# CHAPTER lxv.

An Act to incorporate the Trustees of the Colonial and Foreign Banks Guarantee Fund and to enlarge the powers vested in such Trustees and for other purposes. A.D. 1899.

[13th July 1899.]

WHEREAS the Colonial and Foreign Banks Guarantee Fund (in this Act called "the Fund") was established in 1866 for the purpose of providing by means of a mutual co-operation amongst the persons employed in banks transacting business in the colonies of the United Kingdom and elsewhere abroad a fund to guarantee their employers against losses arising from any act of dishonesty or fraudulent misconduct on the part of the persons employed:

And whereas the management and control of the Fund was placed in the hands of trustees for the time being and of the officers appointed by them:

And whereas the Fund now includes a large accumulation which has arisen from premiums and interest thereon and is represented by reserves in cash and securities of the present value of one hundred and ninety-five thousand six hundred and fifty-three pounds or thereabouts and yielding an annual income of five thousand five hundred and seventy-five pounds or thereabouts:

And whereas the Fund has now grown beyond the limits contemplated:

And whereas guarantees to a large amount are granted to the subscribers to the Fund:

And whereas it is expedient that the trustees of the Fund should be constituted a body corporate and that the Fund and the moneys invested and other property constituting the same should be transferred to and vested in such body as in this Act provided:

And whereas it is expedient that the other provisions herein-after contained should be made:

A.D. 1899.

And whereas the purposes aforesaid cannot be effected 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 Colonial and Foreign Banks Guarantee Fund Incorporation Act 1899.

Interpretation.

**2.** In this Act the following expressions have the following meanings unless the context otherwise requires (that is to say):—

"The Corporation" means the Colonial and Foreign Banks Guarantee Corporation incorporated by this Act;

"The Fund" means the Colonial and Foreign Banks Guarantee Fund established in 1866 and transferred to the Corporation by virtue of this Act;

"Colonial or foreign bank" means a bank transacting business in any of the colonies of the United Kingdom or elsewhere abroad which has its chief office or principal place of business in Great Britain or Ireland or has in London two or more directors either as an advisory board or otherwise and which shall be admitted by the Corporation;

"The board" means the board of management by this Act constituted;

"Member" means member of the Corporation;

"Representative Council" means the Representative Council constituted by this Act;

"The regulations" means the regulations of the Corporation for the time being in force.

Incorporation.

**3.** The several persons referred to in the section of this Act the marginal note whereof is "Board of management" shall be from and after the passing of this Act and they are hereby constituted a body corporate by the name of "The Colonial and Foreign Banks Guarantee Corporation" (in this Act referred to as "the Corporation") and by that name shall have perpetual succession and a common seal and all the privileges of a body corporate and by that name may sue and be sued and purchase hold receive possess and dispose of for the purposes of the Corporation all lands tenements and hereditaments and other real estate and all moneys stocks funds and securities and other personal estate hereby vested in or transferred to the Corporation or hereafter to be acquired by or vested in the Corporation.

As to transfer.

**4.** On and from the passing of this Act and by virtue thereof all and singular the lands tenements and hereditaments and other real estate of whatever tenure or nature and the moneys stocks choses in action funds and securities now held by the trustees of the Fund and all unpaid dividends interest and income in respect of such stocks funds and securities or any of them and the right to recover sue for and receive the same and all other rights chattels and personal estate whatsoever now vested in or held by or under the control of the trustees of the Fund or to which they or any of them are now in anywise entitled as such trustees shall be and the same are hereby vested in and transferred to the Corporation to the same extent and for the like estates and interests as the same respectively are now vested in or held by or under the control of the trustees of the Fund and all debts liabilities and obligations due from or binding upon the trustees of the Fund as such trustees shall be and the same are hereby transferred to and made binding upon the Corporation:

Provided that in case of all guarantees issued for subscribers to or members of the Fund which shall have ceased or become determined by reason of such subscriber or member having left the employment of the bank to which such guarantee was issued no such subscriber or member shall after the passing of this Act have any claim upon the Fund or the Corporation in respect of the Fund.

Objects of the Corporation.

