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2nd Session, 6th Parliament, 22 Victoria, 1859.

(PRIVATE BILL.)

BILL.

An Act to incorporate the National Bank.

Received and read, first time, Monday, 28th February, 1859.

Second reading, Wednesday, 2nd March, 1859.

MR. SIMARD.

TORONTO:

PRINTED BY JOHN LOVELL YONGE STREET.

An Act to incorporate the National Bank.

WHEREAS the Honorable Ulric Jos. Tessier, Isidore Thibaudeau, Preamble. Eugène Chénic, Cirice Têtu, Oliver Robitaille, David Dussault, and Prudent Vallée, Esquires, all of the City of Quebec, have by their petition prayed that they and their legal representatives might be incorporated for the purpose of establishing a Bank in the City of Quebec; And whereas it would be conducive to the general prosperity and commercial growth of the country; And whereas it is but just that the said persons and others who see fit to associate themselves, should be incorporated for the said purpose: Therefore Her Majesty, &c., enacts as follows:

- I. The several persons hereinbefore named, and such other persons as may become shareholders in the Company to be by this Act created, and their assigns, shall be, and they are hereby created, constituted and declared to be a corporation, body corporate and politic, by the name of the "National Bank," and shall continue such Corporation, and shall have perpetual succession under a corporate seal, with power to alter and change the same at pleasure, and may sue and be sued, implead or be impleaded in all Courts of Law as other corporations may do; and shall have the power to acquire and hold real and immoveable estate for the management of their business, not exceeding the yearly value of *five thousand dollars* currency, and may sell, alienate or exchange the same, and acquire other instead, and may, when duly organized as hereinafter provided, make, ordain and establish such rules, regulations and by-laws as to them shall seem meet and necessary for the due and proper administration of their affairs and the management of the said Bank, (such by-laws, rules and regulations not being inconsistent with this Act or contrary to the laws of this Province): Provided, however, that such by-laws, rules and regulations shall be submitted for approval to the stockholders or shareholders in the said Bank, at their regular annual meetings.
- Corporate
name and
powers.
Real estate
limited.
By-laws.
Proviso.
- II. The Capital Stock of the said Bank (the words "the said Bank" meaning throughout this Act the corporation aforesaid,) shall be *one million of dollars* divided into shares of *fifty dollars*, which shall be and are hereby vested in the several persons who shall subscribe for the same, their legal representatives and assigns.
- Capital
\$1,000,000,
shares of \$50
each.

- III. The said Honorable Ulric Joseph Tessier, Isidore Thibaudeau, Eugène Chénic, Cirice Têtu, Oliver Robitaille, David Dussault, and Prudent Vallée, shall be the Provisional Directors of the said Bank for the purpose of opening books of subscription for the Stock of the said Bank, at the City of Quebec, and at such other places as to them shall
- Directors
appointed,
their duties.

seem meet, and to receive subscriptions for the said Stock, and to do such other things relative to the said subscription and the management of the affairs of the said Bank, as it may be requisite to do before the first general meeting of the stockholders for the election of Directors as hereinafter mentioned.

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Meeting for
election of
Directors.

IV. As soon as the sum of *two hundred and fifty thousand dollars* of the said Capital Stock shall have been subscribed, and *twenty-five thousand dollars* actually paid in thereupon, it shall and may be lawful for the subscribers, or a majority of them, to call a meeting at some place to be named in Quebec, for the purpose of proceeding to the election of the number of Directors for the said Bank, hereinafter mentioned, and such elections shall then and there be made by a majority of shares voted upon, in the manner hereinafter described in respect of the annual election of Directors, and the persons then and there chosen shall be the first Directors, and shall be capable of serving during the ensuing twelve months: Provided always, that no such meeting of the said subscribers shall take place until a notice specifying the objects of such meeting is published in one or more newspapers published in Quebec, at least twenty days previous to such time of meeting.

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Directors to
serve during
12 months.
Proviso : no-
tice to be
given.

Instalments.

V. The shares of the Capital Stock subscribed for shall be paid in and by such instalments, and at such times and places as the said Directors shall appoint; and executors, administrators and curators paying instalments upon the shares of deceased shareholders, shall be and are hereby respectively indemnified for paying the same; Provided always, that no share or shares shall be held lawfully subscribed for unless a sum equal to at least ten per centum on the amount subscribed for be actually paid at the time of subscribing; Provided further, that it shall not be lawful for the subscribers to the Capital Stock hereby authorized to be raised, to commence the business of Banking until a sum not less than *two hundred and fifty thousand dollars* shall have been duly paid in by such subscribers; Provided further, that the remainder of the said Capital Stock shall be either subscribed or paid, or subscribed and paid in such instalments and at such times and places as the said Directors shall appoint within a period not exceeding seven years from the day on which the said Bank shall have commenced the business of Banking; Provided further, that it shall not be obligatory upon the said Bank to raise the whole amount of the said Capital Stock, but the number of the shares *subscribed and paid at the expiration of the seven years* aforesaid shall constitute the Capital Stock of the said Bank, upon which its operations may be continued under this Act.

