CHAPTER clii.

An Act to facilitate the winding up of the City of Glasgow Bank, to transfer from the Liquidators to a Company the remaining assets of the Bank; and for other purposes. A.D. 1882.

[24th July 1882.]

WHEREAS the City of Glasgow Bank (in this Act referred to as "the Bank") was formed as a joint stock banking company in Scotland in the year one thousand eight hundred and forty, and on the twenty-ninth day of November, one thousand eight hundred and sixty-two, was incorporated as an unlimited company under the Companies Act, 1862. 25 & 26 Vict. c. 89.

And whereas at an extraordinary general meeting of the Bank, held on the twenty-second day of October, one thousand eight hundred and seventy-eight, the following extraordinary resolutions were passed, that is to say:—

"(1) That it has been proved to the satisfaction of this meeting "that the City of Glasgow Bank cannot by reason of its "liabilities continue its business, and that it is advisable to "wind up the same;

"(2) That the City of Glasgow Bank be wound up voluntarily;

"(3) That the meeting proceed to appoint liquidators for the "purpose of winding up the affairs and distributing the "property of the company, and that each of them so appointed "may act separately, and exercise every power which by the "Companies Act, 1862, and Acts amending and extending the "same, is conferred on liquidators;"

and thereafter the persons after named were severally appointed liquidators, viz., William Anderson, chartered accountant, Glasgow; George Auldjo Jamieson, chartered accountant, Edinburgh; John Cameron, banker, Glasgow; and James Haldane, chartered accountant, Edinburgh; and the said William Anderson sometime thereafter resigned the office of liquidator:

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And whereas by interlocutor pronounced by the Court on the twenty-seventh of November, one thousand eight hundred and seventy-eight, it was directed and ordained that the voluntary winding up should be continued, subject to the supervision of the Court:

And whereas the liabilities of the Bank amounted, at the time of the passing of the extraordinary resolution for the winding up thereof, to the sum of fourteen million four hundred and one thousand three hundred and eighty-three pounds, or thereabouts, of which twelve million eight hundred and fifty-five thousand five hundred and sixty pounds represented the liabilities to the public, and one million five hundred and forty-five thousand eight hundred and twenty-three pounds the liabilities to the contributories, of the Bank, which the total assets of the Bank were altogether inadequate to meet:

And whereas, in order to supply the deficiency of assets, the liquidators have made two calls on the partners of the Bank, the first of five hundred pounds and the second of two thousand two hundred and fifty pounds in respect of every hundred pounds of stock held by such partners respectively:

And whereas out of the proceeds of the said calls, and the other assets of the Bank (so far as realised) the liquidators have paid and discharged the liabilities of the Bank to the public, to the extent of eleven million eight hundred and seven thousand four hundred and forty-four pounds or thereabouts thereof, and the claims now remaining against the Bank, so far as known to the liquidators, amounted on the twenty-second day of October, eighteen hundred and eighty-one, to the sum of one million three hundred and thirty-eight thousand one hundred and sixteen pounds or thereabouts, whereof the sum of fifty-four thousand one hundred and forty-three pounds has not been claimed for in the liquidation:

And whereas according to the list of contributories of the Bank as finally settled, and reckoning several individuals when jointly liable for the same debt as one contributory, the number of original contributories was one thousand eight hundred and nineteen, who held stock of the nominal amount of eight hundred and forty-six thousand four hundred and sixty-four pounds, and of whom four hundred and eighty-four were persons who held the stock in respect of which they were contributories as trustees, or in some other representative capacity:

And whereas there now remain two hundred and fifty-two contributories who have not effected compromises with the liquidators or been discharged from future liability for calls, of whom one

hundred and thirty are persons holding stock in their own right, and one hundred and twenty-two hold stock as trustees, or in some other representative capacity, and representing together a holding of eighty-nine thousand one hundred and twenty-two pounds in the stock of the Bank:

And whereas at a meeting of shareholders or contributories, held by appointment of the First Division of the Court of Session at Glasgow on the thirtieth day of December, one thousand eight hundred and eighty, a committee of contributories was appointed to advise with the liquidators "in regard to any question arising in the liquidation":

And whereas a large amount of the outstanding assets of the Bank though believed to be of increasing value cannot at present be advantageously realised, and the committee of contributories, in order to enable the liquidation of the Bank to be finally closed, so as to prevent accumulation of interest on the amount of claims unpaid, and the possibility of any further call on the remaining partners of the Bank, and in order to preserve these assets for more advantageous realisation than could be effected in the ordinary course of liquidation, proposed to form and register under the Companies Acts, 1862 to 1880, a company to be called "The Assets Company Limited" (herein-after referred to as "the Company"), with a memorandum of association in the form set forth in the First Schedule to this Act, with relative articles of association, to take over the assets subject to the conditions contained in the agreement set forth in the Second Schedule to this Act:

And whereas the last-mentioned agreement was on the eleventh day of May, one thousand eight hundred and eighty-two, submitted to and unanimously approved of by a meeting of the contributories of the Bank, and on the seventeenth day of May, one thousand eight hundred and eighty-two, the same received the sanction of the Court of Session, and the Company has since been registered under the Companies Acts, 1862 to 1880:

And whereas it is expedient that the liquidators of the Bank should be empowered to enter into and carry out such agreement, and that the assets should, upon fulfilment of the agreement, be vested in the Company:

And whereas the whole capital of the Company has been subscribed by the contributories of the bank:

And whereas, many of the contributories and of the creditors of the Bank are under legal disability to invest in or contribute to the shares of the Company, or to accept or take debentures of the Company, and it is desirable that power should be given to persons

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under such legal disability to acquire and hold the shares or the debentures of the Company, and so not only to assist in expediting the conclusion of the liquidation, but to share in such benefit as may be derived from the ultimate realisation of the assets:

And whereas it is expedient that other provisions should be made with a view to the closing of the liquidation and the dissolution of the Bank:

And whereas the objects aforesaid cannot be attained without the authority of Parliament:

May it therefore please Your Majesty, that it may be enacted, and be it enacted, by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

Short title.

