

7. The amount of notes of any bank in circulation at any time shall not exceed the amount of its unimpaired capital, subject to penalties varying with the amount of such excess. Notes in circulation

8. The payment of notes issued by any bank for circulation shall be the first charge on its assets in case of insolvency, any amount due to the Dominion Government shall be the second charge, and any amount due to any Provincial Government shall be the third charge. Notes to be a first charge.

9. Every bank shall pay to the Minister of Finance a sum equal to five per cent of the average amount of its notes in circulation, such sum to be annually adjusted according to the average amount of circulation during the preceding twelve months. Such amounts are to form a fund called "The Bank Circulation Redemption Fund," to be used when necessary, on the suspension of any bank, for the payment of the notes issued and in circulation, and interest. All notes in circulation shall bear interest at six per cent per annum from the day of suspension until redeemed. Payments from the fund are to be without regard to the amount contributed. Bank circulation redemption fund.

10. All notes issued for circulation shall be payable at par through out Canada. † Notes payable at par

11. Any bank, when making payment, is compelled, if requested, to pay the same, or part thereof, not exceeding one hundred dollars, in Dominion notes for \$1, \$2 or \$4 each. Part payment to be in Dominion notes

12. Penalties are provided for placing anything in the shape of an advertisement on a note, and for issuing advertisements in the form of notes. Advertisements on notes, illegal.

13. No bank may lend money on its own shares or on those of any other bank, or upon mortgage of real estate, or on the security of any goods, wares or merchandise, except as collateral security. When a bank may not lend.

14. Except as required for its own use, no bank shall hold any real estate for a longer period than seven years. Real estate.

15. Any rate of interest may be charged and allowed, but not more than seven per cent can be recoverable. Rate of interest.

16. Monthly returns signed by the chief accountant, the acting president and the manager, shall be made to the Minister of Finance within the first fifteen days of each month, subject to a penalty of \$50 for each day's delay, such returns to be made in the form provided in the Act. Special returns may be required by the Government at any time. All Government cheques are payable at par. Returns to Government.

17. No person may use the title of "bank," "banking company," "banking house," "banking association" or "banking institution," unless authorized by this or some other Act of Parliament. Private banks.

906. There were 39 incorporated banks that made returns to the Government on 30th June, 1892, distributed as follows: 10 in Ontario. Number of incorporated banks.

† Previous to this provision, a discount was charged in Ontario and Quebec on Nova Scotia, New Brunswick and Prince Edward Island notes, and in British Columbia on notes of eastern banks.