**5.** The objects of the Corporation shall be by means of mutual co-operation amongst the persons employed in any colonial or foreign banks to guarantee such banks against losses arising from any acts of dishonesty or fraudulent misconduct on the part of persons employed by such banks and to do all things incidental or conducive to or arising out of the aforesaid objects.

Members of the Corporation.

**6.** Those persons only shall be deemed to be members of the Corporation who are for the time being guaranteed to their employers as provided for by this Act or by the terms of the regulations or who at the passing of this Act were guaranteed by the Fund under a policy or policies then existing Provided that every member of the Corporation shall cease to be a member upon the determination of the policy or policies issued in respect of him.

Board of management.

**7.**—(1) The management of the affairs of the Corporation shall be vested in and its powers exercised by a board of management (in this Act referred to as "the board") who shall not be less than six nor more than twelve in number.

(2) The following persons shall form the board upon the passing of this Act John Beaton John James Cater David Quixano

A.D. 1899.

Henriques Edmund Charles Morgan Hugh Cameron Ross and Sir Alexander Wilson.

(3) The board for the time being or the majority of them shall have power to appoint other persons to be members of the board with them provided that in exercising such power they conform to the limitation of number set out in this section and conform to the provisions of the regulations for the time being in force under the authority of this Act and further provided that if at any time the number of members of the board becomes reduced below six the remaining members thereof shall appoint such number of other persons to be members of the board as may be necessary to make up the total number to six at the least.

(4) Except where otherwise provided by this Act or by the regulations the board may act by the majority of a meeting of the members thereof held in accordance with such regulations and the Corporation shall be bound by the acts of such majority provided that the quorum necessary to constitute such a meeting shall be not less than three and provided further that in the case of an equality of votes at any meeting the chairman of such meeting shall have a casting vote in addition to his vote as a member of the board.

Remuneration of the Board.

**8.** The board shall be at liberty and they are hereby empowered to appropriate from the funds of the Corporation and to distribute among themselves in the proportion which they or the majority of them shall think fit a sum not exceeding eight hundred pounds per annum as remuneration for their services as members of such board.

Saving for board.

**9.** Each of the members of the board shall be answerable and accountable only for his own acts receipts neglects or defaults and not for those of another nor for any banker broker or other person with whom any trust moneys or securities may be deposited nor for the insufficiency or deficiency of any stocks funds or securities nor for any other loss unless the same shall happen through his own wilful default.

As to regulations.

**10.** In the conduct and management of the business of the Corporation the board shall observe and conform to the regulations The first regulations shall be those set out in the schedule to this Act but the same may be altered or amended or any regulations may be cancelled or any new regulations may be added thereto or substituted therefor by resolution passed by two-thirds of the whole number of members of the board at a meeting of the board duly summoned for that purpose provided that no such meeting shall be held to be duly summoned save after the expiration of one month from the date of the despatch of notice of such meeting to

each member of the board and further provided that such notice shall specify the proposed alteration substitution amendment or cancellation of or proposed addition to the then existing regulations.

The Representative Council.

**11.**—(1) From and after the passing of this Act a body shall be appointed to be called "the Representative Council" which shall consist of not less than six nor more than twelve persons and shall consider and investigate all proposals of persons desiring to become members of the Corporation within the meaning of the regulations and shall report upon such proposals to the board and shall as it may think fit bring before the board all matters materially affecting the interests of members of the Corporation and shall perform such other duties as may be prescribed by the regulations.

(2) The Representative Council shall be appointed in manner following The members of the Corporation who are employed by the same bank shall when occasion requires meet together and appoint one of their number who is employed in London to act as delegate for such members and the delegates from all the banks so entitled to appoint and appointing delegates shall when occasion requires meet together and appoint such of their number or other member or members of the Corporation as by a majority of votes given at the meeting may be determined to be a member or members of the Representative Council provided that the number so appointed by the meeting of delegates shall not exceed the maximum prescribed by sub-section (1) of this section and further provided that the number of votes to which each delegate so present at any meeting shall be entitled at such meeting shall be in proportion to the number of members who shall have so elected him as a delegate and further provided that only one member belonging to the staff of any one bank shall be on the Representative Council at any one time.

