

PROFITS OF THE BANK.

Application
of profits.

30. The Bank shall establish a rest fund and after making such provision as the Board thinks proper for bad and doubtful debts, depreciation in assets, pension funds and all such matters as are properly provided for by banks and after deducting an amount equal to six per centum of the paid-up capital which may be utilized for the payment of cumulative dividends at a rate of six per centum per annum, payable half-yearly, the ascertained surplus available from the operations of the Bank during each financial year shall be applied by the Board as follows: 5 10

(a) If the rest fund of the Bank is less than the paid-up capital, one-third of such surplus shall be allocated to the rest fund and the residue shall be paid to the Receiver General and placed to the credit of the Consolidated Revenue Fund; 15

(b) If the rest fund is not less than the paid-up capital but is less than twice the paid-up capital, one-tenth of such surplus shall be allocated to the rest fund and the residue shall be paid to the Receiver General and placed to the credit of the Consolidated Revenue Fund; 20

(c) If the rest fund is not less than twice the paid-up capital, the whole of such surplus shall be paid to the Receiver General and placed to the credit of the Consolidated Revenue Fund.

AUDIT.

Appointment
of first
auditors.

31. (1) For the purpose of auditing the affairs of the Bank, the Minister shall appoint two auditors, eligible to be appointed as auditors of a chartered bank, who shall continue to act as auditors until the first annual general meeting. 25

Annual
appointment.

(2) The shareholders at each annual general meeting shall appoint two auditors, eligible to be appointed as auditors of a chartered bank, but no person shall be eligible for appointment if he or any member of his firm has been auditor for two successive years during the three next preceding years. 30 35

Vacancies.

(3) If any vacancy occurs in the office of auditor of the Bank, notice thereof shall forthwith be given by the Bank to the Minister, who thereupon shall appoint some other auditor eligible to be appointed as an auditor of a chartered bank to serve until the next annual general meeting. 40

Persons who
may not act.

(4) No director or officer of the Bank and no member of a firm of auditors of which a director is a member shall be eligible for appointment as an auditor.

Reports to
Minister.

(5) The Minister may from time to time require the auditors to report to him upon the adequacy of the procedure adopted by the Bank for the protection of its 45