1. This Act may be cited as the City of Glasgow Bank (Liquidation) Act, 1882.

Interpretation.

In this Act:

"The Bank" means the City of Glasgow Bank, incorporated under the Companies Act, 1862;

"The liquidators" means the liquidators of the Bank for the time being;

"The Court" means the First Division of the Court of Session in Scotland;

"The assets" means all lands and heritages, debts, bonds, mortgages, securities, moneys, effects, choses in action, claims and demands whatsoever, including claims for unpaid calls, and in general all property, real or personal, heritable or movable, whether situate in the United Kingdom or elsewhere, belonging to or vested in the Bank or the liquidators, or which the Bank has power to acquire, or which are or is held in trust for or to be realised solely for account of the Bank at the date of vesting herein-after mentioned, but shall not comprise the liability of any contributory to calls except such as have been made by the liquidators before the passing of this Act;

"The Company" means the Assets Company, Limited, formed by registration under the Companies Acts, 1862 to 1880, with a memorandum of association in the terms set forth in the First Schedule to this Act;

"The general creditors" means the creditors of the Bank whose claims may have been admitted and remain unsatisfied at the date of vesting after mentioned;

"The agreement" means the agreement set forth in the Second Schedule hereto;

"Debentures" means the debentures of the Company in the form appended to the agreement;

"Person" includes a corporation.

Confirmation of agreement.

2. The agreement is hereby confirmed, and the liquidators may and shall do all acts necessary to give effect thereto. Subject and without prejudice to the statutory provisions for vesting the assets herein-after contained, the liquidators may and shall execute any assurance, disposition, assignment, document or thing which they or the Court on the application of the Company deem reasonable or convenient to be executed for carrying out the agreement, whether by way of further assurance or otherwise.

Liability of contributories to cease on recording of discharge by liquidators.

3. When and so soon as the Company shall have fulfilled Article I. of the agreement, the liquidators shall execute a discharge to the Company (in the form set forth in the Third Schedule hereto), and on such discharge being recorded for preservation in the books of Council and Session (the date of recording whereof is herein-after referred to as the date of vesting) all liability of the contributories for calls, except liability for calls already made, shall absolutely cease and determine.

Assets to vest in Company on recording of discharge by liquidators.

4. As and at the date of vesting, the assets shall (subject to the existing charges, debts, engagements and liabilities specifically affecting the same in the hands of the Bank or the liquidators), without any conveyance or assignment thereof, be and the same are hereby transferred to and vested in the Company; and in regard to such of the assets as may be situate in Scotland, the Company shall be and be deemed to be infeft in all lands or estates in land, heritable subjects, securities and other rights, as fully and effectually as the Bank or the liquidators are or were at the date of vesting without the necessity of expeding or recording in the appropriate register of the sasines any notarial instrument or other deed; and (without prejudice to the immediately preceding enactment) this Act and the said discharge to be executed by the liquidators shall have the effect of a general disposition or assignation by the Bank and the liquidators to the Company, and may be used as such by the Company in terms of the Titles to Land (Consolidation) Act, 1868, and the Conveyancing (Scotland) Act, 1874. The production of a copy of this Act, purporting to be printed by the Queen's printers, and of an official extract from the books of Council and Session of the said discharge, shall be conclusive evidence of the

31 & 32 Vict. c. 101.
37 & 38 Vict. c. 94.

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vesting of the assets in the Company and of the legal and equitable title of the Company thereto, wherever the same may be situate.

Documents of title in favour of Bank to operate in favour of intended Company.

5. All deeds, conveyances, dispositions, assignations, grants, leases, purchases, sales, mortgages, bonds, bonds and dispositions in security, covenants, agreements, contracts, securities, notices, requisitions, intimations, declarations of trust and other acts and deeds affecting the assets which, before the date of vesting, shall have been executed, made or entered into, and which shall be in force at the date of vesting, and all obligations and liabilities which, at the date of vesting, shall have been incurred by the Bank, or by the liquidators, and shall be still subsisting (other than the claims of the general creditors) shall, on such vesting, be as valid and of as full force and effect in favour of, or against the Company, as if the same had been executed, made or entered into by the Company, instead of by the Bank, and at the date of vesting the Bank and the liquidators shall be and are hereby exonered, acquitted and discharged of all claims arising out of or in any way connected with the assets.

Assets held for Bank by trustees in bankrupt estates.

6. Without prejudice to the provisions for vesting the assets in the Company in this Act contained, in every case where the Bank is the sole creditor upon any bankrupt or sequestrated estate in which the debt due to the Bank is, or shall be, in excess of the value of the assets of such bankrupt or sequestrated estate (of which facts the certificate of the trustee or trustees in such bankruptcy or sequestration shall be conclusive evidence for all purposes), the whole assets of such estate shall be and be deemed to be a portion of the assets within the meaning of this Act, and shall, at the date of vesting, be, and the same are hereby, vested in and transferred to the Company; and in regard to such of the assets of such bankrupt or sequestrated estates, as may be situate in Scotland, the Company shall be and be deemed to be infeft in all lands or estates in land, heritable subjects, securities and other rights, as fully and effectually as the bankrupts or their trustees are or were at the date of vesting without the necessity of expeding or recording in the appropriate register of sasines any notarial instrument or other deed; and (without prejudice to the immediately preceding enactment) this Act and the said discharge to be executed by the liquidators shall have the effect of a general disposition or assignation by the bankrupts and their trustees to the Company, and may be used as such by the Company in terms of the Titles to Land (Consolidation) Act, 1868, and the Conveyancing (Scotland) Act,

1874, and as if there were no legal disability against the bankrupts and their trustees granting such general disposition or assignation of the whole assets of the bankrupt or sequestrated estates. The production of a copy of this Act, purporting to be printed by the Queen's printers, and of an official extract from the books of Council and Session of the said discharge, shall be conclusive evidence of the vesting of the assets of such bankrupt or sequestrated estates in the Company and of the legal and equitable title of the Company thereto, wherever the same may be situate: Provided always that the Company shall be bound to free and relieve the trustees of all claims and liabilities affecting or which may be made to affect the assets.

