 81 of The Loan and Trust Corporations Act is repealed.

24. Section 82a of The Loan and Trust Corporations Act, as enacted by section 2 of The Loan and Trust Corporations Amendment Act, 1965, is repealed and the following substituted therefor:

82a.—(1) The total of the moneys received by a registered trust company as deposits under section 80 and for investment under section 82 or borrowed under section 79 shall not at any time exceed an amount equal
equal to four times the aggregate of its unimpaired capital and reserve, but the Lieutenant Governor in Council may, on the report of the Registrar and on such terms and conditions as are prescribed in the order in council,

(a) increase the total amount that may be so received by such company to an amount not exceeding twenty times the aggregate of such capital and reserve; and

(b) prescribe the portion of the total amount that may be so received or borrowed by such company that may be received by way of deposits.

(2) In ascertaining the amounts that may be received or borrowed by a trust company under subsection 1, all loans or advances to its shareholders upon the security of their shares shall be deducted from the amount of the unimpaired capital.

82b. Notwithstanding anything in this Act, a trust company may, with the approval of the Registrar, hypothecate, mortgage or pledge the cash and securities ear-marked and set aside under sections 80 and 82 of this Act to the Canada Deposit Insurance Corporation for a loan from that Corporation.
(a) at least 25 per cent shall be maintained in cash on hand or on deposit in a chartered bank or other depository approved by the Registrar and in unencumbered debentures, bonds, stocks or other securities of or guaranteed by the Government of Canada, maturing in three years or less; and

(b) at least 50 per cent shall be maintained in cash on hand or on deposit in a chartered bank or other depository approved by the Registrar and in unencumbered debentures, bonds, stocks or other securities of or guaranteed by the Government of Canada, maturing in ten years or less.

26. Subsection 1 of section 97 of The Loan and Trust Corporations Act is amended by striking out "or loaning land corporation" in the first and second lines and in the fourth line, so that the subsection shall read as follows:

(1) Any registered loan corporation may unite, merge, amalgamate and consolidate its stock, property, business and franchises with those of any other loan corporation in Canada, or may purchase the assets of any such corporation, or may sell its assets to any registered corporation, and for the purpose of carrying out such purchase or sale the purchasing corporation shall assume the liabilities of the vendor corporation, and may enter into such bond or agreement of indemnity with the corporation or the individual shareholders thereof, or both, as may be necessary, and the corporations may enter into the contracts and agreements necessary to such union, merger, amalgamation, consolidation, sale or purchase.

27. Section 99 of The Loan and Trust Corporations Act is repealed and the following substituted therefor:

99. At each of the meetings of shareholders the agreement or offer shall be considered, and if at each meeting the holders of at least 50 per cent of the issued shares of the corporation for the time being carrying voting rights are present in person or represented by proxy and the agreement or offer is ratified or accepted by resolution carried by the affirmative vote of the holders of at least three-fourths of the shares represented at such meeting, that fact shall be certified upon the agreement or offer by the secretary or manager of each corporation under the seal of such corporation.
28. Subsection 5 of section 102 of The Loan and Trust Corporations Act is repealed.

29.—(1) Subsections 2, 3 and 4 of section 105 of The Loan and Trust Corporations Act are repealed and the following substituted therefor:

(2) From the date of the assent, all the business and real and personal property, and all the rights and incidents appurtenant thereto, all stock, mortgages and other securities, subscriptions and other debts due, and other things in action belonging to each of the amalgamating corporations are vested in the amalgamated corporation without further act or deed.

(3) All rights of creditors and liens upon the property of each of the amalgamating corporations are unimpaired by the amalgamation.

(4) All debts, liabilities and duties of each of the amalgamating corporations attach to the amalgamated corporation from the date of the assent and may be enforced against it to the same extent as if they had been incurred or contracted by it.

(2) Subsection 5 of the said section 105, as enacted by subsection 2 of section 2 of The Loan and Trust Corporations Amendment Act, 1960-61, is repealed and the following substituted therefor:

(5) Where the amalgamated corporation is to continue as a provincial corporation, the Lieutenant Governor shall, by letters patent, issue to the amalgamated corporation a charter, as at the date of the assent, confirming the amalgamation agreement and continuing the amalgamated corporation as if it had been incorporated under this Act.

(6) Where the amalgamated corporation is to continue as other than a provincial corporation and one or more, but not all, parties to the amalgamation agreement are provincial corporations, the parties to the amalgamation agreement may apply to the proper officer of the jurisdiction of continuation specified in the amalgamation agreement for an instrument amalgamating and continuing them as an amalgamated corporation under the laws of that jurisdiction and as incidental thereto a provincial corporation may apply for letters patent or other instrument continuing it as if it had been incorporated under the laws of that jurisdiction.
30. Subsection 1 of section 106 of The Loan and Trust Corporations Act is repealed and the following substituted therefor:

(1) In addition to its powers under section 97, a registered loan corporation may, for the purpose of either acquiring the assets of any other loan corporation in Canada or uniting, merging or amalgamating with any such corporation under sections 97 to 105, purchase not less than 67 per cent of the outstanding shares of any such corporation, subject to the following:

1. No such purchase shall be made unless authorized by the Lieutenant Governor in Council.

2. The Lieutenant Governor in Council may authorize such purchase on the report of the Registrar supported by evidence that,

   (a) an offer to purchase has been accepted,

   (i) in writing by the holders of at least 67 per cent of the outstanding shares of such other corporation, or

   (ii) by resolution or resolutions carried by the affirmative vote of the holders of at least 67 per cent of the outstanding shares of each class of such corporation at a general meeting of the shareholders thereof; and

   (b) the purchase has been submitted to a general meeting of the shareholders of the purchasing corporation at which the holders of at least 50 per cent of the issued shares of such corporation for the time being carrying voting rights are present in person or represented by proxy and the purchase is approved by resolution carried by the affirmative vote of the holders of at least three-fourths of the shares represented at such meeting.

