be mentioned in the next return made by the bank to the Minister of Finance and Receiver-General: Provided that, in any case in which the capital has been impaired as aforesaid, all net profits shall be applied to make good such loss. Proviso.

49. No division of profits, either by way of dividends or bonus, or both combined, or in any other way, exceeding the rate of eight per cent. per annum, shall be made by the bank, unless, after making the same, it has a rest or reserve fund equal to at least thirty per cent. of its paid-up capital; and all bad and doubtful debts shall be deducted before the amount of such rest is calculated. Dividend limited, unless there is a certain reserve.

RESERVES.

50. The bank shall hold not less than forty per cent. of its cash reserves in Dominion notes; and every bank holding at any time a less amount of its cash reserves in Dominion notes than is prescribed by this section shall incur a penalty of five hundred dollars for each and every violation of the provisions of this section; Part of reserve to be in Dominion notes. Penalty for non-compliance.

2. The Minister of Finance and Receiver-General shall make such arrangements as are necessary for insuring the delivery of Dominion notes to any bank, in exchange for an equivalent amount of specie, at the several offices at which Dominion notes are redeemable, in the cities of Toronto, Montreal, Halifax, St. John, N.B., Winnipeg, Charlottetown and Victoria, respectively; and such notes shall be redeemable at the office for redemption of Dominion notes in the place where such specie is given in exchange. Supply of Dominion notes.

NOTE ISSUE.

51. The bank may issue and re-issue notes payable to bearer on demand, and intended for circulation; but no such note shall be for a sum less than five dollars, or for any sum which is not a multiple of five dollars, and the total amount of such notes in circulation at any time shall not exceed the amount of the unimpaired paid-up capital of the bank; Amount and denomination of bank notes.

2. Notwithstanding anything contained in the next preceding subsection, the total amount of such notes in circulation at any time of La Banque du Peuple and the Bank of British North Note issue of Banque du Peuple and Bank of Bri-