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Subscribers
may pay in
full, &c.

VI. If any person or persons subscribing for shares of the Capital Stock of the said Bank shall also be willing to pay up at the time of subscribing the full amount of the shares subscribed for, it shall and may be lawful for the Directors of the Bank, and at any time within the period hereinbefore limited for subscribing for such stock, to admit and receive such subscriptions and full payment or payment of any number of instalments.

Forfeiture for
non-payment
of calls.

VII. If any shareholder or shareholders shall refuse or neglect to pay any instalment upon his, her or their shares of the said Capital Stock at the time or times required by the Directors as aforesaid, such shareholder or shareholders shall incur a forfeiture to the use of the said Bank of a

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sum of money equal to ten per centum on the amount of such shares; and moreover, it shall be lawful for the Directors of the said Bank without any previous formality other than thirty days' public notice of their intention,) to sell at public auction the said shares, or so many of 5 the said shares as shall, after deducting the reasonable expenses of the sale, yield a sum of money sufficient to pay the unpaid instalments due on the remainder of the said shares, and the amount of forfeitures incurred on the whole ; and the President with the Vice-President, or the Cashier of the said Bank, shall execute the transfer to the purchaser of 10 the shares of stock so sold, and such transfer being accepted shall be as valid and effectual in law as if the same had been executed by the original holder or holders of the shares of stock thereby transferred ; Provided always, that nothing in this section contained shall be held to debar the Directors or shareholders at a general meeting from remitting 15 either in whole or in part, and conditionally or unconditionally, any forfeiture incurred by the non-payment of any instalment as aforesaid.

Sales of shares
on which calls
are not paid.

Provided : for
feiture may be
remitted.

VIII. The chief place or seat of business of the said Bank shall be in Quebec, but it shall and may be lawful for the Directors of the Bank to open and establish in other places, Towns and Cities in this 20 Province, Branches or Agencies, or offices of discount and deposit of the said Bank, under such rules and regulations for the good and faithful management of the same as to the said Directors shall from time to time seem meet, not being repugnant to any law of this Province, to this Act, or to the By-laws of the said Bank.

Chief place
of business.
Branches.

IX. For the management of the affairs of the said Bank, there shall be seven Directors annually elected by the shareholders of the capital stock thereof, at a general meeting of them to be held annually ; at which meetings the shareholders shall vote according to the scale or rule of votes hereinafter established ; and the Directors elected by a 30 majority of votes given in conformity to such rule or scale shall be capable of serving as Directors for the ensuing twelve months ; and at their first meeting after such election the Directors shall choose out of their number a President and a Vice-President, who shall hold their offices respectively during the same period ; and in case of a vacancy 35 occurring in the said number of seven Directors, the remaining Directors shall fill the same by election from among the shareholders, and such Director so elected shall be capable of serving as a Director until the next annual general meeting of the shareholders ; and if the vacancy occurring in the said number of seven Directors shall also cause the 40 vacancy of the office of President or of Vice-President, the Directors, at their first meeting after their number shall have been completed as aforesaid, shall fill the vacant office by choice or election from among themselves, and the Director so chosen or elected to be President or Vice-President shall fill the office to which he shall be so chosen or 45 elected until the next general annual meeting of the shareholders ; Provided always, that each of the Directors shall be the holder and proprietor in his own name of not less than twenty shares of capital stock of the said Bank wholly paid up, and shall be a natural-born or naturalized subject of Her Majesty ; And provided also, that it shall 50 be lawful for the shareholders at any annual meeting to pass a By-law directing that four of the Directors in office at the period of such annual election shall be re-elected for the next ensuing twelve months.

Seven Direct-
ors to be elect-
ed annually
by a majority
of votes.

President and
Vice-Presi-
dent.

Vacancies,
how filled.

Provided : Di-
rectors to be
H. M's. sub-
jects.

Provided : as to
re-election of
Directors.

Proviso: if
any election
should fail.