(3) Until the Representative Council has been appointed in the manner provided by the last sub-section or if the persons thereby entitled to appoint delegates or to appoint members of the Representative Council decline or omit for four months after the occurrence of any vacancy to appoint such delegates or members or to fill up any vacancies that may occur it shall be lawful for the board and they are hereby empowered to appoint such delegates or members as aforesaid or to fill up any vacancies that may occur provided that in exercising such power the board shall not appoint any person who would not have been eligible for appointment under the provisions of the last sub-section.

(4) It shall be lawful for the board and they are hereby empowered to pay out of the funds of the Corporation to the

A.D. 1899.

members of the Representative Council whether appointed under the provisions of sub-section (2) or sub-section (3) of this section a sum of money not exceeding two hundred pounds per annum for six members or four hundred pounds per annum for twelve members or proportionately for any less number in remuneration for their services as members of such Council and such sum shall be distributed among the members of such Council in such manner and proportion as the members of such Council or the majority of them shall think fit.

(5) If a member of the Corporation already a member of the Representative Council shall retire on pension from the service of his employers he may still remain on the Representative Council so long as it may be considered desirable in the interest of the Corporation by the persons who would otherwise be entitled for the time being to elect or appoint a successor to such member.

As to investment of moneys.

**12.** The moneys held by the Corporation shall as regards so much thereof as shall not in the opinion of the board be required for current demands and expenses be by them invested as to two-thirds thereof in such investments as are authorised by the Trustee Act 1893 or any Acts amending the same and as to one-third thereof in such securities as they in their absolute discretion shall think fit and such investments may from time to time be varied at the discretion of the board All such investments shall stand in the name of the Corporation.

Application of income arising from investments.

**13.** The annual income arising from the investments hereinbefore mentioned shall as to so much thereof as is not in the opinion of the board required for current demands and expenses be invested and shall in all ways be dealt with in accordance with the provisions of the last preceding section of this Act.

Application of surplus funds.

**14.** When and as often as the funds invested shall amount to a sum which in the judgment of a majority of the board shall appear to be in excess of the amount required for the purposes of the guarantees issued by the Corporation and of defraying the necessary charges and expenses of management the income derived therefrom or such part of the said investments as the majority of the board shall in their discretion think fit may be applied for such purposes in such form to such extent and in such manner as the board may at any meeting thereafter direct for the benefit of the persons who are then members of the Corporation or who have been but have ceased to be members either of the Corporation or the Fund or for the benefit of the families of such persons or for the purpose of granting bonuses to

persons employed by the trustees of the Fund before or by the Corporation after the passing of this Act or pensions to persons who have been but have ceased to be so employed.

As to common seal.

**15.** The common seal of the Corporation shall not be affixed to or impressed upon any deed or document except in the presence of a member of the board and of the secretary of the Corporation or other person appointed by the Board for such purpose who shall sign their names upon such deed or document in attestation of such seal having been affixed or impressed in their presence.

Exempting certain documents from common seal.

**16.** Notwithstanding anything in this Act contained it shall not be necessary that the guarantees issued by the Corporation or that any agreement signed by them which is not by law required to be under seal shall be under their common seal but the same or any of them may be executed on behalf of the Corporation by such person or persons as may be deputed by the Board for the purpose either generally or in special cases and shall when so executed be for all purposes as valid and binding as though given under seal.

Discharge of trustees.

**17.** The persons who up to and at the time of the passing of this Act have been acting as trustees of the Fund by this Act transferred to the Corporation viz. John Beaton John James Cater David Quixano Henriques Edmund Charles Morgan Hugh Cameron Ross and Sir Alexander Wilson shall upon the passing of this Act be and they are hereby divested and discharged of and from all estates properties interests trusts authorities duties and rights of or in respect of the Fund Provided that nothing herein contained shall prejudice or affect anything done by such trustees or any of them in respect of the Fund prior to the passing of this Act.

Copy of Act to be sent to banks.

**18.** A copy of this Act shall as soon as the same has received the Royal Assent be forthwith sent to the London office of each bank whose employees shall be members of the Corporation.

Costs of Act.

**19.** All the costs charges and expenses preliminary to and of and incidental to the preparing applying for obtaining and passing of this Act shall be paid by the Corporation.