Rights of action reserved.

7. All causes, suits, actions and rights of action in respect of the assets which shall have accrued before, or shall be in any manner enforceable by, or for, or against the Bank, at the date of vesting (other than the claims of the general creditors) shall, subject to the provisions of this Act, be and remain as good valid and effectual for, or against the Company, as they would or might have been, for or against the Bank, if this Act had not been passed.

Pending actions not to abate.

8. Nothing in this Act contained shall cause the abatement, discontinuance or determination of, or in anywise prejudicially affect any suit, action or other proceeding relating to the assets by or against the Bank, either solely or jointly with any other person before the date of vesting and then pending, but the same may be continued, prosecuted and enforced by or against the Company as the case may require.

Payment of debts due by the Bank.

9. Subject to the provisions herein-after contained, empowering the liquidators to make arrangements with the general creditors for payment of their claims by acceptance of debentures of the Company, the liquidators shall, on fulfilment by the Company of Article I. of the agreement, pay to the general creditors, or their respective executors, administrators or assigns the debts due to them.

Interest to cease after advertisements that payment is offered.

10. Before making payment of the debts due to the general creditors, the liquidators shall give notice by advertisement published at least three times in each of the London and Edinburgh Gazettes, and at least three times in a daily newspaper published in London, Edinburgh and Glasgow respectively, that they are prepared to make such payment, which advertisements shall state the place, the date when, and the manner in which such payment is to be made, and from and after the date of payment so intimated interest shall cease to accrue on such debts respectively.

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As to liabilities of Bank.

11. The whole liabilities of the Bank in respect of which no claims have been admitted in the liquidation as at the date of vesting, and all outstanding dividends in respect of claims which have been admitted in the liquidation, but which remain unpaid at the dissolution of the Bank, shall, at these respective dates, cease and determine as claims against the Bank, and are hereby transferred to and declared to be liabilities of the Company, and the creditors therein shall in lieu and stead of their claim against the Bank or liquidators have a claim only against the Company, which shall thereafter be and be deemed to be the sole debtor thereunder; but nothing contained in this section shall prejudice the rights of the said creditors against any persons who are at the date of the passing hereof co-obligants with the Bank in the same liabilities.

Power to liquidators in a certain event to arrange with Banks for a transfer of assets and liabilities.

12. In the event of the failure of the Company to fulfil Article I. of the agreement, the liquidators may, notwithstanding anything herein-before provided (with the sanction of the Court), enter into an agreement with any one or more banks, or incorporated banking companies in Scotland, for transferring to such banks or banking companies the assets and liabilities of the Bank (excepting unpaid dividends on claims in the liquidation), as they may exist at the date of such last-mentioned agreement; and such agreement may be made in consideration of a payment in cash by or to the liquidators, and generally on such terms as may (with the sanction of the Court) be agreed on between the liquidators and any such banks or banking companies; and the liquidators may grant and execute any deeds or instruments which may be necessary or proper for carrying into effect the transfer of such assets and liabilities: Provided always that it shall not be competent for the liquidators to enter into such agreement for transferring the assets and liabilities of the Bank unless and until it shall appear from the last report and relative balance sheet issued by the liquidators that the total value of the assets as entered in such balance sheet does not exceed in all one hundred thousand pounds.

As to dividends not uplifted.

13. In the event of the failure of the Company to fulfil Article I. of the agreement, any dividends on claims which have been admitted in the liquidation, and which at the dissolution of the Bank are still payable by the liquidators to any creditor or to the representatives of any creditor of the Bank, shall be paid by the liquidators into any bank or banks or incorporated banking companies in Scotland, and such payment shall be placed to a deposit account to be kept by such banks or banking companies under the title of "The City of Glasgow Bank Account of Unclaimed Balances." A list of all moneys so

paid by the liquidators, showing the names, in alphabetical order, and designations of the creditors to whom or to whose representatives any moneys are payable as aforesaid, and the amount of such moneys respectively, shall be deposited by the liquidators with the Registrar of Joint Stock Companies in Scotland and also with the principal clerk of the Court, and the same shall be open to examination by any person claiming to be interested therein. Any person producing evidence of his being entitled to receive and give a receipt for such moneys, may apply to the Lord Ordinary on the bills for authority to uplift and receive any moneys appearing in such list to be payable as aforesaid. On the Lord Ordinary being satisfied of the claimant's right he shall grant a warrant for payment of such moneys, and thereupon the bank or banks or banking companies shall pay the same; and the decision of the Lord Ordinary on any application made to him under this section shall be final. A claimant shall be entitled only to bank interest on any such dividend.

Power to liquidators to make arrangements with general creditors for payment in debentures of Company.

14. The liquidators may make any arrangements they think fit with any of the general creditors for payment of their claims or any portion thereof in debentures, and, in case any such arrangement shall be made, the creditor accepting such debentures in payment shall be deemed to have received the same in satisfaction or in satisfaction pro tanto of his claim against the Bank.

Power to creditors of Bank to accept debentures of Company in satisfaction of debts.

15. All corporations and incorporated companies, and the tutors, curators or other guardians of any infant, pupil, minor, lunatic or idiot, fatuous or furious person, or of any person under any other disability or incapacity, and judicial factors, trustees, executors, or administrators, notwithstanding any restriction which may be imposed upon such persons with reference to their powers of investment, either at common law or by statute or by the terms of the deed under which they act, may accept such debentures as in payment in whole or in part of the amount due to them respectively, from the Bank, and in satisfaction in whole or in part of all claims and demands, whether in respect of principal or interest, against the Bank.