3. The power to purchase shares under this section is in addition to the powers set forth
in section 137, and the limitations and provisos contained in section 142 do not apply to any such purchase of shares.

4. Where a corporation has purchased shares under this section, it shall within a period of two years after the purchase has been authorized by the Lieutenant Governor in Council proceed under sections 97 to 105 either to acquire the assets and assume the duties, obligations and liabilities of the other corporation or to unite, merge or amalgamate with such other corporation, but the Lieutenant Governor in Council, on being satisfied that the circumstances so warrant, may extend such period from time to time and, after the expiration of such period and any such extension thereof, the shares so purchased shall not be allowed as assets of the purchasing corporation in the annual report prepared by the Registrar for the Minister, and the Registrar may direct the corporation to sell or otherwise absolutely dispose of such shares.

31. Subsection 1 of section 108 of *The Loan and Trust Corporations Act* is repealed and the following substituted therefor:

(1) In addition to its powers under section 107, a registered trust company may, for the purpose of either acquiring the assets of any corporation in Canada or uniting, merging or amalgamating with any other trust company in Canada under section 107, purchase not less than 67 per cent of the outstanding shares of any such corporation or trust company, subject to the following:

1. No such purchase shall be made unless authorized by the Lieutenant Governor in Council.

2. The Lieutenant Governor in Council may authorize such purchase on the report of the Registrar, supported by evidence that,

   (a) an offer to purchase has been accepted,

   (i) in writing by the holders of at least 67 per cent of the outstanding shares of such other corporation or trust company, or
(ii) by resolution or resolutions carried by the affirmative vote of the holders of at least 67 per cent of the outstanding shares of each class of such other corporation or trust company at a general meeting of the shareholders thereof; and

(b) the purchase has been submitted to a general meeting of the shareholders of the registered trust company at which the holders of at least 50 per cent of the issued shares of such company for the time being carrying voting rights are present in person or represented by proxy and the purchase is approved by resolution carried by the affirmative vote of the holders of at least three-fourths of the shares represented at such meeting.

3. The power to purchase shares under this subsection is in addition to the powers that a registered trust company has under section 139, and the limitations and provisos contained in section 142 do not apply to any such purchase of shares.

4. Where a trust company has purchased shares under this section it shall within a period of two years after such purchase has been authorized by the Lieutenant Governor in Council proceed under section 107 either to acquire the assets and assume the duties, obligations and liabilities of the other corporation or to unite, merge or amalgamate with such other trust company, but the Lieutenant Governor in Council, on being satisfied that the circumstances so warrant, may extend such period from time to time and, after the expiration of such period and any such extension thereof, the shares so purchased shall not be allowed as assets of the purchasing trust company in the annual report prepared by the Registrar for the Minister, and the Registrar may direct such trust company to sell or otherwise absolutely dispose of such shares.
32. Subsection 3 of section 109 of The Loan and Trust Corporations Act is repealed and the following substituted therefor:

(3) No action or other proceeding for damages shall be instituted against the Registrar or assistant registrar, or anyone acting under the authority of the Registrar or assistant registrar, for any act done in good faith in the execution or intended execution of his duty or for any alleged neglect or default in the execution in good faith of his duty.

33. Subsection 1 of section 111 of The Loan and Trust Corporations Act is amended by adding "and" at the end of clause a and by striking out clause b.

34.—(1) Subsection 3 of section 114 of The Loan and Trust Corporations Act is repealed and the following substituted therefor:

(3) Where,

(a) a corporation is three months in default in the delivery of the annual statement required by section 152; or

(b) for eighteen consecutive months there has been no audit of the books and accounts of the corporation; or

(c) there is filed with the Registrar a requisition for audit bearing the signatures and addresses of at least twenty-five shareholders of the corporation holding shares upon which not less than $10,000 in the aggregate has been paid in, alleging specific fraudulent or illegal acts or repudiation of contracts or alleging that the accounts of the corporation have been materially and wilfully falsified and accompanied by a deposit of $1,000 or such other sum as the Registrar fixes as security for the cost of the audit,

the Registrar may appoint an accountant who shall under his direction make a special audit of the books, accounts and securities of the corporation and make to the Registrar a written report thereon.
(2) Subsection 8 of the said section 114 is amended by striking out “66” in the fifth line and inserting in lieu thereof “68”.

(3) Subsections 9 and 10 of the said section 114 are repealed and the following substituted therefor:

9. If the report of the special auditor appears to the Registrar to disclose fraudulent or illegal acts or repudiation of contracts or that the accounts of the corporation have been materially and wilfully falsified, he shall notify the corporation accordingly and furnish to it a copy of the report and the corporation shall within two weeks thereafter file a statement with the Registrar replying to such report.

10. Upon consideration of the report and the corporation’s statement in reply and such further evidence, documentary or oral, as he may require, the Registrar shall by a decision in writing continue, suspend or cancel the registry of the corporation or impose such terms or conditions upon the registry of the corporation, as he considers appropriate.

35. Subsection 8 of section 115 of The Loan and Trust Corporations Act is repealed.

36. Section 117a of The Loan and Trust Corporations Act, as enacted by section 8 of The Loan and Trust Corporations Amendment Act, 1966, is repealed and the following substituted therefor:

117a.—(1) The Registrar may address any inquiries to a registered corporation or to the president, manager or secretary thereof for the purpose of ascertaining its condition and ability to meet its obligations or as to the conduct of its business and it is the duty of any corporation or officer so addressed to reply promptly in writing to any such inquiry.

(2) The Registrar may require a corporation to forward a copy of any letter addressed to the corporation by the Registrar and any answer thereto to each director of the corporation and upon such requirement being made the president of the board of directors shall instruct the secretary of the corporation to include a copy of such letter and the answer thereto in the minutes of the meeting of the directors next following the requirement of the Registrar.
(3) The Registrar may, in his discretion, embody in his annual report to the Minister the inquiries and requirement made by him under this section and the answers thereto.

