

full amount of such excess for the redemption of such notes; and that any amount of such notes which the public convenience may require, may be issued and remain outstanding, provided the excess of such amount over that so authorized be represented by specie held by the Receiver General, as aforesaid.

**BANKING.**

*Resolutions to be moved by the Honourable Sir Francis Hincks, in Committee of the Whole, on Friday, the 4th March, 1870.*

That it is expedient that no new Bank be chartered, or the charter of any existing Bank renewed, except on the following conditions, subject to the modifications hereinafter mentioned with respect to existing Banks:—

1. The capital of any new Bank shall not be less than one million dollars, and the whole amount shall be subscribed for, and at least twenty per cent. thereof shall be *bona fide* paid up before the Bank shall issue any notes or commence the business of banking, and the whole amount shall be paid up within five years from the date of the charter, twenty per cent. at least being so paid up in each year:—the capital of any existing Bank may remain as it now is, subject to be increased at the request of the shareholders, by the charter confirming the existence of the Bank, or by any supplemental charter as hereinafter mentioned.

2. The Bank shall satisfy the Treasury Board in such way as may be prescribed by regulations to be made by the said Board, that the conditions required in its case by the preceding paragraph, have been complied with, and shall not be held to have complied with them or to be entitled to the rights dependent on such compliance until a certificate of its having done so has been granted by the Board.

3. The amount of notes intended for circulation, issued by any Bank and outstanding at any time, shall never exceed the amount of its paid up capital, and no such note for a less sum than four dollars shall be issued by any new Bank, or issued or re-issued by any now existing Bank after the expiration of its present charter; all such notes then outstanding being called in and redeemed as soon as practicable.

4. In the event of the property and assets of the of the Bank becoming insufficient to pay its debts and liabilities, the Shareholders of the Bank, in their private or natural capacities, shall be liable for the deficiency, so far as that each Shareholder shall be so liable to an amount (over and above any amount not paid up on their respective shares) equal to the amount of their shares respectively; and if any suspension of payment in full in specie of all or any of the notes or other liabilities of the Bank shall continue for six months, the Directors may and shall make calls on such Shareholders to the amount they may deem necessary to pay all the debts and liabilities of the Bank, without waiting for the collection of any debts due to it for the sale of any of its assets or property such calls to be made at like intervals and for like amounts as calls on unpaid stock, and payment thereof to be enforced in like manner, and any failure on the part of any Stockholder liable to such call to pay the same when due, shall operate a forfeiture by such Stockholder of all claim in or to any part of the assets of the Bank, such call, and any further call thereafter, being nevertheless recoverable from him, as if no such forfeiture had been incurred. Provided that if the Bank be *en commandite* and the principal partners are personally liable, then in case of such suspension, such liabilities shall at once accrue and may be enforced against such principal partners, without waiting for any sale or discussion of the property or assets of the Bank, or other preliminary proceedings whatever.

5. Persons who having been shareholders in the bank, have only transferred their shares or any of them to others, or registered the transfer thereof, within three months before the commencement of the suspension of payment by the bank,

shall be liable to calls on such shares under the next preceding paragraph, as if they had not transferred them, saving their recourse against those to whom they were transferred; and any Director who shall refuse to make or enforce, or to concur in making or enforcing any such call, shall be deemed guilty of a misdemeanor, and shall be personally responsible for any damage suffered by such default; and any assignee or other officer or person appointed to wind up the affairs of the bank in case of its insolvency, shall have the powers of the directors with respect to such calls; provided that if the Bank be *en commandite* the liability of the principal partners and of the *commanditaires* shall continue for such time after their ceasing to be such, as is or may be provided in the charter of the Bank.

6. Every new bank shall,—and every existing Bank whose charter is continued and amended in conformity to these resolutions, shall from the time such amendments take effect, be exempt from the tax now imposed on the average amount of notes in circulation, and to which other Banks will continue liable.

4. That it is expedient to repeal Section Nine of the said Act, except as regards any existing arrangement made under it, which shall remain in force until terminated in accordance with the terms thereof, and to provide that the Governor may in his direction establish branch offices of the Receiver General's Department in Montreal, Toronto, Halifax and St. John (N. B.) respectively, or any of them for the redemption of Dominion notes, or may make arrangements with any chartered bank or banks for the redemption thereof, and may allow a fixed sum per annum for such service at any or all of the said places; and that specie or debentures held at any such Branch or by any such Bank for the redemption of Dominion Notes shall be deemed to be held by the Receiver General.