Power to contributories of Glasgow Bank with limited title to take shares in and debentures of Company.

16. All corporations or incorporated companies, and the tutors, curators, or other guardians of any infant, pupil, minor, lunatic or idiot, fatuous or furious person, or of any person under any other disability or incapacity, who, as such, or whose ward, as the case may be, held stock in the Bank at the date of the stoppage thereof, and any judicial factors, trustees, executors or administrators, who or whose predecessors or authors held stock in the Bank at the date of the stoppage thereof, may invest the funds under their charge,

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respectively, or any part thereof, in the acquisition by purchase or otherwise of fully paid-up shares in or of the debentures of the Company, and such investment and payment shall be and be deemed to be a lawful and effectual investment and payment notwithstanding any restriction which may be imposed upon such persons with reference to their powers of investment either at common law or by statute or by the terms of the deed under which they act.

Dividends on shares to be deemed income of amount invested in shares held in trust for persons in succession.

17. Where any shares or debentures in the Company which shall be applied for and taken in pursuance of the powers in this Act shall be held for several persons or purposes in succession, such sums as the directors of the Company shall declare to be dividends on the shares, and the interest on such debentures shall be and be deemed to be annual income and applicable as such for the benefit of the persons or purposes for the time being entitled to the income of such shares, and all other sums, whether payable at intervals or not, shall be deemed to be capital, and applicable as such for the benefit of the persons or purposes for the time being entitled to the capital of such shares.

Reservation of Company's powers under general Acts.

18. Except as by the agreement provided, nothing in this Act contained shall be deemed to prevent the Company from modifying its memorandum of association in conformity with the provisions of the Companies Acts, 1862 to 1880, or any statutory modification thereof, or to interfere with the operation of the articles of association of the Company, or to prevent the Company from altering all or any of the regulations of the Company contained in the articles of association, in conformity with section 50 of the Companies Act, 1862, or any statutory modification thereof.

Subject to provisions of Act winding up to continue.

19. Subject to the provisions of this Act, the winding up of the Bank shall be continued and concluded under the supervision of the Court in manner provided by the Companies Act, 1862, and the Acts amending the same, and the Bank shall be dissolved as if this Act had not been passed; and nothing in this Act contained shall be held to release any contributories from liability for calls made before the passing of this Act.

Surplus to be paid by liquidators to Company.

20. In the event of the agreement being carried into effect, any moneys remaining in the hands of the liquidators at the dissolution of the Bank shall then be paid by them to the Company.

Power to liquidators to destroy books, &c.

21. The liquidators shall on or previous to the dissolution of the Bank, with the sanction of the Court, hand over to the Company, or otherwise dispose of or destroy all or any of the books, vouchers, accounts, or other documents belonging to the Bank in the custody

of the liquidators, whether relating to the business of the Bank prior to or after the commencement of the liquidation (the short particulars of the books, vouchers, accounts, and other documents so handed over, disposed of or destroyed, being specified in a schedule deposited with the clerk to the Court;) and after the obtaining such sanction no responsibility shall rest on the Bank or the liquidators or any one to whom the custody of such books, accounts and documents has been committed by reason that the same or any of them have been destroyed or cannot be made forthcoming to any person claiming to be interested therein.

Costs of the Act.

22. The costs, charges and expenses preliminary to, and of and incidental, to the applying for, preparing of and passing this Act, shall be paid in accordance with Article 11 of the agreement.

Act a Public Act.

23. This Act shall be deemed and taken to be a Public Act, and shall be judicially taken notice of as such by all judges, justices and others in the United Kingdom, and in the colonies and dependencies thereof, without being specially pleaded.

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SCHEDULES referred to in the preceding Act.

THE FIRST SCHEDULE.

MEMORANDUM OF ASSOCIATION OF COMPANY.

"The Companies Acts, 1862 to 1880." Company Limited by Shares.

MEMORANDUM OF ASSOCIATION OF THE ASSETS COMPANY LIMITED.

I. The name of the Company is "The Assets Company Limited."

II. The registered office of the Company will be situate in Scotland.

III. The objects for which the Company is established are:

(*a.*) To adopt and carry out, with or without modification, an agreement dated the eleventh day of May, 1882, between the City of Glasgow Bank and the liquidators thereof, of the first part; and James Lawrence Boyd and John Wilson, on behalf of the Company, of the second part; a copy of which is appended to the articles of association, and registered along with these presents.

(*b.*) To purchase or otherwise acquire, improve, and cultivate lands and hereditaments acquired under the before-mentioned agreement, or necessary or advantageous for the due development or improvement of the same, or for the advantageous disposal thereof, or for the conduct of the business of the Company whether freehold, leasehold, or of any other tenure in the United Kingdom, the colonies, or other countries; to develop the resources of the same, by building upon, clearing, draining, and otherwise improving and farming the same; to stock and farm the same; to sell, feu, lease, exchange, mortgage, pledge, or otherwise deal with all or any of the real and personal property of the Company.

(*c.*) To pay for any purchases, in whole or in part, in cash, or by ordinary shares, preference, guaranteed, or deferred shares in the Company; in either case fully paid up or partly paid up, or by the debentures of the Company.

(*d.*) To hold stocks, shares, debentures, or other securities of other companies, and to dispose of the same.

(*e.*) To borrow and again re-borrow money on mortgages or debentures, terminable, redeemable, or perpetual, and upon such terms as to priority or otherwise, as the Company shall think fit, and in security thereof, to mortgage, pledge, or charge the whole or any part of the property, assets, or revenue of the Company, or to transfer or convey the same absolutely or in trust, and to give the lenders powers of sale, and other usual and necessary powers.