R.S.O. 1960, c. 222, amended

37. The Loan and Trust Corporations Act is amended by adding thereto the following sections:

118a.—(1) Where it comes to the attention of the Registrar that a provincial corporation may not be able to account satisfactorily for any assets that appear on its books and, upon investigation, the Registrar is satisfied that any such assets cannot be satisfactorily accounted for and that the circumstances so warrant, he may immediately take possession and control of the assets of such corporation and maintain such control on his own initiative for a period of seven days and, with the concurrence of the Minister, for any longer period that the Minister may order for the purpose of the Registrar's report under subsection 1 of section 118b.

(2) The Registrar may release any assets under his possession and control that he considers advisable for the purposes of the corporation.

118b.—(1) Where the Registrar is of the opinion that the assets of a provincial corporation are not sufficient to meet its liabilities in respect of moneys received in trust or borrowed he shall so report to the Minister.

(2) Where the Minister, after full consideration of the matter and after a reasonable time has been given to the corporation to be heard by him, and upon such further inquiry or investigation as he sees fit to make, agrees with the opinion of the Registrar under subsection 1, the Minister may do one or both of the following,

(a) make the corporation's registry subject to such limitations or conditions as he considers appropriate;

(b) prescribe a time within which the corporation shall make good any deficiency of assets.

(3) If the corporation fails to make good any deficiency of assets within the time that has been prescribed under clause b of subsection 2, or any extension thereof.
thereof subsequently given by the Minister, the Minister shall submit the report of the Registrar to the Lieutenant Governor in Council and the Lieutenant Governor in Council, if he agrees with the report, may order the Registrar to take possession and control of the assets of the corporation and the Registrar shall deliver a copy of the order to an officer of the corporation.

(4) For the purposes of this section, the Minister may appoint such persons as he considers necessary to value and appraise the assets and liabilities of the corporation and report upon its condition and its ability, or otherwise, to meet its liabilities.

118c.—(1) If so ordered by the Lieutenant Governor in Council under section 118b, the Registrar shall take possession and control of the assets of a provincial corporation and shall thereafter conduct its business and take such steps as in his opinion should be taken toward its rehabilitation, and for such purposes the Registrar has all the powers of the board of directors of the corporation, and, without limiting the generality of the foregoing, the Registrar may,

(a) exclude the directors, officers, servants and agents of the corporation from the premises, property and business of the corporation; and

(b) carry on, manage and conduct the operations of the corporation and in the name of the corporation preserve, maintain, realize, dispose of and add to the property of the corporation, receive the incomes and revenues of the corporation and exercise all the powers of the corporation.

(2) While the Registrar has possession and control of the assets of a corporation under this section, the Minister may direct the Registrar to apply to the court for an order for the winding up of the corporation under Part VII of The Corporations Act.

R.S.O. 1990, c. 71

(3) Where the Registrar is in possession and control of the assets of a corporation and is conducting its business, he may appoint one or more persons to manage and operate the business of the corporation, and,

(a) each person so appointed is a representative of the Registrar; and
Where rehabilitation efforts futile

(4) Whenever the Minister believes that a corporation, the assets of which are in the possession and control of the Registrar, meets all the requirements of this Act and that it is otherwise proper for the corporation to resume possession and control of its assets and the conduct of its business, the Minister may, in writing, direct the Registrar to relinquish to the corporation the possession and control of its assets, and from and after the date specified in such direction the powers of the Registrar under this section cease.

Expenses of proceedings

(5) If the Minister, on the report of the Registrar, considers that further efforts to rehabilitate a corporation, the assets of which are in the possession and control of the Registrar, would be futile, he may, in writing, direct the Registrar to relinquish to the corporation the possession and control of its assets, and from and after the date specified in such direction the powers of the Registrar under this section cease.

(6) The expenses of the Registrar incurred in rehabilitation proceedings under this section and sections 118a and 118b shall be paid,

(a) where the corporation that is the subject of the proceedings is a loan corporation, by all loan corporations; or

(b) where the corporation that is the subject of the proceedings is a trust company, by all trust companies,

and the share of each shall be in the same proportion as its total net income earned in Ontario in its last preceding fiscal year bears to the total net income earned in Ontario of all loan corporations or trust companies, as the case may be, in the last preceding fiscal year of each.

Advisory committee

(7) The corporations required to bear the said expenses of the Registrar may appoint a committee of not more than six members to advise the Registrar in respect
respect of all matters pertinent to the rehabilitation of the corporation whose assets are in the possession and control of the Registrar.

118d.—(1) Notwithstanding section 118c, a provincial corporation may appeal to a judge of the Court of Appeal from any order made by the Lieutenant Governor in Council under section 118b within thirty days after the delivery of a copy of the order to an officer of the provincial corporation, and the practice and procedure in relation to the appeal shall be the same as upon an appeal from a judgment of a judge of the Supreme Court in an action.

(2) An order of the Lieutenant Governor in Council under section 118b shall take effect immediately, but where there is an appeal, a judge of the Court of Appeal may grant a stay until any appeal is disposed of.

(3) The Minister shall certify to the Registrar of the Supreme Court,

(a) the decision of the Lieutenant Governor in Council;

(b) the reports of the Registrar to the Minister or the Lieutenant Governor in Council;

(c) the record of any hearing; and

(d) all written submissions by the appellant to the Registrar, the Minister or the Lieutenant Governor in Council.

(4) The Minister is entitled to be heard, by counsel or otherwise, upon the argument of an appeal under this section.

(5) Where an appeal is taken under this section, the judge may by order direct the Registrar to take such action as the judge considers proper or refrain from taking any action specified in the order and the Registrar shall act accordingly.

