

PASSED

9/12/91

## Reserves

21

primary  
reserves

457. (1) Subject to this section, a bank that was in existence immediately prior to the day this section comes into force shall maintain a primary reserve in the form of

(a) coins with a face value of two dollars or less that are current under the Currency Act;

(b) Bank of Canada notes; or

(c) deposits in Canadian currency with the Bank of Canada.

(4) On the first day of the first month following the month this section comes into force, the primary reserve referred to in subsection (2) shall be reduced by 3 per cent, and thereafter on the first day of the first month of each of the next three succeeding six month periods, the primary reserve as modified by this subsection shall be reduced by 3 per cent, and on the first day of the twenty-fifth month following the month in which this section comes into force, the primary reserve referred to in subsection (1) shall be nil.

1/1/94