X. If at any time it shall happen that an election of Directors shall not be made or take effect on the day fixed by this Act, the said corporation shall not be deemed or taken to be thereby dissolved, but it shall be lawful at any subsequent time to make such election at a general meeting of the shareholders to be called for that purpose; and the Directors in office, when such failure of election shall take place, shall remain in office until such election shall be made. 5

**Who may in-
spect the
Bank books.**

XI. The books, correspondence and funds of the said Bank shall at all times be subject to the inspection of the Directors; but no shareholder, not being a Director, shall inspect or be allowed to inspect the account or accounts of any person or persons dealing with the said Bank. 10

**Quorum of
Directors and
who to pre-
side.**

XII. At all meetings of the Directors of the said Bank, not less than three of them shall constitute a board or quorum for the transaction of business; and at the said meetings the President, or in his absence the Vice-President, or in their absence one of the Directors present to be chosen *pro tempore* shall preside; and the President, Vice-President or President *pro tempore* so presiding shall vote as a Director only. 15

**Casting vote
of President,
etc.**

XIII. It shall and may be lawful for the Directors of the said Bank from time to time to make and enact By-laws, Rules and Regulations (the same not being repugnant to this Act or to the Laws of this Province), for the proper management of the affairs of the said Corporation, and from time to time to alter or repeal the same and others to make and enact in their stead; Provided always, that no By-law, Rule or Regulation so made by the Directors shall have force or effect until the same shall, after six weeks' public notice, have been confirmed by the shareholders at an annual general meeting, or at a special general meeting called for that purpose. 20

**Directors to
make By-laws
for certain
purposes.**

**Proviso : as to
notice.**

XIV. The shareholder may by a By-law appropriate a sum of money for the remuneration of the services of the President and Directors as such, and the President and Directors may annually apportion the same among themselves as they may think fit: No Director shall act as a Private Banker. 30

**Payment of
President and
Directors.**

Proviso.

XV. The Directors of the said Bank shall have power to appoint a Cashier, Assistant Cashier and Secretary, and Clerks and Servants under them, and such other officers as shall be necessary for conducting the business of the said Bank, and to allow reasonable compensation for their services respectively, and shall also be capable of exercising such powers and authority for the well governing and ordering of the affairs of the said Bank as shall be prescribed by the By-laws thereof; 35 Provided always, that before permitting any Cashier, Assistant Cashier, Officer, Clerk or servant of the Bank, to enter upon the duties of his office, the Directors shall require him to give bond with sureties to the satisfaction of the Directors, that is to say: Every Cashier in a sum not less than six thousand dollars, every Assistant Cashier in the sum of four thousand dollars, and every other officer, Clerk, or servant in such sum of money as the Directors shall consider adequate to the trust reposed in him, with condition for good and faithful behavior. 40

**Proviso : se-
curity to be
taken from
each.**

Amount.

**Directors to
make divi-
dends.**

XVI. It shall be the duty of the Directors to make half-yearly divi-

dends of so much of the profits of the said Bank as to them shall appear advisable; and such dividends shall be payable at such place or places as the Directors shall appoint, and of which they shall give thirty days' public notice previously; Provided always, that such dividends shall not in any manner lessen or impair the capital stock of the said Bank.

XVII. The general meetings of the shareholders of the said Bank to be held annually as aforesaid, in Quebec, for the purpose of electing Directors in the manner hereinbefore provided, shall be general meetings also for all other general purposes touching the affairs and the management of the affairs of the said Bank; and at each of the said annual general meetings the Directors shall exhibit a full and clear statement of the affairs of the Bank.

XVIII. The number of votes which the shareholders of the said Bank shall respectively be entitled to give at their meetings shall be according to the following scale, that is to say: for one share and not more than two, one vote; for every two shares above two and not exceeding ten, one vote, making five votes for ten shares; for every four shares above ten and not exceeding thirty, one vote, making ten votes for every thirty shares; for every six shares above thirty and not exceeding sixty, one vote, making fifteen votes for sixty shares; and for every eight shares above sixty and not exceeding one hundred, one vote, making twenty votes for one hundred shares; and no shareholder shall be entitled to give a greater number of votes than twenty; and it shall be lawful for absent shareholders to give their votes by proxy, such proxy being also a shareholder, and being provided with a written authority from his constituent or constituents, in such form as shall be established by a By-law, and which authority shall be lodged in the Bank: Provided always, that a share or shares of the capital stock of the said Bank which shall have been held for a less period than three calendar months immediately prior to any meeting of the shareholders shall not entitle the holder or holders to vote at such meeting either in person or by proxy: Provided also, that where two or more persons are joint holders of shares, it shall be lawful that one only of such joint holders be empowered by letter of Attorney from the other joint holder or holders, or a majority of them, to represent the said shares and vote accordingly: And provided also, that no shareholder who shall not be a natural born or naturalized subject of Her Majesty, or who shall be a subject or citizen of any Foreign Prince or State, shall, either in person or by proxy, vote at any meeting whatever of the shareholders of the said Bank, or shall assist in calling any meeting of the shareholders; any thing in this Act to the contrary notwithstanding.

XIX. No Cashier, Assistant Cashier, Bank Clerk or other officer of the Bank, shall vote either in person or by proxy at any meeting for the election of Directors, or hold a proxy for that purpose.