(*f.*) To create and issue at par, or at a discount, or at a premium, and subject to such conditions or restrictions as the Company shall think fit, debenture stock in lieu of raising money on debenture.

(*g.*) From time to time by special resolution to modify the conditions contained in the memorandum of association, so as to increase the capital

of the Company by the issue of new shares of such amount as may by the directors be thought expedient, or to consolidate and divide capital into shares of larger amount than the amount hereby fixed, or to convert the paid-up shares into stock, or to reduce the capital to such an extent and in such a manner as may by such resolution be determined.

(*h.*) To invest the moneys of the Company upon such securities in the United Kingdom, the colonies, or elsewhere as may from time to time be determined.

(*i.*) To do all such other things as are incidental or conducive to the attainment of the above objects or any of them.

IV. The liability of the members is limited.

V. The capital of the Company is 500,000*l.*, divided into 100,000 shares of 5*l.* each. The capital may be increased, and any increased capital, or any part thereof, may be issued with such a preferential dividend in the distribution of assets of the Company, or with such deferred dividend or postponement in the distribution of assets of the Company as the Company shall think expedient.

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a company in pursuance of this memorandum of association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

Names, Addresses, and Descriptions of Subscribers.	Number of Shares taken by each Subscriber.
Archd. Russell, of Wishaw House, Lanarkshire, coal-master.	One.
John Wilson, of Hillhead House, Glasgow, merchant -	One.
James Beckett, of 16, St. Vincent Place, Glasgow, merchant.	One.
Tho. Johnston, of 127, St. Vincent Street, Glasgow, iron merchant.	One.
J. L. Boyd, of No. 12, Regent Terrace, Edinburgh, S.S.C.	One.
Tho. Paterson, of No. 81A, George Street, Edinburgh, W.S.	One.
Charles Ritchie, of No. 20, Hill St., Edinburgh, S.S.C.	One.

Dated this 22nd day of May, 1882.

Witness to above signatures.

J. Williamson, of 172, St. Vincent Street, Glasgow, law clerk.

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THE SECOND SCHEDULE.

AGREEMENT between the City of Glasgow Bank, incorporated under the Companies Act, 1862; and George Auldjo Jamieson, chartered accountant, Edinburgh; John Cameron, banker, Glasgow; and James Haldane, chartered accountant, Edinburgh, liquidators thereof, duly appointed (along with William Anderson, chartered accountant, Glasgow, who has since resigned) at an extraordinary meeting of the shareholders of said Bank, held at Glasgow, upon the 22nd day of October, 1878, of the first part; and James Lawrence Boyd, solicitor, Supreme Courts, Edinburgh, and John Wilson, of Hillhead House, Glasgow, for and on behalf of a Company to be formed, under the Companies Acts, 1862 to 1880, and to be styled "The Assets Company, Limited," of the second part.

Whereas, at the said extraordinary general meeting of the shareholders of the said City of Glasgow Bank, held on the 22nd day of October, 1878, resolutions were passed to the effect that it had been proved to the satisfaction of the meeting, that the said Bank could not, by reason of its liabilities, continue its business, and that it should be wound up voluntarily; and the said George Auldjo Jamieson, John Cameron, and James Haldane, were severally appointed liquidators (along with the said William Anderson, who has resigned office), each of the said liquidators having power to act separately, and exercise every power which, by the Companies Act, 1862, and Acts amending and explaining the same, is conferred on liquidators:

And whereas, by interlocutor pronounced by the First Division of the Court of Session on the 27th day of November, 1878, it was directed and ordained that the voluntary winding up of the said Bank should be continued, subject to the supervision of the said Court:

And whereas the said liquidators have since their appointment proceeded to make calls upon the contributories of said Bank, and to realise the assets thereof, and have from time to time declared and paid dividends to the creditors thereof, and have also issued reports and balance sheets annually to the contributories:

And whereas, at a meeting of shareholders or contributories, held by appointment of the First Division of the Court of Session, at Glasgow, on the 30th day of December, 1880, a committee of contributories was appointed to advise with the liquidators "in regard to any question arising in the liquidation":

And whereas, from the report (and relative appendices) for the year ending 22nd October, 1881, being the third year of the liquidation, issued by the liquidators to the contributories, it appears that the total assets of the Bank, as at that date, amounted to 1,508,698*l.* 12*s.* 1*d.*, and the total liabilities to 1,338,116*l.* 6*s.* 9*d.*, as is more particularly shown by the state of affairs appended to said report, a copy of which state is also appended hereto:

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And whereas, the said liabilities are almost entirely long past due, and the amount thereof is increasing by reason of interest accruing upon some of them, and it is the duty of the liquidators to take measures for paying the same; but they are satisfied that if they were at present to force the realisation of some of the assets, such enforced realisation would not produce, by a considerable sum, the amount at which the said assets are entered in said state of affairs:

And whereas, with a view to enabling the liquidators to pay the liabilities of the Bank, and also with a view to preventing a forced realisation of the assets, it has been resolved by the said committee of contributories to form a Company, with limited liability under the Companies Acts, 1862 to 1880, or under a special Act of Parliament, or under all or some of them, an object of which Company shall be to acquire from the liquidators the whole assets remaining in their hands, the Company paying to the liquidators a sum which shall be sufficient to clear off the liabilities of the Bank, and the unpaid expenses of the liquidation:

And whereas, the liquidators being willing, upon certain conditions which have been approved of by the committee, to accede to the proposed arrangement, it has been resolved that these presents should be entered into between them, on the one part, and the said James Lawrence Boyd and John Wilson, on the other, on behalf of the committee, as representing the Company to be formed as aforesaid:

Therefore the parties hereto have agreed, and do hereby agree, as follows, viz.:—

First. In the event of the said Company being formed and carried out, the second parties hereby undertake that it shall pay to the first parties, on or before the 1st day of October, 1882—first, a sum sufficient to enable them to pay and discharge the whole liabilities of the Bank which shall, previous to said date, have been claimed for and admitted in the liquidation, including the sum of 30,000*l.* specified in the fifth head on the debtor side of said state of affairs appended hereto; and second, the sum of 50,000*l.* to be held and applied by the liquidators in meeting the expenses of the liquidation in so far as not already paid.