(6) The order of the judge is final and there is no appeal therefrom, but, notwithstanding the order, the Minister and the Lieutenant Governor in Council have power to make any further reports and orders on new material or where there is a material change in the circumstances, and any such further order is subject to appeal under this section.
38.—(1) Subsection 1 of section 123 of *The Loan and Trust Corporations Act* is amended by striking out "and loaning land corporations" in the fifth line, so that the subsection, exclusive of the paragraphs, shall read as follows:

(1) Trust companies whose powers do not include that of buying and selling land as beneficial owner except as authorized by this Act and do not exceed the powers that are conferred upon trust companies under this Act, loan corporations that are solvent and fall within one of the following classes, may, upon due application, be admissible to registry:

(2) Subsection 3 of the said section 123 is repealed and the following substituted therefor:

(3) Upon the application for registration of a corporation, other than a provincial corporation, the Registrar may recommend to the Minister that the corporation be admitted to registry on terms and conditions and the Minister, if he so approves, may direct that the corporation be admitted to registry on such terms and conditions as he prescribes.

39. Section 128 of *The Loan and Trust Corporations Act* is repealed.

40. Subsection 1 of section 133 of *The Loan and Trust Corporations Act* is amended by striking out "or of a loaning land corporation" in the fourth and fifth lines, so that the subsection shall read as follows:

(1) No incorporated body or person acting in its behalf, other than a registered corporation and a person duly authorized by it to act in its behalf, shall undertake or transact in Ontario the business of a loan corporation or of a trust company.

41.—(1) Subsection 1 of section 137 of *The Loan and Trust Corporations Act*, as amended by section 3 of *The Loan and Trust Corporations Amendment Act, 1960-61*, subsections 1, 2 and 3 of section 4 of *The Loan and Trust Corporations Amendment Act, 1961-62*, subsections 1 and 2 of section 4 of *The Loan and Trust Corporations Amendment Act, 1965*, and subsection 1 of section 10 of *The Loan and Trust Corporations Amendment Act, 1966*, is repealed and the following substituted therefor:

(1) A registered loan corporation may purchase or invest in,
(a) ground rents, mortgages, charges or hypothecs upon improved real estate or leaseholds in Ontario or elsewhere where the corporation is carrying on business, but the amount paid for the mortgage, charge or hypothec, together with the amount of indebtedness under any mortgage, charge or hypothec on the real estate or leasehold ranking equally with or prior to the mortgage, charge or hypothec in which the purchase or investment is made, shall not exceed three-quarters of the value of the real estate or leasehold to which the mortgage, charge or hypothec relates;

(b) mortgages, charges or hypothecs upon improved real estate or leaseholds in Canada, notwithstanding that the amount paid for the mortgage, charge or hypothec exceeds three-quarters of the value of the real estate or leasehold, if the loan for which the mortgage, charge or hypothec is security is an approved loan or an insured loan under the National Housing Act, 1954 (Canada);

(c) mortgages, charges or hypothecs on improved real estate or leaseholds in Canada or in any country where the corporation is carrying on business, or bonds or notes secured by such mortgages, charges or hypothecs, notwithstanding that the mortgage, charge or hypothec exceeds the amount that the corporation is otherwise authorized to invest if the excess is guaranteed or insured by or through an agency of the government of the country in which the real estate or leasehold is situated or of a province or state of that country or is insured by a policy of mortgage insurance issued by an insurance company licensed or registered under the Canadian and British Insurance Companies Act (Canada), the Foreign Insurance Companies Act (Canada) or The Insurance Act or similar legislation of any province or territory of Canada;

(d) mortgages or assignments of such life insurance policies as have at the date of the purchase or investment an ascertained cash surrender value admitted by the insurer;
(e) the debentures, bonds, stock or other securities of or guaranteed by the Government of Canada or of or guaranteed by the government of any province of Canada, or of or guaranteed by the government of the United Kingdom, or of any of Her Majesty's dominions, colonies or dependencies, or of any state forming part of any such dominion, colony or dependency, or of or guaranteed by any foreign country or state forming part of such foreign country where the interest on the securities of such foreign country or state has been paid regularly for the previous ten years, or of any municipality or school corporation in Canada or elsewhere where the corporation is carrying on business, or guaranteed by any municipal corporation in Canada, or secured by rates or taxes levied under the authority of the government of any province of Canada on property situated in such province and collectable by the municipalities in which the property is situated;

(f) the bonds, debentures or other securities issued or guaranteed by,

(i) the International Bank for Reconstruction and Development,

(ii) Inter-American Development Bank or by Asian Development Bank, or

(iii) the government of any country in which the corporation is carrying on business or a province or state thereof;

(g) the bonds, debentures, debenture stock, notes or other securities of any company that are secured by a mortgage or hypothec to a trust company either singly or jointly with another trustee upon improved real estate of such company or other assets of such company of the classes mentioned in clauses a, b, c, d and e;

(h) the bonds or debentures of a company or institution incorporated in Canada that are secured by the assignment to a trust company in Canada of payments that the Government
of Canada has agreed to make, if such payments are sufficient to meet the interest as it falls due on the bonds or debentures outstanding and to meet the principal amount of the bonds or debentures upon maturity;

(i) the bonds or debentures of a company or institution incorporated in Canada that are secured by the assignment to a trust company in Canada of payments that are payable, by virtue of an Act of a province of Canada, by or under the authority of the province, if such payments are sufficient to meet the interest as it falls due on the bonds or debentures outstanding and to meet the principal amount of the bonds or debentures upon maturity;

(j) obligations or certificates issued by a trustee to finance, for a company incorporated in Canada or for a company owned or controlled by a company so incorporated, the purchase of transportation equipment to be used on railways or public highways, if the obligations or certificates are fully secured by,

(i) an assignment of the transportation equipment to, or the ownership thereof by, the trustee, and

(ii) a lease or conditional sale thereof by the trustee to the company;

(k) the bonds, debentures or other evidences of indebtedness of or guaranteed by,

(i) any company if, at the date of investment, the preferred shares or the common shares of the company are authorized as investments by clause l or m, or