5. That it is expedient to amend section ten of the said Act 31 Vic., cap. 46, in accordance with the preceding resolutions.

6. That it is expedient to repeal section eleven of the said Act providing for the appointment of Commissioners for ascertaining the amount of Dominion notes issued and specie and debentures held for their redemption, and to provide that the Receiver General shall publish monthly in the *Canada Gazette*, a statement of the amount of Dominion notes outstanding on the last day of the preceding month, and of the specie and debentures then held by the Receiver General for the redemption thereof; distinguishing the amounts of specie and debentures so held at each of the cities aforesaid respectively; such statements to be made up from returns to be made by the said branch offices or bank to the Receiver General.

7. The total liabilities of the Bank shall never exceed the aggregate amount of the sum held by it in specie and Dominion notes, and three times its paid up capital; and the Directors, knowing any excess and not forthwith protesting against it, shall be responsible for the same.

8. Any suspension by the Bank of payment of any of its liabilities as they accrue, in specie or Dominion notes, shall, if it continues for ninety days, constitute the Bank insolvent, and operate a forfeiture of its charter, so far as regards the issue or re-issue of notes and other banking operations, and the charter shall remain in force only for the purpose of enabling the Directors, or the Assignee or Assignees or other legal authority, (if any be appointed in such manner as may by law be provided), to make the calls aforesaid, and wind up its business; and any such Assignee or Assignees or other legal authority, shall for such purposes have all the powers of the Directors.

9. No division of profits, either by way of dividends or bonuses, or both combined, exceeding the rate of eight per cent. per annum, shall be paid by the Bank, until it shall have a rest or reserve fund equal to at least twenty per cent of its capital, deducting all bad and doubtful debts before calculating the amount of such rest.

10. Certified lists of the shareholders with their

additions and residences, and the number of shares they respectively hold, shall be laid before Parliament every year, within fifteen days after the opening of the session.

11. Each shareholder shall have one vote for each share held by him, and no proxy for voting shall be in force for more than one year from its date.

12. The Shareholders shall have power to regulate by by-law the following matters, incident to the management and administration of the affairs of the Bank, viz:—

1st. The number and qualification of Directors, which shall not be less than five, nor more than ten; the remuneration of the President, Vice-President, and other Directors; but no Director, or Vice-President, shall hold less than five thousand dollars of the stock of the bank, nor shall the Directors (including the President and Vice-President) hold in the aggregate less than five per cent. of the capital stock of the Bank; and they shall be elected annually by the Shareholders, but shall be eligible for re-election.

2nd. The amount of discounts or loans which may be made to Directors, either jointly or severally, or to any one firm or person, or to any Shareholders, or to corporations.

3rd. The number of places, and the places at which agencies or branches of the Bank may be established.

13. The monthly returns to be made by the Bank to the Government shall be in the following form, and shall be made from weekly returns made up in like form on the Monday or the first juridical day of each week; and the average amounts stated in each weekly return shall be the average of those at the close of all the days in the preceding week, and the amounts stated in the monthly returns shall be the average of those in all the weekly returns in the month to which they relate; and such monthly returns shall be signed by the President, or the Director then acting as President, and by the Cashier or other principal officer of the Bank at its chief seat of business:

RETURN of the average amount of Liabilities and Assets of the Bank, during the period from		CAPITAL PAID UP, \$...				CAPITAL SUBSCRIBED, \$...		CAPITAL AUTHORIZED, \$...	
		Held in Province N. B.	Held in Province N. Scotia.	Held in Province Quebec.	Held in Province Ontario.	Total.			
1.	Circulation	\$	¢						
2.	Government deposits payable on demand								
3.	Other " " after notice, or on a fixed day								
4.	Government " " after notice, or on a fixed day								
5.	Other deposits payable after notice or on a fixed day								
6.	Due to other banks in Canada								
7.	Due to other banks or agents not in Canada								
8.	Other debts or liabilities of any kind								

RETURN of the average amount of Liabilities and Assets of the Bank, during the period from

**LIABILITIES.**