thirty-first day of March, one thousand nine hundred and thirty-one, and section six of the Treasury Bills Act, 1877 (which relates to the renewal of bills), shall not apply with respect to those bills.

40 & 41 Vict. c. 2.

(3) Any money borrowed otherwise than on Treasury Bills shall be repaid, with interest not exceeding five pounds per centum per annum, out of the growing produce of the Consolidated Fund, at any period not later than the next succeeding quarter to that in which the money was borrowed.

(4) Any money borrowed under this section shall be placed to the credit of the account of the Exchequer, and shall form part of the said Consolidated Fund, and be available in any manner in which such Fund is available.

(5) The interest on any money borrowed under this section shall be paid out of the permanent annual charge for the National Debt.

Short title.

3. This Act may be cited as the Consolidated Fund (No. 1) Act, 1930 (Session 2).

CHAPTER 2.

An Act to authorise the making of an agreement between the Cunard Steam Ship Company Limited and the Board of Trade for the insurance of two passenger vessels and the making of agreements between the said Company and the Board of Trade supplementing or modifying that agreement, and for purposes incidental to and connected with the agreements so authorised to be made.

[19th December 1930.]

WHEREAS it is expedient that the Board of Trade (in this Act referred to as "the Board") should for the purpose of enabling provision to be made for the insurance by or on behalf of the Board of two passenger vessels to be constructed in Great Britain for the Cunard Steam Ship Company Limited (in this Act

referred to as "the Cunard Company") be authorised and empowered to enter into an agreement with the Cunard Company in the terms of the draft agreement which has been settled between the Board and the Cunard Company and is set out in the Schedule to this Act (in this Act referred to as "the draft agreement"):

Be it therefore enacted by the King'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:—

Board of Trade authorised to make agreement in terms of scheduled draft.

1.—(1) The Board are hereby authorised and empowered to enter into an agreement with the Cunard Company in the terms of the draft agreement and the Board shall have all such powers as may be necessary for carrying that agreement into effect.

(2) In this Act the expression "the principal agreement" means the agreement made in pursuance of the authority conferred by this section, and references to the principal agreement shall be construed as including references to the principal agreement as supplemented or modified by any supplemental agreement taking effect under this Act.

Power of Board of Trade to enter into supplemental agreements.

2.—(1) The Board, with the consent of the Treasury and subject to the provisions of this section, may at any time during the currency of the principal agreement enter into further agreements with the Cunard Company (in this section referred to as "supplemental agreements") for supplementing or modifying the principal agreement.

(2) A supplemental agreement shall not come into operation until it has lain before both Houses of Parliament for a period of twenty-one days during the session of Parliament but shall, subject as hereinafter provided, have full force and effect as from the expiration of the said period:

Provided that, if during the said period a resolution is passed by either House declaring that a supplemental agreement so laid ought not to come into operation, that agreement shall be void, but without prejudice to the power to make a new supplemental agreement.

Exemption of principal agreement, supplemental agreements and certain other contracts from provisions of Stamp Act, 1891, and Marine Insurance Act, 1906.
54 & 55 Vict c. 39.
6 Edw. 7. c. 41.

3.—(1) No agreement to which this section applies shall be invalid by reason only that it does not comply with the requirements of the Stamp Act, 1891, with respect to contracts for or policies of sea insurance, or be inadmissible in evidence by reason only that it is not embodied in a marine policy in accordance with the Marine Insurance Act, 1906.

(2) Stamp duty shall not be chargeable in respect of any such agreement.

(3) No person shall be liable to a fine under section ninety-seven of the Stamp Act, 1891, by reason of having, contrary to the said section, entered into or done or omitted to do anything in relation to, or for the purposes of, any such agreement, or be liable under the said section to any disability in relation to any such agreement.

(4) This section applies to the principal agreement, supplemental agreements and agreements entered into by the Board with persons other than the Cunard Company for the purpose of carrying the principal agreement into effect.

Establishment of Cunard Insurance Fund.

4.—(1) There shall be established for the purpose of this Act, in accordance with regulations to be made by the Treasury, a fund to be called the Cunard Insurance Fund, and subject to such regulations as may be made by the Treasury under this section the Cunard Insurance Fund shall be under the control and management of the Board.