(ii) any company where the earnings of the company in a period of five years ending less than one year before the date of investment have been equal in sum total to at least ten times and in each of any four of the five years have been equal to at least 1 1/2 times the annual interest requirements at the date of investment on all indebtedness
of or guaranteed by it other than indebtedness classified as a current liability in the balance sheet of the company, and if the company at the date of investment owns directly or indirectly more than 50 per cent of the common shares of another company, the earnings of the companies during the said period of five years may be consolidated with due allowance for minority interests, if any, and in that event the interest requirements of the companies shall be consolidated and such consolidated earnings and consolidated interest requirements shall be taken as the earnings and interest requirements of the company; and for the purpose of this subclause, "earnings" means earnings available to meet interest charges on indebtedness other than indebtedness classified as a current liability;

(i) the preferred shares of a company where the company has paid,

(i) a dividend in each of the five years immediately preceding the date of investment at least equal to the specified annual rate upon all of its preferred shares, or

(ii) if the common shares of the company are, at the date of investment, authorized as investments by clause m;

(m) the fully paid common shares of a company that during a period of five years that ended less than one year before the date of purchase or investment has either,

(i) paid a dividend in each such year upon its common shares, or

(ii) had earnings in each such year available for the payment of a dividend upon its common shares,

of at least 4 per cent of the average value at which the shares were carried in the capital stock account of the company during the year
in which the dividend was paid or in which the company had earnings available for the payment of dividends, as the case may be;

(n) real estate or leaseholds for the production of income in Canada or in any country in which the corporation is carrying on business, either alone or jointly with any other corporation incorporated in Canada or with any insurance company transacting the business of insurance in Canada, if,

(i) a lease of the real estate or leasehold is made to, or guaranteed by,

(A) the government, or an agency of the government of the country in which the real estate or leasehold is situated, or of a province, state or municipality of that country, or

(B) a company, the preferred shares or common shares of which are, at the date of investment, authorized as investments by clause l or m,

(ii) the lease provides for a net revenue sufficient to yield a reasonable interest return during the period of the lease and to repay at least 85 per cent of the amount invested by the corporation in the real estate or leasehold within the period of the lease, but not exceeding thirty years from the date of investment,

(iii) the total investment of the corporation in any one parcel of real estate or in any one leasehold does not exceed 2 per cent of the book value of the total assets of the corporation, and

(iv) the book value of the investments of the corporation in real estate or leaseholds for the production of income under this clause and clause o do not exceed 10 per cent of the book value of the total assets of the corporation,

and
and the corporation may hold, maintain, improve, lease, sell or otherwise deal with or dispose of the real estate or leasehold;

(o) real estate or leaseholds for the production of income in Canada or in any country in which the corporation is carrying on business, either alone or jointly with any other corporation incorporated in Canada or with any insurance company transacting the business of insurance in Canada, if,

(i) the real estate or leasehold has produced, in each of the three years immediately preceding the date of investment, net revenue in an amount that, if continued in future years, would be sufficient to yield a reasonable interest return on the amount invested in the real estate or leasehold and to repay at least 85 per cent of that amount within the remaining economic lifetime of the improvements to the real estate or leasehold but not exceeding forty years from the date of investment, and

(ii) the total investment of a corporation in any one parcel of real estate or in any one leasehold does not exceed 2 per cent of the book value of the total assets of the corporation,

and the corporation may hold, maintain, improve, lease, sell or otherwise deal with or dispose of the real estate or leasehold; but the book value of the investments of the corporation in real estate or leaseholds for the production of income and subject to subclause iv of clause n shall not exceed 5 per cent of the book value of the total assets of the corporation;

(p) guaranteed investment certificates of a trust company incorporated in Canada, if, at the date of investment, the preferred shares or the common shares of the trust company are authorized as investments by clause l or m.
(2) Subsection 2 of the said section 137 is amended by striking out "or a registered loaning land corporation" in the fifth and sixth lines, so that the subsection shall read as follows: amended

(2) In addition to investments it may make by lending on the security of or by purchasing mortgages, charges or hypothecs upon real estate pursuant to the National Housing Act (Canada) or the National Housing Act, 1954 (Canada) or any amendments thereto, a registered loan corporation may invest its funds to an aggregate amount not exceeding 5 per cent of its total assets in Canada allowed by the Registrar in any other classes or types of investments pursuant to the said Acts, or any amendments thereto, including the purchase of land, the improvement thereof, the construction of buildings thereon, and the management and disposal of such lands and buildings.

(3) Subsection 3 of the said section 137, as amended by subsection 4 of section 4 of The Loan and Trust Corporations Amendment Act, 1961-62, subsections 3 and 4 of section 4 of re-enacted The Loan and Trust Corporations Amendment Act, 1965 and subsection 2 of section 10 of The Loan and Trust Corporations Amendment Act, 1966, is repealed and the following substituted therefor:

(3) A registered loan corporation may lend money on the security of,

(a) any of the securities mentioned in clauses a, b, c, d, e and g of subsection 1;

(b) improved real estate or leaseholds in Ontario or elsewhere where the corporation is carrying on business, but the amount of the loan, together with the amount of indebtedness under any mortgage, charge or hypothec on the real estate or leasehold ranking equally with or prior to the loan shall not exceed three-quarters of the value of the real estate or leasehold;

(c) improved real estate or leaseholds in Ontario or elsewhere where the corporation is carrying on business, notwithstanding that the amount of the loan exceeds three-quarters of the value of the real estate or leasehold, if the loan is an approved loan or an insured loan under the National Housing Act, 1954 (Canada);
(d) mortgages, charges or hypothecs on improved real estate or leaseholds in Canada or in any country where the corporation is carrying on business, or bonds or notes secured by such mortgages, charges or hypothecs, notwithstanding that the amount secured by the mortgage, charge or hypothec exceeds the amount that the corporation is otherwise authorized to invest, if the excess is guaranteed or insured by, or through an agency of, the government of the country in which the real estate or leasehold is situated or of a province or state of that country or is insured by a policy of mortgage insurance issued by an insurance company licensed or registered under the Canadian and British Insurance Companies Act (Canada), the Foreign Insurance Companies Act (Canada), The Insurance Act or similar legislation of any province or territory of Canada; and

(e) the bonds, debentures, notes, shares or other securities mentioned in clause (f), (h), (i), (j), (k), (l), (m) or (p) of subsection 1, if the market value of the securities on which the loan is made at all times is not less than the amount of the loan and if also the amount loaned on the security of the shares of any one company does not at any time exceed 10 per cent of the market value of the total outstanding shares of such company.