A.D. 1899.

# The SCHEDULE referred to in the foregoing Act.

## FIRST REGULATIONS OF THE COLONIAL AND FOREIGN BANKS GUARANTEE CORPORATION.

1. In these regulations—

"The Act." The expression "the Act" means the Colonial and Foreign Banks Guarantee Fund Incorporation Act 1899;

"The Corporation." The expression "the Corporation" means the Colonial and Foreign Banks Guarantee Corporation incorporated by the Act;

"The Fund." The expression "the Fund" means the Colonial and Foreign Banks Guarantee Fund established in 1866 and transferred to the Corporation by virtue of the Act;

"Colonial or foreign bank." The expression "colonial or foreign bank" means a bank transacting business in any of the colonies of the United Kingdom or elsewhere abroad which bas its chief office or principal place of business in Great Britain or Ireland or has in London two or more directors either as an advisory board or otherwise and which shall be admitted by the Corporation;

"Board." The expression "board" means the board of management for the time being of the Corporation for whose appointment provision is made by the Act;

"Member." The expression "member" means member of the Corporation as defined by the Act;

"Representative Council." The expression "Representative Council" means the Representative Council provided for by the Act.

Place of business. 2. The office of the Corporation shall be at No. 94 Gracechurch Street in the city of London or at such other place or places as may be from time to time appointed by the board.

Appointment of board. 3. The board other than the first members thereof shall be selected from the persons constituting the boards of directors of incorporated colonial or foreign banks or partners in unincorporated colonial or foreign banks which accept the guarantee policies of the Corporation but no person unless he be one of the first members of the board named in the Act shall at any time be qualified to become or continue a member thereof if two of the then existing members thereof are co-directors or co-partners with him in any such bank nor shall any person unless he be one of the members of the board named in the Act be so qualified who holds the office of director trustee or auditor of any other guarantee company or society.

Vacation of office of member of board. 4. The office of a member of the board shall be vacated—

(*a*) If he resign his membership by notice in writing to the Corporation;

(*b*) If he become bankrupt or compound with his creditors;

(*c*) If he become lunatic;

(*d*) If he cease to answer the description set out in Regulation 3 hereof;

(*e*) If he be requested in writing by not less than two-thirds of his co-members to resign office;

(*f*) If the board shall have passed at one meeting and confirmed at a subsequent meeting held within one month thereafter a resolution that such member has vacated office by reason of his having become of unsound mind or having been absent from meetings of the board for six consecutive months.

Power to pledge the credit of the Corporation.

5. No person except the board and persons authorised in writing by the members thereof and acting within the limits of the authority so given shall have any authority to make accept or indorse any promissory note or bill of exchange on behalf of the Corporation or to enter into any contract or engagement so as to impose thereby any liability on the Corporation or otherwise to pledge the credit of the Corporation.

Meetings of board.

6. Ordinary meetings of the board shall be held at such times and places as may be from time to time resolved upon by the board and failing any such resolution shall be held on the second Wednesday in each month at the office of the Corporation.

Extraordinary meetings of board.

7. Any member of the board may at any time call an extraordinary meeting of the board to be held at the place where the ordinary meetings of the board for the time being are held by giving not less than seven days' notice in writing signed by him or on his behalf to the other members of the board stating the time and objects of the intended meeting Such notices shall be sent by post to each member of the board and shall be deemed to be given on the day following the day on which they are posted.

Election of chairman.

8. At the first meeting of the board to be held after the passing of the Act and at the first meeting in every subsequent year a chairman of the board shall be elected for the ensuing year If the chairmanship becomes vacant during any year notice thereof shall be at once given to the members of the board and a new chairman shall be elected at the next ensuing meeting of the board In the absence of the chairman of the board from any meeting a chairman of the meeting shall be appointed from among themselves by the members of the board present.

Procedure at meetings.

9. The procedure at meetings in matters not provided for by the Act or by these regulations shall be regulated by the standing orders of the board (if any) and in default of standing orders and so far as they shall not extend as the members of the board present think fit.

Appointment of committees.

10. The board may appoint and remove such committees of their own number as they think fit and may determine and regulate their quorum powers duties and procedure.