(2) Any moneys received by the Board in respect of premiums or otherwise by virtue of this Act shall, subject as hereinafter provided, be paid into the Cunard Insurance Fund, and all moneys payable by the Board by virtue of this Act shall be paid out of that Fund, or, if that Fund is insufficient, shall be charged on and paid out of the Consolidated Fund or the growing produce thereof:

Provided that, where any sums have been paid out of the Consolidated Fund for the purpose of meeting any sums payable by the Board by virtue of this Act in respect of any loss or expenditure, any moneys received by the Board in diminution of that loss or expenditure shall, up to the amount of the sums paid out of the Consolidated Fund, be paid into the Exchequer

in accordance with directions to be given by the Treasury and not into the Cunard Insurance Fund.

(3) The regulations to be made by the Treasury under this section shall make provision with respect to the accounts to be kept of the Cunard Insurance Fund, for the investment of moneys forming part of the Cunard Insurance Fund in Government stock and for the accumulation of interest accruing in respect of investments belonging to the Cunard Insurance Fund.

(4) The accounts of the Cunard Insurance Fund shall in every year be examined by the Comptroller and Auditor-General and shall together with his report thereon (including a report as to any issues out of the Consolidated Fund and any payments into the Exchequer under this Act), be laid before Parliament.

(5) If at any time the Treasury are satisfied that no further moneys will become payable by the Board under this Act or the principal agreement or in connection with the principal agreement, any investments forming part of the Cunard Insurance Fund shall, in accordance with directions to be given by the Treasury, be transferred to the National Debt Commissioners for the purpose of cancellation, and the balance, if any, of the Fund shall be issued to the said Commissioners and applied by them in the same manner as the New Sinking Fund (1928).

Exercise of powers of Board of Trade under Act.

5. Any things authorised under this Act to be done by or to the Board of Trade may be done by or to the President, a secretary or an assistant secretary, of the Board, or by or to any person authorised in that behalf by the President of the Board.

Short title.

6. This Act may be cited as the Cunard (Insurance) Agreement Act, 1930.

SCHEDULE.

DRAFT of an AGREEMENT between the CUNARD STEAM SHIP COMPANY LIMITED and the BOARD OF TRADE with respect to the insurance by or on behalf of the Board of Trade of two passenger vessels to be constructed by the Company.

AN AGREEMENT made the day of 1930 between The Cunard Steam Ship Company Limited hereinafter referred to as "the Company" (whose registered office is at Cunard Building Liverpool) of the one part and the Board of Trade of the other part.

Whereas the Company are desirous of ordering the building in Great Britain of a passenger vessel of exceptional value and may hereafter be desirous of ordering the building of another similar vessel but are unwilling to order the building of either vessel until satisfied that they will be able to obtain and maintain sufficient insurances on or in respect of the said vessels against construction risks and ordinary marine risks on reasonable terms.

And whereas the Company have requested the Board of Trade to agree to grant or provide insurances for such part of the value of the said vessels as the Company may from time to time be unable to insure in the open market on reasonable terms.

And whereas the Board of Trade have with the consent of the Treasury expressed their readiness subject to the sanction of Parliament to grant or provide insurances in the events and on the terms and conditions hereinafter appearing:

Now it is hereby agreed as follows:—

Construction risk insurances.

1.—(1) If the Company and the builders shall be unable to place in the open market insurances against construction risks on or in respect of the first vessel sufficient to cover the cost of the said vessel on payment of premiums at a gross rate not exceeding the gross rate of premium hereinafter specified, the Board of Trade at the request in writing of the Company shall, subject as hereinafter provided, grant or provide effective insurances against construction risks in the joint names of the Company and the builders to cover their respective interests in the said vessel in a sum not exceeding

the balance of the cost of the said vessel remaining uncovered on the same terms and conditions as the insurances placed in the open market on payment to the Board by or on behalf of the Company of premiums as provided in clause 3 hereof.

(2) " Construction risks " means the risks which would be covered by an ordinary Lloyds policy subject to the Institute Clauses for Builders Risks and other clauses set forth in the pro forma policy identified by the signatures of the Solicitors to the Board of Trade and the Company.

(3) " Cost " means the full price payable by the Company in respect of the construction and equipment of the said vessel.

(4) " The gross rate of premium " shall be a rate of one and one half per centum for a period of three years and in the event of the vessel not being delivered to and accepted by the Company within three years from the laying of her keel of an additional sixpence per centum per month for each month or part thereof beyond the said three years until her delivery and acceptance.

