At the revision of 1890 (effective 1891) it was stipulated that not less than $250,000 capital must be paid up before a certificate permitting a bank to commence business could be issued by the Treasury Board. A period of one year from the date of the charter was allowed for the payment of the capital and the carrying out of other preliminaries. Dividends were not to exceed 8 p.c. until or unless the reserve fund was the equivalent of 30 p.c. of the paid-up capital. A fund known as the "Bank Note Circulation Redemption Fund" was established, consisting of deposits made by the banks with the Minister of Finance of amounts equal to 5 p.c. of their average note circulation, such deposits to be subject to adjustment annually, and to constitute a guarantee of the payment of all notes of a suspended bank with interest at 6 p.c. from the date of suspension until the date when their redemption was undertaken by the liquidator. Failing action by the liquidator within two months, the Minister of Finance was authorized to redeem the notes out of the fund, and such outlay, if not made good out of the assets of the failed bank, was to be reimbursed by the contributing banks *pro rata* to their contributions. Another major change gave the banks, in certain classes of loans, the same legal power to take security over the borrower's goods as had previously been granted by warehouse receipts. This enactment served to make general and more clear principles already recognized by previous legislation and practice. Directors' qualifications were set out more clearly and it was now provided that a majority only of directors, instead of all, need be British subjects. Penalties for the excessive issue of circulation were made more severe.

The revision of 1900 (effective 1901) recognized the Canadian Bankers' Association as an agency in the supervision and control of certain activities of the banks. It was charged, under the Treasury Board, with the responsibility of supervising the printing and distribution of notes to the banks and their issue and destruction; also with control over clearing houses and the appointment of curators to supervise the affairs of suspended banks. The amended Act also included provisions permitting one bank to sell its assets to another. More detailed monthly returns were required and the interest on notes of failed banks was reduced from 6 p.c. to 5 p.c. In 1908, after the financial crisis of 1907, provision was made for emergency circulation during the crop moving season from October to January, when banks were allowed to issue excess circulation up to 15 p.c. of their combined paid-up capital and rest or reserve funds, this emergency circulation to be taxed at a rate not exceeding 5 p.c. per annum. In 1912, the period was extended to the six months from September to February inclusive.

At the fourth revision of the Bank Act in 1913 provision was made for an audit of each bank's affairs by auditors appointed by the shareholders. There was also provision for the establishment of Central Gold Reserves in which banks might deposit gold or Dominion notes for the purpose of issuing addi-