Appointment of secretary.

11. The board shall appoint a fit and proper person to be secretary of the Corporation and any person so appointed shall hold office for such time and on such terms as the board may determine.

A.D. 1899.

Minutes to be recorded and to be evidence.

12. Minutes of the proceedings at every meeting of the board or of any committee of the board and of the attendance of the members of the board thereat shall before the close of such meeting or with all convenient speed thereafter be recorded by the secretary in a book kept for the purpose and shall be read at the next following meeting of the board or committee of the board as the case may be and shall be signed by the chairman of the meeting to which they relate or of the meeting at which they are read and such minutes when duly signed shall be evidence of the facts therein recorded and of the regular holding of the meeting to which they relate.

Appointment of officers and agents.

13. The board may appoint and remove such officers agents and servants of the Corporation and on such terms as they shall from time to time deem necessary.

Salaries to be a prior claim.

14. The salaries and remuneration of officers agents and servants and all charges or expenses incurred in conducting the business of the Corporation or in any manner arising out of or relating to the same shall be paid out of the funds of the Corporation in priority to all other claims Subject as aforesaid all claims against the Corporation shall be settled in the order in which they shall be established.

Admission of members.

15. The board may if in their absolute discretion they think fit admit as a member any person who is employed or about to be employed in any colonial or foreign bank provided that he signifies his desire to be admitted by filling up and signing a form of application to be provided for that purpose by the board and answers all such inquiries and procures such references as shall be deemed necessary by them and provided further that the board shall not admit as a member any director managing director or other person holding a position in advance of or superior to that of general manager or any person filling the situation of porter or messenger or other menial servant.

Directors not eligible for membership.

Applicants already in banking service.

16. In case any applicant shall at the time of application be employed by any colonial or foreign bank and shall have been already guaranteed either by private sureties or a public office the board may if they in their discretion think fit dispense with the inquiries and references required by Regulation 15 hereof provided the application shall be accompanied by a certificate from the employers of the applicant that he has conducted himself to their entire satisfaction for the preceding twelve months.

Issue of policies.

17. Every member shall on being admitted have issued to his employers a policy of the Corporation for his guarantee for such amount as may be agreed in the form herein-after described and on the terms and at the subscription following:—

Rates for service abroad.

(A) If the member be employed or about to be employed abroad he shall pay a subscription of 2*l.* 4*s.* per cent. on the amount required to be guaranteed on his behalf by four equal instalments the first thereof to be paid at or before the issuing of the policy and the remainder annually;

Rates for home service.

(B) If the member be employed or about to be employed in the home establishment of a colonial or foreign bank he shall pay a subscription of 1*l.* per cent. upon the amount to be guaranteed on his behalf by five

instalments at the times and in the manner herein-before provided with respect to the subscription of 2*l.* 4*s.* per cent.;

Increase of subscriptions on removals to service abroad.

(c) In the event of any such last-mentioned person removing in the service of his employers to the colonies or elsewhere abroad the Corporation may provided the employers deliver up the home risk policy to be cancelled issue a new policy extending to risks incurred in foreign or colonial service and the member shall at once contribute towards the difference between the rates for home and foreign risks 11*s.* per cent. upon the amount guaranteed and shall continue to make this contribution annually until such a sum shall have been contributed that the subscription paid on the home risk policy being added thereto the aggregate shall amount to 2*l.* 4*s.* per cent. upon the sum guaranteed But nevertheless the last annual contribution payable shall be only such an amount as may be required to complete the aforesaid aggregate of 2*l.* 4*s.* per cent.;

Home risk policy retained.

(d) If the employers desire not to deliver up a home risk policy for a period of twelve months after such last-mentioned person shall have removed to the colonies or elsewhere abroad the employers shall be at liberty to retain it provided that the guarantee under the policy so retained shall be in respect only of any misconduct of which the member may have been guilty during service in the United Kingdom and provided further that one year's instalment of the subscription paid on the policy so retained shall be deducted from the amount to be allowed as before mentioned in part payment of the subscription on the foreign risk policy;

Members removing to home service.