Second. In respect of said payments, the first parties shall, if and when required, transfer, dispone, convey, and make over to the said Company or to their nominees or assignees the whole assets and property, of whatever nature and wheresoever situated, including all rights, claims, and privileges of every description to which the said City of Glasgow Bank, or any one on their behalf, shall then have right; and the Company shall thereafter be entitled to the income or annual produce which may be received or which may accrue upon the said assets and property.

Third. Notwithstanding the foregoing stipulations, the liquidators shall, so long as they remain undivested of any of the said assets and property, continue to take charge of and administer the same, and shall have power (but always with the sanction of the First Division of the Court of Session), to enter into such compromises or arrangements as they may consider advisable or necessary, and may, with the funds in their possession, declare and pay such dividends to the creditors of the Bank as they may think proper or expedient.

Fourth. It is hereby agreed that the said Company shall free and relieve the first parties of and from all liability attaching to any of the said assets and

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property: and the said Company shall accept the title of the first parties to the assets and property as valid and sufficient, and shall not be entitled to call upon the first parties to make up any further title thereto, or to exhibit searches of encumbrances over any part thereof, but shall be bound only to execute such conveyances or other deeds as shall be necessary to vest the said Company in the right which the first parties have, or may have, in such assets and property.

Fifth. With reference to the liabilities of the Bank, for which no claim has yet been lodged in the liquidation, being the liabilities entered under the third head on the debtor side of the state of affairs hereto appended, it is hereby agreed that the Company shall be bound and obliged to undertake the liability for the same, and to make provision therefor in such way as may be directed by the said contemplated Act of Parliament.

Sixth. In the event of any claims or demands being made against the Bank or the liquidators before the closing of the liquidation, in addition to the liabilities which may be claimed for and admitted, as specified in the first article hereof, and the unclaimed liabilities referred to in Article Fifth hereof, it is hereby agreed that the Company shall free and relieve the Bank and liquidators of all such claims and demands.

Seventh. The accounts in the liquidation, until said 22nd October, 1881, which are at present sub judice, and also the subsequent accounts, shall be settled and approved by the Court. And upon the said accounts being settled and approved, the second parties agree that the said Company shall, for their interest in the premises, exoner, acquit, and discharge the liquidators of their whole actings and intromissions with the funds of the Bank, and execute and deliver all deeds and writings that may be necessary for that effect.

Eighth. It is hereby agreed that the first issue of the capital of the said Company shall be 500,000*l.* sterling, and that in issuing the same the shares shall be offered thus:—(1) to the solvent contributories of the Bank; (2) to the surrendering contributories, and (3) to the public—all in such manner as may afterwards be adjusted and arranged between the first and second parties. And it is also agreed that the first issue of debentures of the said Company shall be in total amount 580,000*l.* sterling, and that they shall be offered thus:—(1) to the creditors of the Bank; (2) to the solvent contributories; and (3) to the surrendering contributories, and thereafter to the public—all in such manner as may afterwards be adjusted and arranged between the first and second parties.

Ninth. It is hereby agreed that the debentures for the said first issue of 580,000*l.* shall be in the form hereto appended, declaring, however, that before any of said debentures are issued, it shall be competent for the Company to alter or modify the said form with consent of the first parties.

Tenth. The second parties hereby undertake that the said committee of contributories will immediately apply to Parliament for an Act which may contain provisions for incorporating the said Company, but which shall contain provisions for finally completing the winding up of the Bank and dissolving the same; which latter provisions shall be such as will enable the Bank to be finally wound up and dissolved, whether the Company be formed and carried out or not; and the second parties hereby agree to submit the draft of said Bill and the relative notices to the first parties, who shall be entitled to make such additions and alterations thereon as to them shall seem expedient for the purpose

of facilitating the winding up or dissolution of the Bank, or to make due provision for the unclaimed liabilities before referred to.

Eleventh. If the said Company shall be actually formed and carried out, the whole expense of obtaining such Act and incident thereto shall be paid by the Company; but if the Act shall not be passed, or if the Company shall not be formed and carried out, the whole expenses incident to the application to Parliament shall be paid by the first parties out of the funds of the liquidation.

Twelfth. When the winding up of the Bank shall have been completed, the liquidators shall repay to the Company whatever portion of the said sums of 30,000*l.* and 50,000*l.* may remain over after meeting the expenses of the liquidation, in so far as not already paid. And in the event of said expenses amounting to more than said sums of 30,000*l.* and 50,000*l.*, the Company shall pay and make up whatever further sum may be required for fully meeting the same.

Thirteenth. Until the Bank be finally wound up and dissolved, the Company shall be entitled to use the name of the Bank in all actions, suits, and proceedings which they may institute for recovering or obtaining possession of the assets and property hereby agreed to be transferred and made over, or any portion thereof; the Company being bound to free and relieve the Bank and liquidators of and from all costs and expenses incurred in connexion with such actions, suits, or proceedings.

Fourteenth. In respect these presents are entered into by the second parties for and on behalf of the said intended Company, the same shall not be binding upon them personally, and shall only be binding upon the said Company if and so far as the same may be adopted by them.

Fifteenth. In respect the winding up of the said City of Glasgow Bank is carried on under the supervision of the First Division of the Court of Session, this agreement shall not be binding on any of the parties hereto unless and until the same is sanctioned by the said Court upon the application of the first parties. And in the event of this agreement not being adopted by the Company, as it now stands, no alteration shall be binding upon the first parties unless and until the same is likewise sanctioned.

