

CAP. LXX.

An Act to exempt the several Chartered Banks from the Tax on their circulation on certain conditions.

[30th August, 1851.]

WHEREAS it is expedient to encourage the present Chartered Banks to adopt, as far as may be conveniently practicable, the principles embodied in the general Banking Act, passed in the now last Session of the Provincial Parliament, as regards the securing of the redemption of their Bank Notes : Be it therefore enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and of the Legislative Assembly of the Province of Canada, constituted and assembled by virtue of and under the authority of an Act passed in the Parliament of the United Kingdom of Great Britain and Ireland, and intituled, *An Act to re-unite the Provinces of Upper and Lower Canada, and for the Government of Canada*, and it is hereby enacted by the authority of the same, That if any Bank chartered, incorporated or recognized by or under any Act of the Legislature of this Province, shall certify to the Governor of this Province, its willingness forthwith to restrict the amount of its Bank Notes to be thereafter in circulation at any time, to an amount not exceeding the highest amount of its Bank Notes returned as in circulation at any period included in the now last statement delivered to the Receiver General by such Bank, under the Act passed in the Session held in the fourth and fifth years of Her Majesty's Reign, and intituled, *An Act for levying a certain rate or duty on Bank Notes issued and in circulation in this Province*, and at the end of three years to restrict the amount of its Bank Notes thereafter to be in circulation at any time, to an amount not exceeding the average amount thereof returned as being in circulation in the years one thousand eight hundred and forty-nine and one thousand eight hundred and fifty, excepting, in either case, such further amount as shall be represented by securities as hereinafter provided, an Order in Council may thereupon be made and published in the *Canada Gazette*, restricting the circulation of the Bank Notes of the said Bank accordingly, except as aforesaid, and such Order shall have effect from the date thereof, as if such restriction were made by an Act amending the Charter or Act incorporating such Bank ; and from and after the date thereof, and for the three years next thereafter, such Bank shall be liable to one half only of the duty which would otherwise be payable by it under the Act last aforesaid, and after the expiration of the said three years, no duty shall be payable by such Bank under the said Act ; and the Directors or other managing body of any such Bank, are hereby empowered to authorize the President, or other Officer of the said Bank, to give the certificate aforesaid in the name of the Bank, and under its Corporate Seal.

II. Provided always, and be it enacted, That notwithstanding any such Order in Council, it shall be lawful for the Bank to which the same shall apply, from time to time to issue and have in circulation an amount of Bank Notes beyond that mentioned in such Order, but not exceeding the value for which the said Bank shall hold as its own property, gold or silver coin or bullion, or debentures of any kind issued by the Receiver General, except such as are or may be issued under the Acts relative to the New Court Houses in Lower Canada, or those relative to the Building for the sitting of the Courts at Toronto, the value of such debentures being reckoned at par ; and it shall not be necessary that such debentures be deposited and registered notes obtained on them, as provided by the Act hereinafter cited, but their nature, amount and value as aforesaid, and the amount of such gold and silver coin or bullion as aforesaid, and that of the Bank Notes issued upon the same, shall be shewn in all official statements of the affairs of the Bank required under any Act or Law ; and the proceeds of the said gold and silver coin or bullion and debentures shall, in the event of the failure of the Bank, be applied exclusively to the redemption of its outstanding Bank Notes ; no duty shall be payable on any Bank Notes lawfully issued under this section ; but by any excess of issue not authorized by this Act, the same penalties shall be incurred and

Preamble.

Any Bank may, on consenting to restrict its issues to a certain amount, obtain a remission of the tax imposed by 4 & 5 Vict. c. 29.

Order in Council to issue upon such consent—its effect.

Notwithstanding such restriction, the Bank may issue a further amount of Bank Notes equal to the amount or specie or debentures reserved to meet them.

and the same legal consequences shall follow as would have been incurred by or would have followed an illegal excess of issue, if this Act had not been passed.

Bank to give in statement,

III. Provided always, and be it enacted, That every Bank which shall avail itself of the next preceding section of this Act, shall cause to be made up to the last day of each month in every year which shall not be a Sunday or Holiday, a statement of the liabilities and assets of such Bank, in the form, and containing the particulars shewn in the Schedule to this Act, which statement shall be verified by the declaration of some one of the Directors, or by the Cashier or some other like Officer of the Bank having a knowledge of the truth of the contents of such statement, and such statement shall, within ten days after the day to which the same shall be made up, be published by the Bank in some newspaper published at the place where such Bank has its chief seat of business; and for every default to publish such statement within the time hereby prescribed, such Bank shall forfeit to Her Majesty, for the public uses of the Province, the sum of Twenty-five Pounds currency for each day during which such default shall continue, and for any wilfully false entry in any such statement, the Bank shall forfeit to Her Majesty, for the uses aforesaid, the sum of Two Hundred Pounds currency; the sums so forfeited to be recovered with costs as a debt due to the Crown, in any Court having jurisdiction to the amount in civil cases, and when recovered, to form part of the Consolidated Revenue Fund of this Province.

Penalties.

Word "Bank Notes" how to be understood.

13 & 14 Vict. c 21.

IV. And be it enacted, That the words "Bank Notes" in this Act, shall have the meaning assigned to them in the Act passed in the session held in the thirteenth and fourteenth years of Her Majesty's Reign, and intituled, *An Act to establish freedom of Banking in this Province, and for other purposes relative to Banks and Banking.*

SCHEDULE.

Statement of the Liabilities and Assets of the Bank of _____ *on the*
day of _____ *185*

LIABILITIES.

Bank 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.....		:	:
Other liabilities, if any, stating their nature.....		:	:
Total liabilities.....	£	:	:

ASSETS.

Coin and Bullion.....	£	:	:
Landed or other property of the Bank.....		:	:
Government Securities.....		:	:
Bank Notes, or Promissory Notes and Bills of other Banks.....		:	:
Balances due from other Banks.....		:	:
Notes and Bills discounted or other debts due to the Bank, not included under the foregoing heads, and believed to be good.....		:	:
Total Assets.....	£	:	: