

Laws of His Majesty's Province of Upper Canada, passed in the year 1837. Toronto: Robert Stanton, 1837.

7 William IV – Chapter 13

An Act to protect the Public against Injury from Private Banks. Passed 4th March, 1837.

Whereas it is inconsistent, with a due regard to the protection of Commerce, and to the welfare and security of the Inhabitants of this Province, that any individual, or any number of persons, should be allowed, without Legislative authority, to issue Bills, Notes, or other undertakings for the payment of money intended to form a circulating medium, and to supply the place of specie, whereby great public injury may be sustained from the quantity of such Bills, Notes, or other undertakings, which may be issued by persons of doubtful solvency, and not subject to those checks which it is thought necessary to impose in regard to Banks Chartered by the Legislature: Be it therefore enacted, by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Assembly of the Province of Upper Canada, constituted and assembled by virtue of and under the authority of an Act passed in the Parliament of Great Britain, entitled "*An Act to repeal certain parts of an Act passed in the fourteenth year of His Majesty's Reign, entitled 'An Act for making more effectual provision for the Government of the Province of Quebec, in North America,' and to make further provision for the Government of the said Province*"—and by the authority of the same, That after the passing of this Act, (except in the cases hereinafter mentioned,) it shall not be lawful for any person in this Province, or for any number of persons, either associated without Legislative authority or Incorporated for any other purpose than Banking, to make or issue any Bill, Note, or undertaking of any description, or in any form, in the nature of a Bank Bill or Note, and intended to pass as money; and that if any Bill, Note or undertaking, shall be issued or put in circulation contrary to this Act, such Bill, Note or undertaking, shall be void; and any Mortgage, or other Deed, Bond, Note, Bill or other Security, which may be taken for securing any loan or advance made in such Bills, Notes or undertakings, shall be absolutely null and void.

II. And be it further enacted by the authority aforesaid, That if any person, after the passing of this Act, shall act as President, Director, Cashier, or other Officer of any Association of persons, acting in violation of this Act, such person shall, on conviction thereof before any Court of Oyer and Terminer, or General Gaol Delivery, be deemed guilty of a misdemeanor.

III. And be it further enacted by the authority aforesaid, That if any person, after the first day of July next after the passing of this Act, shall knowingly utter, or tender in payment or in exchange, any Bill or Note in the nature of a Bank Note, which shall not have been issued by some person or Association of persons, or Body Corporate, legally authorised to issue such Bill or Note within this Province, or within the Country in which such Note or Bill shall have first issued, such person shall be deemed guilty of misdemeanor, and liable to be punished as before provided for other persons offending against the provisions of this Act.

IV. And be it further enacted by the authority aforesaid, That the prohibitions contained in this Act shall not apply to, the Bank of British North America, the Farmers' Joint Stock Banking Company, the Agricultural Bank, or to the Bank of the People, or to the Niagara Suspension Bridge Bank: Provided the Directors of the said last mentioned Bank are Subjects of His Majesty, and residing within the Province, being Stockholders or Co-Partners in the said Company, and that the Associations or Companies of persons who have heretofore issued Bills or Notes under the names aforesaid respectively, shall have the same and no other rights and privileges, and be subject to the same liabilities as before the passing of this Act.