Sixteenth. The parties hereto consent to the registration hereof for preservation and execution. In witness whereof, these presents, consisting of this and the four preceding pages, with the appendix and form of debenture hereto subjoined, were sealed with the seal of the said Bank, and signed by John Cameron and James Haldane, two of the said liquidators, for themselves, and on behalf of George Auldjo Jamieson, the other liquidator, and signed also by the said James Lawrence Boyd and John Wilson, all at Glasgow, on the eleventh day of May, eighteen hundred and eighty-two, before these witnesses, Alexander Bennett McGrigor, LL.D., writer, Glasgow, and John Blair, writer to the Signet, Edinburgh.

(Signed) John Cameron.
" James Haldane.
" J. L. Boyd.
" John Wilson.

(Signed) Alex. B. McGrigor, witness.
" John Blair, witness.

APPENDIX.

STATE OF THE AFFAIRS OF THE CITY OF GLASGOW BANK (IN LIQUIDATION), *at 22nd October* 1881, *referred to in the foregoing Minute of Agreement.*

LIABILITIES.

I. BALANCE OF CLAIMS—			
1. To Scotch banks for Claims taken up by them, &c.		£701,034 17 6	
2. To sundry holders of the Bank's acceptances		28,226 12 6	
3. To depositors		262,496 8 3	
		£991,757 18 3	
II. DIVIDEND WARRANTS NOT CASHED		2,214 10 11	
III. LIABILITIES FOR WHICH CLAIMS NOT YET LODGED—			
1. Deposits, letters of credit, &c.	£36,663 17 7		
2. Bank notes in circulation	17,480 0 0		
		54,143 17 7	
IV. INTEREST WHICH MAY BE CLAIMED BY CREDITORS, as at 22nd October, 1881		260,000 0 0	
V. SUM SET ASIDE TO MEET EXPENSES incurred but not yet paid		30,000 0 0	
TOTAL		£1,338,116 6 9	

NOTE.—The surplus is subject to deduction in respect of any shortcoming which may arise upon the New Zealand and Australian Land Company Stock, as explained in the liquidators last annual report.

ASSETS.

I. CASH DUE BY BANKERS AND CASH ON HAND			£168,968 7 4
II. BILLS CURRENT taken by the LIQUIDATORS from CONTRIBUTORIES and others, less rebate			53,688 18 7
III. BONDS, DEBENTURES, STOCKS, &c.			37,094 8 1
IV. ESTATES of LARGE DEBTORS, viz., James Morton & Co., Matthew Buchanan & Co., Glen Walker & Co., Smith Fleming & Co., J. Nicol Fleming, Lewis Potter, Potter Wilson & Co., and J. Innes Wright & Co., estimated at			243,000 0 0
V. HERITABLE PROPERTIES in SCOTLAND, belonging to the Bank, including business premises remaining unsold, valued at			72,857 18 1
VI. BALANCES of CREDIT ACCOUNTS and OVERDRAFTS, valued at			36,829 13 7
VII. BILLS CURRENT at the STOPPAGE of the BANK, considered good			3,850 0 0
VIII. PAST-DUE BILLS, valued at			12,681 17 0
IX. NEW ZEALAND and AUSTRALIAN LAND Co's STOCK			802,112 16 10
Amount as stated in last report	£652,612 12 0		
Add for stock got during the year, under arrangements with the trustees on the estates of the large debtors of the Bank, less sales of stock during the year by the liquidators	149,500 4 10		
	£802,112 16 10		
NOTE.—The quantity of stock held by the liquidators is £340,145 preference, and £870,587 10*s.* ordinary; and the above sum represents the preference stock at 80 per cent., and the ordinary stock as reduced at a little over 60 per cent.			
X. AMOUNT ESTIMATED AS RECOVERABLE from CONTRIBUTORIES			78,114 12 7
TOTAL			£1,508,698 12 1

THE ASSETS, as estimated, amount to	£1,508,698 12 1
THE LIABILITIES amount to	1,338,116 6 9
ESTIMATED SURPLUS	£170,582 5 4

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FORM OF DEBENTURE.

THE ASSETS COMPANY, LIMITED.

Issue of £ *in Debentures ranking equally.*

No. £

We, the Assets Company Limited (herein-after called "the Company"), grant us to have instantly borrowed and received from

the sum of sterling, which sum we bind ourselves to repay to the said

on the

with interest at the rate of

per centum per annum, from the day of in the year till payment, payable the said interest upon the terms and dates mentioned in the coupons for the same hereunto annexed, and on presentation thereof at the respective dates of payment therein specified. And it is hereby declared that this debenture is issued subject to the conditions, and with the benefits, set forth at the foot hereof. And we consent to the registration hereof for preservation and execution. In witness whereof, these presents are subscribed and sealed with the Company's seal on the day of in the year

} *Directors.*

Secretary.

The conditions and benefits under which the above-written debenture is issued are as follows:—

1. The Company shall, with all convenient speed, proceed with the realisation of the assets of the City of Glasgow Bank, transferred to and vested in the Company by the City of Glasgow Bank (Liquidation) Act, 1882, and shall apply all capital sums arising from the realisation of the assets in extinguishing in manner after mentioned the issue of debentures, of which this is one: Provided always that it shall be lawful for the Company, notwithstanding this clause, to retain and use for the general purposes of the Company to which capital moneys are applicable, such a sum, not exceeding 30,000*l.* as the Company shall think fit.

2. The Company may, from time to time, until the whole of the principal money included in the issue of which this debenture forms part is fully paid, upon giving not less than days previous notice by advertisement in , appoint an earlier day than the day of for payment of any part of the principal moneys included in the issue, of which this debenture forms part, such earlier day being one of the days fixed for payment of interest on the above-written debenture, according to the coupons attached thereto.

