When that acquisition was being made, those municipalities were unwilling to issue their debentures, giving as a reason that the conditions of the regulations had not been fulfilled,

Always contrary to law, the Bank has acquired shares in its own capital stock.

We would remark here that there is only 40 per 100 paid on the shares of that Bank.

Has the accusation been made good ? Yes, by the list of shares transferred to the Bank, and by the report made at that time to the government by the cashier, stating that he was the bearer *intrust* for the Bank of $43,600 worth of shares.

Naturally, the depositors rely on this, that they can fall back on the shareholders for the recovery of the balance of shares and for the doudle responsibility in the case of the Bank becoming insolvent. When a Bank lessens that security, it destroys its credit the same ratio and increases the responsability of its shareholders.

Here then is a dangerous trafic, forbidden by law, and which was proven before the minister of justice.

We shall mention a last accusation, and it is this : that this Bank had become security for a compromise and thereby took upon itself the responsibility of nearly $90,000, for a consideration of $14,248.61.

The accused party admitted, with few exceptions, all the facts brought against it, but it gave, as an explanation, that those acts had taken place between itself and its debtors and that it had thus acted to protect itself. Can such a reason alter the nature of the affairs of a Bank. and annul a law whose provisions are so peremptory ? If such were the case in the usual course of things, any man who breaks the law would have an excuse to prevent its execution and order in society would come to an end.

In any case, looking at the proof in the brief, was there ground for a law suit ? Yes, certainly, for it appeared that the law had been violated. But the Bank in question invoked an excuse, or gave an explanation which was an admission of the fact brought