

*Laws of Her Majesty's Province of United Canada*, passed in the year 1856. Quebec: Stewart Derbyshire and George Desbarts, 1856.

20 Victoria – Chapter 3

**An Act to amend the Act for establishing Freedom of Banking. Assented to 21st April, 1856.**

Whereas it is expedient to amend the Act for establishing Freedom of Banking, in the manner hereinafter mentioned: Therefore, Her Majesty, by and with the advice and consent of the Legislative Council and Assembly of Canada, enacts as follows:

I. The thirteenth Section of the Act passed in the Session held in the thirteenth and fourteenth years of Her Majesty's Reign, and chaptered twenty-one, is hereby repealed, and the following section shall be substituted in lieu thereof:

“No individual Banker shall make or issue Bank Notes, and no Joint Stock Association shall commence the business of Banking, until they shall have respectively deposited in the hands of the Receiver General, for the purposes of this Act, Debentures or other securities issued by, or the payment of the principal and interest whereof is guaranteed by the Government of this Province, under the authority of the Legislature thereof, or secured upon the Upper Canada or the Lower Canada Municipal Loan Fund, and bearing interest at the rate of six per centum per annum, (or if bearing a less rate of interest, then to proportionally greater amounts) to amounts not less than those hereinafter mentioned, that is to say:

Any Joint Stock Association, to the amount of not less than Twenty-Five Thousand Pounds;

Any individual Banker, to the amount of not less than Twenty-Five Thousand Pounds:

The value of the said Debentures or securities being reckoned at par, and the same being held by the Receiver General in pledge for the due redemption of the Bank Notes of the Bank by which they are deposited, and the interest thereon being paid over to such Bank, as the same shall accrue, except as hereinafter provided.”

Which said Section shall be construed as the thirteenth Section of the said Act.

II. The Proviso to the fourteenth Section of the said Act shall be and the same is hereby repealed, and the following Proviso shall be and is hereby substituted therefor, and shall be, and shall be deemed and taken to have been, the Proviso to the said fourteenth Section:

“Provided always, that all such Bank Notes shall bear date at the City, Town or Village wherein such Bank is situate, — that they shall be made payable to bearer on demand, — that they shall be marked on the face thereof as being secured by deposit of Provincial securities, — and that they shall be held to be payable at the Office of the Bank, and not elsewhere.”