XX. Any number, not less than twenty-five of the shareholders of the said Bank, who together shall be proprietors of at least one hundred shares of the paid up Capital Stock of the said Bank, by themselves or their proxies, or the Directors of the said Bank, or any four of them, shall respectively have power at any time to call a special general meeting of the shareholders of the said Bank, to be held at their usual place

Statement of affairs of Bank to be exhibited at yearly meetings.

Scale of voting at general meetings.

Vote by proxy.

Proviso.

Proviso as to Joint Stock-holders.

Voters must be British subjects.

Bank Officers not to vote.

Special general meetings, how called, &c.

Six weeks' notice to be given. If the object be the removal of a Director, &c.

And if of the President or Vice-President.

Shares to be personal estate.

Transfers of shares must be registered in the Bank books.

Shares sold under execution.

Bank's lien upon shares.

Shares may be transferred and dividends paid in the United Kingdom.

By what declaration, &c., the transmission of shares, otherwise

of meeting in Quebec, upon giving six weeks' previous public notice thereof, and specifying in such notice the object or objects of such meeting; and if the object of any such special general meeting be to consider of the proposed removal of the President or of a Director or Directors of the Corporation for mal-administration or other specified and apparently just cause, then or in any such case the person or persons whom it shall be so proposed to remove, shall, from the day on which the notice shall be first published, be suspended from the duties of his or their office or offices, and if it be the President or Vice-President whose removal shall be proposed as aforesaid, his office shall be filled up by the remaining Directors (in the manner hereinbefore provided in the case of a vacancy occurring in the office of President or Vice-President, who shall choose or elect a Director to serve as such President or Vice-President during the time such suspension shall continue to be undecided upon.)

XXI. The shares of the capital stock of the said Bank shall be held and adjudged to be personal estate and shall be transmissible accordingly, and shall be assignable and transferable at the chief place of business of the said Bank, or at any of its Branches which the Directors shall appoint for that purpose, and according to such form as the Directors shall from time to time prescribe; but no assignment or transfer shall be valid and effectual unless it be made and registered in a Book or Books to be kept by the Directors for that purpose, nor until the person or persons making the same shall previously discharge all debts actually due or contracted, and not then due by him, her or them to the Bank, which may exceed in amount the remaining stock (if any) belonging to such person or persons; and no fractional part or part of a share or other than a whole share shall be assignable or transferable; and when any share or shares of the said capital stock shall have been sold under a writ of execution, the Sheriff by whom the writ shall have been executed shall, within thirty days after the sale, leave with the Cashier of the Bank an attested copy of the writ, with the certificate of such Sheriff indorsed thereon, certifying to whom the sale has been made, and thereupon (but not until after all debts due or contracted but not then due by the original holder or holders of the said shares to the Bank shall have been discharged as aforesaid,) the President, or Vice-President, or Cashier of the Corporation shall execute the transfer of the share or shares so sold to the purchaser, and such transfer, being duly executed, shall be to all intents and purposes as valid and effectual in law as if it had been executed by the original holder or holders of the said share or shares; any law or usage to the contrary notwithstanding.

XXII. Shares in the capital stock of the said Bank may be made transferable, and the dividends accruing thereon may be made payable in the United Kingdom in like manner as such shares and dividends are respectively transferable and payable at the Chief Office of the said Bank in Quebec; and to that end the Directors may from time to time make such rules and regulations and prescribe such forms, and appoint such agent or agents as they may deem necessary.

XXIII. If the interest in any share in the said Bank become transmitted in consequence of the death or bankruptcy, or insolvency of any shareholder, or in consequence of the marriage of a female shareholder, or by any other lawful means than by a transfer according to the pro-

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visions of this Act, such transmission shall be authenticated by a Declaration in writing as hereinafter mentioned, or in such other manner as the Directors of the Bank shall require; and every such declaration shall distinctly state the manner in which and the party to than by regular transfer shall be authenticated.

5 whom, such share shall have been so transmitted, and shall be by such party made and signed; and every such declaration shall be, by the party making and signing the same, acknowledged before a Justice of a Court of Record, or before the Mayor, Provost or Chief Magistrate of a City, Town, Borough or other place, or before a Public Notary, 10 where the same shall be made and signed; and every such declaration so signed and acknowledged shall be left with the Cashier, or other Officer or Agent of the Bank, who shall thereupon enter the name of the party entitled under such transmission in the Register of Shareholders; and until such transmission shall have been so authenticated, no 15 party or person claiming by virtue of any such transmission, shall be entitled to receive any share of the profits of the Bank, nor to vote in respect of any such share as the holder thereof; Provided always, that every such declaration and instrument as by this and the following section of this Act is required to perfect the transmission of a share in 20 the Bank which shall be made in any other country than in this or some other of the British Colonies in North America, or in the United Kingdom of Great Britain and Ireland, shall be further authenticated by the British Consul or Vice-Consul, or other accredited Representative of the British Government in the country where the declaration 25 shall be made, or shall be made directly before such British Consul or Vice-Consul or other accredited Representative; And provided also Proviso, that nothing in this Act contained shall be held to debar the Directors, Cashier, or other officer or agent of the Bank from requiring corroborative evidence of any fact or facts alleged in any such declaration.

30 XXIV. If the transmission of any share of the said Bank be by virtue of the marriage of a female shareholder, the declaration shall contain a copy of the register of such marriage or other particulars of the celebration thereof, and shall declare the identity of the wife with the holder of such share; and if the transmission have taken place by 35 virtue of any testamentary instrument, or by intestacy, the probate of the will or the letters of administration, or Act of curatorship, or an official extract therefrom, shall, together with such declaration, be produced and left with the cashier or other officer or agent of the Bank, who shall thereupon enter the name of the party entitled under such 40 transmission in the Register of Shareholders.

XXV. If the transmission of any share or shares in the Capital Stock of the said Bank be by decease of any Shareholder, the production to the Directors and deposit with them of any probate of the will of the deceased Shareholder, or of letters of administration 45 of his estate granted by any Court in this Province having power to grant such probate or letters of administration, or by any prerogative, diocesan, or peculiar court or authority in England, Wales, Ireland, India, or any other British colony, or of any testamentary, or testament dative expedite in Scotland, or if the deceased Shareholder 50 shall have died out of Her Majesty's dominions, the production to and deposit with the Directors of any probate of his will or letters of administration of his property, or other document of like import granted by any Court or authority having the requisite power in such

Proviso : as to declarations made in foreign parts.

If the transmission be by the marriage of a female shareholder, or by will or intestacy.

If the transmission be by the decease of a shareholder.

matters shall be sufficient justification and authority to the Directors for paying any dividend or transferring or authorizing the transfer of any share in pursuance of, and in conformity to such probate, letters of administration or other such document as aforesaid.

Bank not bound to see to trusts to which stock may be subject.

XXVI. The said Bank shall not be bound to see to the execution of any trust, whether express, implied or constructive, to which any of the shares of its stock shall be subject; and the receipt of the party in whose name any such share shall stand in the books of the Bank, or if it stands in the name of more parties than one, the receipt of one of the parties shall from time to time be a sufficient discharge to the Bank for 10 any dividend or other sum of money payable in respect of such share, notwithstanding any trust to which such share may then be subject, and whether or not the Bank have had notice of such trust; and the Bank shall not be bound to see to the application of the money paid upon such receipt, any law or usage to the contrary notwithstanding. 15

Bank to invest one-tenth of its paid up capital in provincial or municipal loan fund debentures, and to make a return thereof.

XXVII. It shall be the duty of the Directors of the said Bank to invest, as speedily as the Debentures hereinafter mentioned can be procured from the Receiver General, and to keep invested at all times in the Debentures of this Province, payable within the same, or secured upon the Consolidated Municipal Loan Fund, one-tenth part of the 20 whole paid up capital of the said Bank, and to make a return of the numbers and amount of such debentures, verified by the oaths and signatures of the President and Chief Cashier or Manager of the said Bank to the Inspector General in the month of January in each year, under the penalty of the forfeiture of the Charter of the said Bank in default 25 of such investment and return.

Bank not to hold real property except as in sect. I.

Nor exercise any but banking business.

Proviso : may hold mortgages, &c., as additional security.

XXVIII. The said Bank shall not either directly or indirectly hold any lands or tenements (save and except such as by the first section of this Act it is especially authorized to acquire and hold,) or any ships or other vessels, or any share or shares of the Capital Stock of the said Bank, or 30 of any other Bank in this Province; nor shall the said Bank, either directly or indirectly lend money or make advances upon the security, mortgage or hypothecation (*hypothèque*) of any lands or tenements, or of any ships or other vessels, nor upon the security or pledge of any share or shares of the Capital Stock of the said Bank, or of any goods, 35 wares or merchandize; nor shall the said Bank, either directly or indirectly raise loans of money, or deal in the buying, selling or bartering of goods, wares or merchandize, or engage or be engaged in any trade whatever, except as a dealer in gold and silver bullion, bills of exchange, discounting of promissory notes and negotiable securities, and in such trade 40 generally as legitimately appertains to the business of banking; Provided always, that the said Bank may take and hold mortgages and *hypothèques* on real estate, and on ships, vessels, and other property in this Province, by way of additional security for debts contracted to the Bank in the course of its dealings, and also for such purpose may purchase and take 45 any outstanding mortgages, judgments or other charges upon the real or personal property of any debtor of the said Bank.

Discounts to Directors limited to one twentieth of the whole.