(e) If any member shall remove in the service of his employers from the colonies or elsewhere abroad to the home establishment of such employers then the Corporation may provided the employers deliver up the foreign risk policy to be cancelled issue a new policy extending only to risks incurred during service in the United Kingdom In such case if any one or more of the instalments of the subscription due under the foreign risk policy shall not have matured at the time of the issuing of the home risk policy the Corporation shall accept payment of such instalments at the rate herein specified for home risks and the subscription shall be considered as completed so soon as the last of such instalments shall have been paid;

Increase of subscriptions on returning to colonial service.

(f) If any member shall avail himself of the last-mentioned regulation and shall afterwards return in the service of the same employers to the colonies or elsewhere abroad he shall pay the difference between the home and foreign rates as if the original policy had been issued at the home rate;

Increased guarantees.

(g) If any member shall be required by his employers to have the guarantee on his behalf increased and if the Corporation agree so to increase the guarantee such member shall pay in respect of such increased guarantee a subscription of 2*l.* 4*s.* per cent. or 1*l.* per cent. as the case may be by instalments as herein-before mentioned.

Member becoming a director.

18. The policy issued for any member shall cease and determine except as to past acts of the member in the event of such member becoming a director or

A.D. 1899.

managing director or holding a position in advance of or superior to that of general manager.

Employers may pay subscriptions.

19. The obligation of a member to make the several payments required by Regulation 17 may be discharged from time to time by his employers In such case the employers shall be at liberty to deduct the amounts paid by them from the salary next payable to the member.

Non-payment of instalments.

20. If any instalment or other payment required to be made by a member under these regulations shall not be paid for fifteen days after the day on which payment ought to be made the liability of the Corporation to the employers shall thereupon cease as regards any subsequent act of the person guaranteed.

Subscriptions completed.

21. When the subscriptions required by Regulation 17 shall have been fully paid the member shall not be subject to any further contribution to the Corporation except under the circumstances herein-after specified in Regulation 30.

Member leaving banking service.

22. If a member shall leave the service of the employers to whom a policy of the Corporation has been issued on his behalf he shall not be called upon to pay any further subscriptions to the Corporation except under the circumstances mentioned in Regulation 29 and subject thereto and to any liability for past acts under his policy he shall cease to be a member.

Porters or messengers.

23. The board may if they see fit at any time grant guarantee policies of the Corporation at such annual premiums and on such terms as they may consider reasonable and proper to the employers of any person who fills the situation of porter or messenger or other menial servant of a colonial or foreign bank but such person shall not thereby be admitted as a member.

Colonial committees and their powers.

24. The board may appoint local committees in any of the colonies or elsewhere abroad consisting of not less than three of the chief officers of the colonial or foreign bank establishment or establishments in the locality that may desire to avail themselves of the Corporation for the guarantee of their staffs on the terms set forth in these regulations and such local committees shall have power to accept applications of persons desiring admission as members and to pledge the Corporation to all the risks and liabilities of the respective guarantees contemplated by these regulations from the respective dates of their acceptance and the said local committees shall in each case (and as soon as may be practicable) transmit to the board the application for admission together with their report thereon and any certificates testimonials or other papers appertaining thereto and the board shall then issue a policy in respect to the guarantee but in nowise abridging the powers contained in Regulation 28 No person shall be qualified to act on a local committee who is not a member of the Corporation.

Policy and obligations thereunder.

25. Every policy of the Corporation guaranteeing a member shall be in such form as the board shall from time to time approve and shall make the Corporation liable to pay to the employers assured within three calendar months after receipt at the office of the Corporation of full and satisfactory particulars and proof of the loss and the nature and extent thereof (verified by a statutory

declaration if the board shall require the same) all such loss not exceeding the amount mentioned in the policy as such employers may sustain from any act of dishonesty or fraudulent misconduct of the member committed after the date fixed in such policy for the commencement of the risk and during his uninterrupted continuance in their service as bankers Such policy shall provide that no claim for any such loss shall be admissible unless the employers shall within a reasonable time after the discovery of any act of dishonesty or fraudulent misconduct of the member transmit notice in writing to the office of the Corporation as far as the case will admit of all the particulars thereof nor unless such loss shall have accrued within six years before any such discovery and also that after any such discovery the liability of the Corporation shall as to loss by any act or default committed subsequent thereto absolutely cease and that all sums of money which the Corporation shall pay under the policy shall upon demand be repaid to the Corporation by the member.