(4) If a registered loan corporation is designated a bank or lender, as the case may be, under the Canada Student Loans Act, the Farm Improvement Loans Act (Canada) or the Fisheries Improvement Loans Act (Canada) or the Small Businesses Loans Act (Canada), the corporation may make guaranteed loans under and in accordance with the provisions of any of those Acts for which it has been designated a bank or lender.

42. Section 138 of The Loan and Trust Corporations Act is repealed and the following substituted therefor:

138. A registered loan corporation may make investments and loans not authorized by section 137 and not prohibited by any other section, subject to the following provisions,

(a) investments in real estate or leaseholds under this section shall be made only for the pro-
duction of income, and may be made by the
corporation in Canada or in any country in
which the corporation is carrying on business,
either alone or jointly with any corporation
incorporated in Canada or with any insurance
company transacting the business of insur-
ance in Canada, and the corporation may
hold, maintain, improve, develop, repair, lease,
sell or otherwise deal with or dispose of such
real estate or leaseholds, but the total invest-
ment of a corporation under this section in
any one parcel of real estate or in any one
leasehold shall not exceed 1 per cent of the
book value of the total assets of the cor-
poration;

(b) the total book value of the investments and
loans made under this section and held by
the corporation, excluding those that are, or
at any time since acquisition have been,
authorized as investments apart from this
section, shall not exceed the larger of,

(i) 15 per cent of the corporation's unim-
paired capital and reserve, or

(ii) such percentage as the Registrar may
approve, not in excess of 7 per cent, of
the book value of the total assets of
the corporation; and

(c) this section shall be deemed not to,

(i) enlarge the authority conferred by this
Act to invest in mortgages, charges or
hypothescs or to lend on the security of
real estate or leaseholds, or

(ii) affect the operation of clause e of sub-
section 3 of section 137 as to the
amount that may be loaned on the
security of the shares of any one
company.

138a. Notwithstanding anything in section 137 or 142, a Power of
registered loan corporation may invest its funds in
the fully paid shares of,

(a) any company incorporated outside Canada
to exercise the powers that a loan corporation
incorporated in Ontario possesses;
(b) any company incorporated to acquire, hold, maintain, improve, lease or manage real estate or leaseholds or to act as agent in the sale or purchase of real estate or leaseholds;

(c) any company incorporated to offer public participation in an investment portfolio;

(d) any company incorporated to provide a company mentioned in clause (c) with advisory, management or sales distribution services; or

(e) with the prior approval of the Minister, any company incorporated to carry on any other business activity reasonably ancillary to the business of a loan corporation,

subject to such terms and conditions as may be prescribed by the Lieutenant Governor in Council.

R.S.O. 1960, c. 222, s. 139, re-enacted

43. Section 139 of The Loan and Trust Corporations Act, as amended by section 4 of The Loan and Trust Corporations Amendment Act, 1960-61, section 5 of The Loan and Trust Corporations Amendment Act, 1961-62, section 5 of The Loan and Trust Corporations Amendment Act, 1965 and section 11 of The Loan and Trust Corporations Amendment Act, 1966, is repealed and the following substituted therefor:

139.—(1) A registered trust company may invest its own funds and moneys received for guaranteed investment or as deposits in any of the investments mentioned in subsection 1 of section 137, except that at all times at least 50 per cent of moneys received for guaranteed investment or as deposits shall be invested in or loaned upon such securities only as are authorized for trustees by section 26 of The Trustee Act.

(2) The total book value of the investments of a registered trust company in real estate or leaseholds for the production of income under clause (n) of subsection 1 of section 137 shall not exceed in the case of its own funds 10 per cent of the book value of the total assets of such funds and, in the case of moneys received for guaranteed investment or as deposits, 10 per cent of such moneys and under clause (o) of subsection 1 of section 137, shall not exceed in the case of its own funds 5 per cent of the book value of the total assets of such funds and, in the case of moneys received for guaranteed investment or as deposits.
deposits, 5 per cent of such moneys or 25 per cent of the unimpaired capital and reserve of the company, whichever is the greater, but the total amount invested under clauses n and o shall not exceed the maximum amount provided in clause n; and the amount so invested in any one parcel of real estate or leaseholds for the production of income shall not exceed 2 per cent of the aggregate of the total assets of the corporation and the moneys received by it for guaranteed investment or as deposits.

(3) In addition to investments it may make by lending on the security of or by purchasing mortgages, charges or hypotheccs upon real estate under the National Housing Act, 1954 (Canada) or any predecessor thereof, a registered trust company may invest its own funds to an aggregate amount not exceeding 5 per cent of its unimpaired capital and reserve and may, notwithstanding subsection 1, invest moneys received for guaranteed investment or as deposits to an aggregate amount not exceeding 5 per cent of such moneys in any other classes or types of investments pursuant to the said Act, including the purchase of land, the improvement thereof, the construction of buildings thereon, and the management and disposal of such lands and buildings.