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3. If and whenever the Company shall exercise the preceding option, the particular debentures to be paid off on each occasion on which such option is exercised shall be determined by half-yearly drawings, which the Company shall cause to be made at its registered office, in the presence of a notary public, at least days before the respective days on which the debentures are to be paid off. Public notice of such drawing will be given by the Company at least days previously by advertisement in two daily newspapers, published in Glasgow and Edinburgh respectively, and the registered owner of this debenture will be entitled to attend at such drawing. Forthwith after each drawing notice will be given in the said newspapers of the numbers of the debentures drawn for payment off.

4. The numbers of the debentures from time to time drawn will be recorded in a book kept for that purpose by the Company, and be open to the inspection of the registered owner of this debenture.

5. As from the day fixed in mode herein-before mentioned for payment this debenture shall, upon being drawn and provision made for the payment thereof, cease to carry interest.

6. When this debenture is drawn and advertised to be paid off, the coupons annexed to it, purporting to be for interest accruing after the day on which the debenture holder is entitled to be paid off, shall become null, and must be delivered up to the Company, along with the debenture itself.

7. The Company will cause a register of the debentures to be kept whereon shall be entered the names, addresses and descriptions of the holders of the debentures and the number of the debentures held by them respectively.

8. The registered holder, for the time being, of this debenture, may, by instrument in writing, transfer the same. The instrument of transfer must be left at or sent to the registered office of the Company, and thereupon (subject to the following conditions) the transfer will be registered, and the name of the transferee entered in the register as holder of this debenture.

9. Every instrument of transfer shall be signed both by the transferor and the transferee, and before registering the same, the Company may require the production of this debenture.

10. Until a transfer of this debenture is registered, and the name of the transferee entered in the register as the holder thereof, the transferor shall be deemed to remain the holder thereof.

11. The executors or administrators of a deceased registered holder (not being one of several holders) of this debenture shall be the only persons recognised by the Company as having any title to this debenture and to the moneys hereby secured.

12. Any tutor, curator, or other guardian of any infant, minor, lunatic or idiot, fatuous or furious person, or of any person under disability or incapacity, or any judicial factor, trustee or executor, holder of this debenture, and any person becoming entitled thereto in consequence of the death, bankruptcy, or liquidation of any registered holder thereof, may, upon producing such evidence that he sustains the character in respect of which he proposes to act under this condition, or of his title as the Company shall reasonably require, be registered himself as the holder of this debenture, or, subject to the preceding conditions as to transfers, may transfer the same to some other person.

13. If at any time several persons shall be registered as the joint holders of this debenture, then in case of the death of any one or more of such joint holders, the survivors or survivor shall be the only persons recognised by the Company as having any title to or interest in this debenture, and the moneys thereby secured.

14. The register, aforesaid, shall at all reasonable times during business hours be open to the inspection of the registered holder, for the time being, of this debenture, his executors or administrators, and any other person authorised in writing by him or them.

15. The registered holder for the time being of this debenture, his executors or administrators, shall be entitled to the principal moneys and interest hereby secured, free from any equities between the Company and the original, or any intermediate holder thereof, and the receipt of such registered holder, his executors or administrators, shall be a good discharge to the Company for the same principal moneys, and the delivery of each of the said coupons shall be a good discharge to the Company for the interest therein specified (provided such interest shall have accrued due before such delivery), and the Company shall not be bound to inquire into the title of such registered holder, his executors or administrators, or of the person delivering such coupon (as the case may be) or to take notice of any trust affecting such moneys, or be affected by express notice of the right, title or claim of any other person to such moneys or to this debenture.

16. If the Company make default for a period of six months in the payment of any interest hereby secured the registered holder hereof may, at any time hereafter, before such interest is paid, by notice in writing to the Company, call in the principal moneys hereby secured. And in case any such notice is duly given, or if any order of some court of competent jurisdiction is made, or a special or extraordinary resolution is passed for the winding up of the Company, the principal moneys hereby secured shall immediately become payable.

17. A notice may be served by the Company upon the holder of this debenture, by sending it through the post in a prepaid letter, addressed to such person at his registered address.

18. If at any time there shall be joint registered owners of this debenture, any notice may be given to whichever of such persons is named first in respect of this debenture, and notice so given shall be sufficient notice to all the then holders of this debenture.

19. Any notice served by post shall be deemed to have been served at the time when the letter containing the same would be delivered in the ordinary course of post, and in proving each service, it shall be sufficient to prove that the letter containing the notice was properly addressed and put into the post office.

20. It is hereby declared that this debenture is one of the first issue of debentures by the Company for the total amount of 580,000*l.* sterling; and the holder hereof shall be entitled pari passu with the holders of the other debentures of said issue to the benefits and securities created and conferred upon the holders of debentures by the declaration of trust dated , granted by

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THIRD SCHEDULE.

FORM OF DISCHARGE TO BE GRANTED BY LIQUIDATORS.

We, the subscribers, being the liquidators of the City of Glasgow Bank, in liquidation, in pursuance of the directions in that behalf contained in the City of Glasgow Bank (Liquidation) Act, 1882, hereby acknowledge that the Assets Company Limited have this day paid [or accounted for] to us, first, the sum of £ being, to the best of our knowledge and belief, a sum sufficient to enable us to pay and discharge the whole liabilities of the Bank, which, previous to the date of this discharge, have been claimed for and admitted in the liquidation, including the sum of 30,000*l.*, set aside to meet expenses of the liquidation incurred, but not paid as at 22nd October, 1881; and second, the sum of 50,000*l.* to be held and applied by us in meeting the expenses of the liquidation, in so far as not already paid, all in accordance with the agreement, dated the 11th day of May, 1882, between us, of the first part, and James Lawrence Boyd and John Wilson, on behalf of the Assets Company Limited, of the second part. And we do hereby release and discharge the Assets Company Limited from all claims and demands in respect thereof under such agreement accordingly. And we consent to registration for preservation.

In witness whereof

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