Corporation funds only liable.

Such policy shall also expressly provide that the funds of the Corporation or so much thereof as shall for the time being remain undisposed of and not be applicable to prior claims and demands together with the moneys to be raised from time to time as occasion may require under Regulation 30 shall alone be subject to any claim demand or liability under any policy or these regulations and that no member of the board shall be individually liable in respect of any such claim demand or liability.

Unpaid subscription.

26. The Corporation may deduct from the amount to be paid in respect of any default all unpaid subscriptions instalments or contributions of the member although the time for the payment thereof may not have arrived.

Proceedings against defaulters.

27. The employers of any defaulting member shall if so required by or on behalf of the Corporation when lawful cause such defaulter to be arrested and prosecuted for any offence or offences he may have committed in such default and afford all necessary information and evidence previous to and at his trial and such employers shall also if so required by or on behalf of the Corporation furnish all such particulars and proofs as shall enable the Corporation to prosecute such defaulter or to proceed against him in any other manner and the Corporation shall be at liberty to prosecute such defaulter and to institute any proceedings against him in such name or names as shall be legally necessary and as they may be advised for the benefit and reimbursement of the Corporation and shall indemnify out of the funds of the Corporation the employers or persons whose names shall be so used from all damages and expenses in respect thereof and all costs and expenses occasioned by any such prosecutions and proceedings conducted by the Corporation or by reason of any such indemnity and incidental thereto respectively shall be borne by the Corporation.

Defaulters' estates.

Determination of guarantees.

28. The Corporation may at any time by giving four calendar months' previous notice to a member and his employers determine any existing guarantee for him and such guarantee shall accordingly cease at the expiration of the said four months without prejudice nevertheless to any liability which may then have been incurred by the Corporation All such notices shall be sent to the principal place of business of the employers in Great Britain and Ireland

A.D. 1899.

and shall commence to run from the date thereof and if at the expiry of such notice the employers have no claim to make upon the Corporation in respect to any misconduct on the part of the member the Corporation shall return to the member one half of the net amount of the subscription that he has paid to the Corporation in respect of such guarantee.

**Removals from one bank to another.**

29. If a member shall at any time quit the service of his employers in order to enter another colonial or foreign bank to which the policies of the Corporation are issued and shall give notice thereof to the Corporation the Corporation may if the board think fit upon surrender of the policy held by the late employers issue to the new employers a new policy of the Corporation on the same terms and for the same amount as the old policy and subject to payment of the same instalments of subscription as those remaining unpaid on the old policy.

**Special contributions may be called for.**

30. In the event of the funds of the Corporation at any time by the payment of claims or otherwise being reduced below such a sum as in the judgment of a majority of the board will be necessary to meet present and future claims and expenses the board may and shall by minute or order in writing under the common seal of the Corporation from time to time require all the members for the time being guaranteed to their employers by the Corporation to contribute an additional subscription not exceeding at any one time or in any one year 10*s.* per cent. upon the amount in which they shall be respectively guaranteed if employed in colonial or foreign service and not exceeding 4*s.* per cent. if engaged in home establishments Such additional contributions shall be paid to the Corporation at such times and in such manner as the board shall require by notice under the common seal of the Corporation or under the hand of any officer of the Corporation and such notice shall be sent by post to each member addressed to him at the principal place of business in Great Britain and Ireland of his employers and a similar notice shall also be sent by post to the employers at the same address Contributions required from any member under this regulation may be paid to the Corporation by his employers and deducted by them from the salary next payable to the member The moneys to be received by means of such additional contributions shall when received be dealt with in the same manner as the moneys originally received from members.

**Regulations to be printed.**

31. A printed copy of these regulations shall be supplied by the Corporation to any person holding an office or situation in a colonial or foreign bank on demand at the office of the Corporation and on payment of one shilling or such less sum as may from time to time be prescribed by the board.

Printed by Eyre and Spottiswoode,
for
T. Digby Pigott, Esq., C.B., the Queen's Printer of Acts of Parliament.

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