XXIX. The aggregate amount of discounts and advances made by the said Bank upon commercial paper or securities bearing the name of any Director of the said Bank, or the name of any copartnership or firm in 50 which any Director of the said Bank shall be partner, shall not at any

one time exceed one-twentieth of the total amount of discounts or advances made by the Bank at the same time.

XXX. The Bank may allow and pay interest not exceeding the legal rate in this Province, upon money deposited in the Bank; and in dis-
 5 counting promissory notes, bills, or other negotiable securities or paper, may receive or retain the discount thereon at the time of discounting or negotiating the same; and when notes, bills, or other negotiable securities or paper are *bond fide* payable at a place within the Province different from that at which they are discounted, the Bank may also, in addi-
 10 tion to the discount, receive or retain an amount not exceeding one half per centum on the amount of each such note, bill, or other negotiable security or paper; and the Bank may charge any note or bill held by and made payable at the Bank, against the deposit account of the maker or acceptor of such note or bill, at the maturity thereof, any law, statute
 15 or usage to the contrary notwithstanding.

XXXI. The bonds, obligations and bills obligatory or of credit, of the said Bank, under its common seal, and signed by the President or Vice-President, and countersigned by a Cashier or Assistant Cashier thereof, which shall be made payable to any person or persons, shall be assignable
 20 by indorsement thereon under the hand or hands of such person or persons, and of his, her, or their assignee or assignees, and so as absolutely to transfer and vest the property thereof in the several assignees successively, and to enable such assignee or assignees to bring and maintain an action or actions thereon, in his, her or their own name or names; and
 25 signification of any assignment by indorsement shall not be necessary, any law, custom or usage to the contrary notwithstanding; and bills or notes of the said Bank, signed by the President, Vice-President, Cashier and other officer appointed by the Directors of the said Bank to sign the same, promising the payment of money to any person or persons, his or
 30 their order, or to the bearer, though not under the corporate seal of the said Bank, shall be binding and obligatory upon it in the like manner and with the like force and effect as they would be upon any private person, if issued by him in his private or natural capacity, and shall be assignable in like manner as if they were so issued by a private person in his
 35 natural capacity; Provided always, that nothing in this Act shall be held to debar the Directors of the said Bank from authorizing or deputing from time to time any Cashier, Assistant Cashier or officer of the Bank, or any Director other than the President or Vice-President, or any Cashier, Manager or local Director of any branch or office of discount and de-
 40 posit of the said Bank, to sign the bills or notes of the Corporation intended for general circulation and payable to order or to bearer on demand.

XXXII. And whereas it may be deemed expedient that the name or Recital.
 names of the person or persons intrusted and authorized by the Bank to sign bank notes and bills on behalf of the Bank, should be impressed by
 45 machinery in such form as may from time to time be adopted by the Bank, instead of being subscribed in the hand-writing of such person or persons respectively; And whereas doubts might arise respecting the validity of such notes; Be it therefore further declared and enacted, that all Bank notes and bills of the *National Bank*, whereon the name
 50 or names of any person or persons intrusted or authorized to sign such notes or bills on behalf of the Bank, shall or may become impressed by machinery provided for that purpose, by or with the authority of the

Bank may re-tain discount, &c.

May charge a premium in certain cases.

May charge notes, &c., against the deposit account of certain parties thereto.

Certain bonds, &c., of the Bank to be assignable by indorsement.

Bills and notes valid though not under seal, and how assignable.

Proviso: Directors may authorize any Officers to sign notes.

Signature to Bank-notes may be impressed by machinery.

Bank, shall be and be taken to be good and valid to all intents and purposes, as if such notes and bills had been subscribed in the proper handwriting of the person or persons intrusted and authorized by the Bank to sign the same respectively, and shall be deemed and taken to be bank notes or bills within the meaning of all laws and statutes whatsoever ; and shall and may be described as bank notes or bills in all indictments and civil or criminal proceedings whatsoever ; any law, statute or usage to the contrary notwithstanding.

5

And shall be
Bank-notes for
all purposes
civil or crimi-
nal.

Bank-notes
payable at
place of date.

XXXIII. The notes or bills of the Bank made payable to order or bearer, and intended for general circulation, whether the same shall issue from the chief seat or place of business of the said Bank in Quebec, or from any of its branches, shall be payable on demand in specie at the place where they bear date.

Suspension of payment for sixty days to forfeit charter.

XXXIV. A suspension by the said Bank either at its chief place or seat of business in Quebec aforesaid, or at any of its branches or offices 15 of discount and deposit at any other place in this Province, of payment on demand in specie of the notes or bills of the said Bank, payable there on demand, shall, if the time of suspension extend to sixty days consecutively or at intervals, within any twelve consecutive months, operate as and be a forfeiture of its charter, and of all and every the privileges 20 granted to it by this Act.

Total amount
of Bauk-notes
limited.