(4) Subject to subsection 1, a registered trust company may lend its own funds and moneys received for guaranteed investment or as deposits on the security of,

(a) any of the securities mentioned in clauses a, b, c, d, e and g of subsection 1 of section 137;

(b) improved real estate or leaseholds in Ontario or elsewhere where the company is carrying on business, but the amount of the loan, together with the amount of indebtedness under any mortgage, charge or hypothecc on the real estate or leasehold ranking equally with or prior to the loan, shall not exceed three-quarters of the value of the real estate or leasehold;

(c) improved real estate or leaseholds in Ontario or elsewhere where the company is carrying on business, notwithstanding that the amount of the loan exceeds three-quarters of the value of
of the real estate or leasehold, where the loan is an approved loan or an insured loan under the *National Housing Act, 1954* (Canada);

(d) mortgages, charges or hypothecs on improved real estate or leaseholds in Canada or in any country where the company is carrying on business, or bonds or notes secured by such mortgages, charges or hypothecs, notwithstanding that the amount secured by the mortgage, charge or hypothec exceeds the amount that the company is otherwise authorized to invest, if the excess is guaranteed or insured by, or through an agency of, the government of the country in which the real estate or leasehold is situated or of a province or state of that country or is insured by a policy of mortgage insurance issued by an insurance company licensed or registered under the *Canadian and British Insurance Companies Act* (Canada), the *Foreign Insurance Companies Act* (Canada), *The Insurance Act* or similar legislation of any province or territory of Canada; and

(e) the bonds, debentures, notes, shares or other securities mentioned in clause *f, h, i, j, k, l, m* or *p* of subsection 1 of section 137, if the market value of the securities on which the loan is made at all times is not less than the amount of the loan, and if the amount loaned on the security of the shares of any one company does not at any time exceed 10 per cent of the market value of the total outstanding shares of such company.

(5) If a registered trust company is designated a bank or lender, as the case may be, under the *Canada Student Loans Act*, the *Farm Improvement Loans Act* (Canada) or the *Fisheries Improvement Loans Act* (Canada), it may lend its own funds and moneys received for guaranteed investment or as deposits in guaranteed loans under and in accordance with the provisions of any of those Acts for which it has been designated a bank or lender.

**44.** Section 140 of *The Loan and Trust Corporations Act* is repealed and the following substituted therefor:
A registered trust company may, with respect to its own funds and with respect to moneys received for guaranteed investment or as deposits, make investments and loans not authorized by section 139 and not prohibited by any other section, subject to the following provisions,

(a) investments in real estate or leaseholds under this section shall be made only for the production of income, and may be made by the company in Canada or in any country in which the company is carrying on business, either alone or jointly with any corporation incorporated in Canada or with any insurance company transacting the business of insurance in Canada, and the company may hold, maintain, improve, develop, repair, lease, sell or otherwise deal with or dispose of such real estate or leaseholds, but the total investment of a company under this section in any one parcel of real estate or in any one leasehold shall not exceed 1 per cent of the aggregate of the unimpaired capital and reserve of the company and the moneys held by it for guaranteed investment or as deposits;

(b) the total book value of the investments and loans made under this section and held by the company, excluding those that are or at any time since acquisition have been authorized as investments apart from this section, shall not exceed the larger of,

(i) 15 per cent of the company’s unimpaired capital and reserve, or

(ii) such percentage as the Registrar may approve, not in excess of 7 per cent, of the aggregate of the unimpaired capital and reserve of the company and the moneys held by it for guaranteed investment or as deposits; and

(c) this section shall be deemed not to,

(i) enlarge the authority conferred by this Act to invest in mortgages, charges or hypotethes or to lend on the security of real estate or leaseholds, or
(ii) affect the operation of subsections 1 and 2 of section 139 or the operation of clause e of subsection 4 of section 139 as to the amount that may be loaned on the security of the shares of any one company.

140z. Notwithstanding anything in section 139 or 142, a registered trust company may invest its own funds in the fully paid shares of,

(a) any company incorporated outside Canada to exercise the powers set forth in section 77;

(b) any company incorporated to acquire, hold, maintain, improve, lease or manage real estate or leaseholds or act as agent in the sale or purchase of real estate or leaseholds;

(c) any company incorporated to offer public participation in an investment portfolio;

(d) any company incorporated to provide a company mentioned in clause c with advisory, management or sales distribution services;

(e) a loan corporation within the meaning of this Act; or

(f) with the prior approval of the Minister, any company incorporated to carry on any other business activity reasonably ancillary to the business of a trust company,

subject to such terms and conditions as may be prescribed by the Lieutenant Governor in Council.

R.S.O. 1969, c. 222, s. 144, subs. 2, re-enacted

45. Subsection 2 of section 144 of The Loan and Trust Corporations Act is repealed and the following substituted therefor:

(2) The corporation shall, subject to section 145, sell any real estate acquired by it under a mortgage, charge or hypothecation, or in satisfaction of a debt, within twelve years after it has been so acquired, otherwise it may be forfeited to Her Majesty for the use of Ontario, but no such forfeiture shall be enforced until the expiration of six calendar months after notice in writing to the corporation of the intention of Her Majesty to claim such forfeiture.
Section 145 of The Loan and Trust Corporations Act is amended by adding thereto the following subsection:

(2) The corporation may acquire, hold, sell or dispose of real estate acquired in connection with the relocation by the corporation of the place of employment of an employee, if the real estate serves as the residence of the employee immediately after the relocation or served as the residence of the employee immediately before the relocation but the real estate shall not be allowed as an asset of the corporation in the annual report prepared by the Registrar for the Minister if it is held for more than two years following its acquisition.

Section 147 of The Loan and Trust Corporations Act is amended by striking out "paid up capital and reserved funds" in the fourth and fifth lines and inserting in lieu thereof "unimpaired paid up capital, surplus and reserves", so that the section shall read as follows:

A provincial corporation shall not make or undertake any investment under section 145 or 146 that will cause the total amount at which such investments are carried on its books to exceed 35 per cent of its unimpaired paid up capital, surplus and reserves.

Section 148 of The Loan and Trust Corporations Act, as re-enacted by section 14 of The Loan and Trust Corporations Amendment Act, 1966, is repealed and the following substituted therefor:

(1) A corporation shall not knowingly make an investment,

(a) by way of a loan to,

(i) a director or officer of the corporation or a spouse or child of such director or officer, or

(ii) an individual, his spouse or any of his children under twenty-one years of age if either the individual or a group consisting of the individual, his spouse and such children is a substantial shareholder of the corporation;

(b) in a company that is a substantial shareholder of the corporation; or
(c) in a company in which,

(i) an individual mentioned in subclause i of clause a,

(ii) an individual who is a substantial shareholder of the corporation,

(iii) another corporation that is a substantial shareholder of the corporation, or

(iv) a group consisting exclusively of individuals mentioned in subclause i of clause a,

has a significant interest.

