

price the provisional directors, and determine the date of the annual meeting, etc. A certificate from the Treasury Board—a committee of the Privy Council, usually five in number, of which the Minister of Finance is chairman—permitting the bank to commence business may now be issued, provided that the following conditions have been met:

1. That the payments and subscriptions are all genuine and made in conformity with the law.
2. That the deposit of \$250,000 with the Minister of Finance has been made, and is still in his hands.
3. That the directors are qualified and have been regularly elected.
4. That the expenses of incorporation and organization are reasonable.
5. That all other requirements have been met with.

When all these conditions are met, the \$250,000—less \$5,000 as an initial payment for the guarantee of note circulation—is returned, and a certificate issued, under which the bank may begin business.

Experience is an exhaustive dictionary; and experience has defined the conditions under which sound banking may be carried on. And if experience has emphasized one banking fact more than any other it is this—that the proper place to end unsound banking is where it begins. Banks are quasi-public institutions; they should, therefore, be organized under strict and definite regulations only.

Bank By-laws.

The shareholders may pass by-laws regulating the following matters: the date of the annual meeting at which the shareholders elect directors; the number, quorum, qualifications, etc., of directors; limits of loans or discounts to directors or to any one person, firm or corporation; authority to contribute to guarantee and pension funds, etc. It was provided that copies of a bank's by-laws must be sent to the shareholders before the end of 1913, the year in which the Act was last revised, and thereafter within six months after the end of each fifth year.

The Board of Directors.

The property and concerns of the bank are managed by a board of directors who are elected annually, but who are subject to re-election. The qualifications of a director are as follows: