

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 6 per cent per annum from the day of suspension until redeemed. Payments from the fund are to be without regard to the amount contributed.

10. All notes issued for circulation shall be payable at par throughout Canada.*

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.

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.

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.

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

15. Any rate of interest may be charged and allowed, but not more than 7 per cent can be recoverable.

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.

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.

825. The changes in the general features of the Banking Act, consequent upon its revision by Parliament in the session of 1890, are intended to operate to the advantage of the public in two directions: (a) by securing to the holders, at all times and in all parts of the Dominion, the face value of all notes of all banks of Canada, whether solvent or insolvent; (b) by securing

*Previous to this provision a discount was charged in Ontario and Quebec on notes of banks of Nova Scotia, New Brunswick, Prince Edward Island and British Columbia, in which latter province the banks charged discounts on the notes of all eastern banks.