(2) The corporation shall not knowingly retain an investment mentioned in subsection 1.

(3) For the purpose of this section,

(a) a person has a significant interest in a company, or a group of persons has a significant interest in a company, if,

(i) in the case of a person, he owns beneficially, either directly or indirectly, more than 10 per cent, or

(ii) in the case of a group of persons, they own beneficially, either individually or together and either directly or indirectly, more than 50 per cent, of the shares of the company for the time being outstanding;

(b) a person is a substantial shareholder of a corporation, or a group of persons is a substantial shareholder of a corporation, if that person or group of persons owns beneficially, either individually or together and either directly or indirectly, equity shares to which are attached more than 10 per cent of the voting rights attached to all equity shares of the corporation for the time being outstanding; and in computing the percentage of voting rights attached to equity shares owned by an underwriter, there shall be excluded the voting rights
rights attached to equity shares acquired by him as an underwriter during the course of distribution to the public by him of such shares;

(c) "equity share" means a share of any class to which are attached voting rights exercisable under all circumstances and a share of any class to which are attached voting rights by reason of the occurrence of any contingency that has occurred and is continuing;

(d) "investment" means,

(i) an investment in a company by way of purchase of bonds, debentures, notes or other evidences of indebtedness thereof or shares thereof, or

(ii) a loan to a person or persons, but does not include an advance or loan, whether secured or unsecured, that is made by a corporation to a company and that is merely ancillary to the main business of the corporation;

(e) "officer" means the president, vice-president, manager, secretary, assistant secretary, comptroller, treasurer and assistant treasurer of a corporation and any other person designated as an officer of the corporation by by-law or by resolution of the directors thereof.

(4) For the purposes of this section, where a person or a group of persons owns beneficially, directly or indirectly, shares of a company, that person or group of persons shall be deemed to own beneficially that proportion of the shares of any other company that is owned beneficially, directly or indirectly, by the first-mentioned company, that is equal to the proportion of the shares of the first-mentioned company that is owned beneficially, directly or indirectly, by that person or group of persons.

(5) Notwithstanding subsection 4, a corporation is not prohibited from making an investment in a company only because a person or a group of persons that owns beneficially, directly or indirectly, or is deemed to own
own beneficially, equity shares of the corporation is
by reason thereof deemed to own beneficially equity
shares of the company.

**Exemption**

(6) Where any person or group of persons is a substantial
shareholder of a corporation and, as a consequence
thereof and of the application of this section, certain
investments are prohibited for the corporation, the
Minister may, on the advice of the Registrar, and on
application by the corporation, exempt from such
prohibition any particular investment or invest­
ments of any particular class if he is satisfied,

(a) that the decision of the corporation to make or
hold any investment so exempted has not
been and is not likely to be influenced in any
significant way by that person or group, and
does not involve in any significant way the
interests of that person or group apart from
their interests as a shareholder of the cor­
poration; and

(b) that the investment is to be made under the
power granted to the corporation by sections
137, 138, 139 and 140.

**Idem**

(7) Any exemption made by the Minister under sub­
section 6 may contain any conditions or limitations
considered by the Minister to be appropriate and
may be revoked by the Minister at any time.

**Assets in Canada**

148a.—(1) A provincial corporation shall at all times retain
in Canada assets at least equal to its liabilities
incurred in Canada and to the moneys for which it is
accountable as a trustee in Canada.

(2) The custody of securities registered in the name of
or held by a provincial corporation is subject to such
regulations respecting their safekeeping, including
registration and the bonding of directors, officers and
employees of the corporation, as the Lieutenant
Governor in Council may prescribe.

R.S.O. 1960, c. 222,
§ 150,
re-enacted

49. Section 150 of The Loan and Trust Corporations Act,
as amended by section 7 of The Loan and Trust Corporations
Amendment Act, 1965 and section 15 of The Loan and Trust
Corporations Amendment Act, 1966, is repealed and the follow­
ing substituted therefor:
150.—(1) Every trust company receiving deposits or receiving funds for guaranteed investment shall make a return to the Registrar on or before the 31st day of January in each year drawn in accordance with the form prescribed by the Registrar, showing the amount of the funds and showing all securities, including loans on securities and cash, and money on deposit ear-marked and set aside as provided in subsection 2 of section 80 and subsection 3 of section 82 as such amounts stood on the 31st day of December next preceding, and stating that they were on such date so ear-marked and set aside.

(2) Every trust company shall prepare a statement in the form prescribed by the Registrar as at the last day of June and of December in each year showing the changes in investments and loans of the company during the preceding half-year.

(3) Every trust company shall prepare a statement in the form prescribed by the Registrar as at the last day of March, June, September and December in each year showing the amount of cash and securities required to be maintained under section 84 and the amount of deposits and of funds received for guaranteed investment coming due in less than 100 days.

(4) The statements mentioned in subsections 2 and 3 shall be verified by a certificate of a responsible officer of the trust company and shall be filed with the Registrar within thirty-one days after the date as at which they are made up.

50. Section 151 of TheLoan and Trust Corporations Act, as re-enacted by section 16 of The Loan and Trust Corporations Amendment Act, 1966, is amended by adding thereto the following subsections:

(2) Every loan corporation shall prepare a statement in the form prescribed by the Registrar as of the last day of June and of December in each year showing the changes in investments and loans of the corporation during the preceding half-year.

(3) The statements mentioned in subsections 1 and 2 shall be verified by a certificate of a responsible officer of the loan corporation and shall be filed with the Registrar within thirty-one days after the date as at which they are made up.
51. This Act comes into force on the day it receives Royal Assent.

52. This Act may be cited as *The Loan and Trust Corporations Amendment Act, 1970. (No. 2)*