XXXV. The total amount of the bank notes and bills of the Bank, of all values in circulation at any one time, shall never exceed the aggregate amount of the paid up capital stock of the Bank, and the gold and silver coin, and bullion and Debentures, or other securities reckoned 25 at par, issued or guaranteed by the Government under the authority of the Legislature of this Province, on hand; but no bank note, or bill of the Bank under the nominal value of one dollar, shall be issued or put in circulation.

None under
five shillings.

Total liabilities of the Bank limited

XXXVI. The total amount of the debts which the said Bank shall at 30
any one time owe, whether by bond, bill, note or otherwise, shall not
exceed three times the aggregate amount of its capital stock paid in,
and the deposits made in the Bank in specie and in Government securi-
ties for money ; and in case of excess, or in case the total amount of the
bills or notes of the said Bank payable to order or to bearer on demand, 35
and intended for general circulation, shall at any time exceed the amount
hereinbefore limited, the said Bank shall forfeit its charter and all the
privileges granted to it by this Act, and the Directors under whose
administration the excess shall happen, shall be liable jointly and seve-
rally for the same in their private capacity, as well to the shareholders 40
as to the holders of the bonds, bills and notes of the said Bank, and an
action or actions in this behalf may be brought against them or any of
them, and the heirs, executors, administrators, or curators of them or
any of them, and be prosecuted to judgment and execution according to
law ; but such action or actions shall not exempt the said Bank, or its 45
holders, executors, administrators, or curators from being also liable for
the debts which the said Bank shall at any time owe.

Proviso : how Directors may avoid such liability.

lands, tenements, goods or chattels from being also liable for such excess; Provided always, that if any Director present at the time of contracting any such excess of debt do forthwith, or if any Director absent at the time of contracting any such excess of debt do within twenty-four hours after he shall have obtained a knowledge thereof, enter on the minutes or register of the Bank his protest against the

same, and do within eight days thereafter publish such protest in at least one newspaper published in Quebec, such Director may thereby, and not otherwise, exonerate and discharge himself, his heirs, executors and administrators, or curators, from the liability aforesaid, any thing 5 herein contained, or any law to the contrary notwithstanding; Provided always, that such publication shall not exonerate any Director from his liability as a shareholder.

XXXVII. In the event of the property and assets of the said Bank becoming insufficient to liquidate the liabilities and engagements or 10 debts thereof, the shareholders of its stock in their private or natural Limitation of capacities shall be liable and responsible for the deficiency, but to no liability of greater extent than to double the amount of their respective shares, that Shareholders is to say, the liability and responsibility of each shareholder to the in case of creditors of the said Bank shall be limited to a sum of money equal in insolvency of 15 amount to his stock therein, over and above any instalment or instalments which may be unpaid on such stock, for which he shall also remain liable and which he shall pay up; Provided always, that nothing Proviso. in this section contained shall be construed to alter or diminish the additional liabilities of the Directors of the said Bank hereinbefore mentioned and declared.

XXXVIII. Besides the detailed statement of the affairs of the said Bank, hereinbefore required to be laid before the shareholders thereof, at their annual general meeting, the Directors shall make up and publish Statement of on the first Monday in each and every month, statements of the assets Officers to be and liabilities of the said Bank in the form of the schedule A hereunto published monthly. annexed, showing under the heads specified in the said form the average amount of the notes of the said Bank in circulation, and other liabilities at the termination of the month to which the statement shall refer, and the average amount of specie and other assets that at the same times 25 were available to meet the same; and it shall be the duty of the Directors to submit to the Governor of this Province, if required, a copy of such monthly statements, and if by him required, to verify all or any parts of the said statements, the said Directors shall verify the same by the production of the weekly or monthly balance-sheets from which the said 30 statements shall have been compiled; And furthermore, the said Directors shall, from time to time, when required, furnish to the said Governor of this Province such further reasonable information respecting the state and proceedings of the said Bank and of the several branches and offices of discount and deposit thereof as such Governor of this Province 35 may reasonably see fit to call for; Provided always, that the weekly or monthly balance-sheets and the further information that shall be so produced and given, shall be held by the said Governor of this Province as being produced and given in strict confidence, that he shall not divulge any part of the contents of the said weekly or monthly balance- 40 sheets or of the information that shall be so given; And provided also, that the Directors shall not, nor shall any thing herein contained be construed to authorize them or any of them to make known the private accounts or account of any person or persons whatever having dealings 45 with the said Bank.

50 XXXIX. It shall not be lawful for the said Bank at any time whatever, directly or indirectly, to advance or lend to or for the use of or on account of any foreign Prince, Power or State, any sum or sums of Proviso: such further information to be confidential. Poviso: private accounts not to be disclosed. Bank not to lend money to any foreign State, &c.

money or any securities for money; and if such unlawful advance or loan be made, then and from thenceforth the said corporation shall be dissolved, and all the powers, authorities, rights, privileges and advantages granted to it, by this Act, shall cease and determine.

Public notices,
how to be
given.

XL. The several public notices by this Act required to be given, shall be given by advertisement in one or more of the newspapers published in Quebec, and in the *Canada Gazette*, or such other Gazette as shall be generally known and accredited as the Official Gazette, for the publication of official documents and notices emanating from the Civil Government of this Province, if any such Gazette be then published. 5

Embezzle-
ment, &c., by
Bank Officers
to be felony.

XLI. If any cashier, assistant cashier, manager, clerk or servant of the said Bank shall secrete, embezzle, or abscond with any bond, obligation, bill obligatory or of credit, or other bill or note, or any security for money, or any moneys or effects intrusted to him as such 15 cashier, assistant cashier, manager, clerk or servant, whether the same belong to the said Bank, or belonging to any other person or persons, body or body politic or corporate, or institution or institutions, be lodged and deposited with the said Bank, the said cashier, assistant cashier, manager, clerk or servant so offending, and being thereof convicted in due form of law, shall be deemed guilty of felony. 20

Punishment
over two
years impre-
sonment in
Penitentiary.

XLII. Every person convicted of felony under this Act shall be punished by imprisonment at hard labour in the Provincial Penitentiary for any term not less than two years, or by imprisonment in any other Gaol or place of confinement for any less term than two years in the 25 discretion of the Court before which he shall be convicted.

Power to
search for
forged notes
or machinery
used for
forging.

XLIII. It shall and may be lawful to and for any Justice of the Peace on complaint made before him upon the oath of one credible person, that there is just cause to suspect that any one or more person or persons is or are, or hath or have been concerned in making or 30 counterfeiting any false bills of exchange, promissory notes, undertakings or orders of the said Bank, or hath in his possession any plates, presses or other instruments, tools or materials for making or counterfeiting the same, or any part thereof, by warrant under the hand of such Justice to cause the dwelling house, room, workshop or out-house 35 or other building, yard, garden or other place belonging to such suspected person or persons, or where any such person or persons shall be suspected of carrying on any such making or counterfeiting, to be searched; and if any such false bills of exchange, promissory notes, undertakings or orders, or any plates, presses or other tools, instru- 40 ments or materials shall be found in the custody or possession of any person or persons whomsoever, not having the same by some lawful authority, it shall and may be lawful to and for any person or persons whomsoever, discovering the same, to seize, and he or they are hereby authorized and required to seize such false or counterfeit bills of ex- 45 change, promissory notes, undertakings or orders, and such plates, presses, or other tools, instruments or materials, and to carry the same forthwith before a Justice of the Peace of the County or District (or if more convenient, of the adjoining County or District) in which the same shall be seized, who shall cause the same to be secured and 50 produced in evidence against any person or persons who shall or may

How dealt
with if found.

be prosecuted for any of the offences aforesaid in some Court of Justice proper for the determination thereof, and the same, after being so produced in evidence, shall, by order of the Court, be defaced or destroyed, or otherwise disposed of, as such Court shall direct.

- 5 XLIV. Nothing in this Act contained shall, in any manner, derogate from, or affect, or be construed to derogate from or affect the rights of Her Majesty, Her Heirs and Successors, or of any person or persons, or of any body or bodies politic or corporate, except in so far as the same may be specially derogated from or affected by the provisions of this

10 Act.

Saving of
rights of
Crown, &c.

XLV. This Act shall be held and taken to be a public Act, and Public Act shall be known as the "Charter of the National Bank," and the Interpretation Act shall apply thereto.

- 15 XLVI. This Act shall be and remain in force until the first day of January, which will be in the year of Our Lord, one thousand eight hundred and seventy , and from that time, until the end of the then next session of the Parliament of this Province, and no longer.

Duration of
this Act to
185 .

SCHEDULE A.

Referred to in the thirty-eighth section of the foregoing Act.

RETURN of the Average Amount of Liabilities and assets of the National Bank during the period from the first to one thousand eight hundred and

LIABILITIES.

| | |
|---|----|
| Promissory notes in circulation not bearing interest | \$ |
| Bills of exchange in circulation not bearing interest | \$ |
| Bills and notes in circulation bearing interest | \$ |
| Balances due to other Banks..... | \$ |
| Cash deposits not bearing interest..... | \$ |
| Cash deposits bearing interest..... | \$ |

Total average liabilities.....\$

ASSETS.

| | |
|---|----|
| Coin and bullion..... | \$ |
| Landed or other property of the Bank..... | \$ |
| Government securities..... | \$ |
| Promissory notes or bills of other Banks..... | \$ |
| Balances due from other Banks..... | \$ |
| Notes and bills discounted..... | \$ |
| Other debts due to the Bank, not included under the foregoing heads | \$ |

Total average assets.....\$

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