Marine insurances.

2.—(1) If at any time the Company shall be unable to place in the open market insurances against ordinary marine risks on or in respect of the first vessel sufficient to cover the value of the said vessel on the terms hereinafter referred to and at reasonable rates of premium, the Board of Trade at the request in writing of the Company shall, subject as hereinafter provided, grant to or provide for the Company effective insurances on or in respect of the said vessel in a sum not exceeding the balance of the value remaining uncovered on the same terms and conditions as the corresponding insurances placed in the open market on payment to the Board by the Company of premiums as provided in clause 3 hereof.

(2) The value shall be such sum as may be agreed from time to time between the Company and Lloyds underwriters and Insurance Companies representing the open market (hereinafter referred to as the Underwriters) with the consent of the Board of Trade and the registered mortgagee (if any) of the said vessel to be the aggregate amount of the total insurances to be placed on or in respect of the said vessel (excluding insurances on premiums) Provided that the consent of the Board of Trade shall not be required unless the value so agreed exceeds the standard value as hereinafter defined.

(3) The total insurances to be placed on or in respect of the said vessel shall be insurances either on all risk terms or on total loss only terms or may be distributed between the said two kinds of insurance in such proportion as may be agreed between the Company and the Underwriters with the consent of the Board of Trade.

(4) "All risk terms" means the terms and conditions contained in an ordinary Lloyds policy subject to the Cunard all risk clauses with such modifications as may from time to time be agreed between the parties hereto and the Underwriters.

(5) "Total loss only terms" means the terms and conditions contained in an ordinary Lloyds Policy subject to the Cunard freight and disbursements and excess value clauses with such modifications as may from time to time be agreed between the parties hereto and the Underwriters.

(6) Reasonable rates of premium shall be such gross rates of premium as shall be agreed to be reasonable between the parties hereto and the Underwriters or in default of agreement as shall be finally determined by the Chairman of the Corporation of Lloyds after consultation with the Committee of the said Corporation provided that:

(i) in determining what are reasonable rates of premium regard shall be had to the market rates then generally current for insurances upon high-class British ocean-going passenger vessels other than the vessels the subject of this agreement;

(ii) no rates shall be determined to be reasonable which exceed the current rates for similar insurances on the vessels forming the Company's fleet other than the vessels the subject of this agreement; and

(iii) in determining whether any rate of premium is reasonable having regard to any other rate, or whether it exceeds any other rate, all the other terms and conditions (including the valuations) of the insurances which are being compared shall be taken into consideration.

(7) If it shall be agreed that the total insurances on or in respect of the said vessel shall be in part on all risk terms and in part on total loss only terms, the proportion of the total of the insurances on all risk terms which the Board can be required to grant or provide shall not (except with the consent of the Board) exceed the proportion which the insurances on total loss only terms to be granted or provided by the Board bear to the total of the insurances on total loss only terms.

Premiums payable to Board of Trade.

3. In respect of any insurances granted or provided by the Board of Trade in pursuance of clauses 1 and 2 hereof there shall be paid to the Board by or on behalf of the Company (1) in respect of the insurances against construction risks, premiums at the gross rate of premium specified in clause 1 (4) hereof and (2) in respect of the insurances against ordinary marine risks, premiums at the respective gross rates payable in respect of the corresponding insurances placed in the open market with the

addition in both cases of two and one half per centum of the said gross rates and subject to deductions in both cases from the rates so augmented of

(*a*) discount at the same rate (if any) as is allowed by the underwriters upon the premiums payable in respect of the corresponding insurances placed in the open market;

(*b*) an allowance in lieu of share of brokerage at the same rate (if any) as is allowed by the insurance brokers to the Company or the builders, as the case may be, out of the brokerage received by them in respect of the premiums payable on the corresponding insurances placed in the open market.

Brokers' certificate.

4. Notwithstanding anything contained in clauses 1 and 2 hereof, the Board of Trade shall not be bound to grant or provide any insurances on or in respect of the first vessel unless the Company shall have furnished to the Board of Trade a certificate complying with the following conditions:—

(i) The certificate shall be prepared and signed by the insurance brokers of the Company, or in the case of insurances against construction risks, by the insurance brokers of the builders.

(ii) The certificate shall state that the maximum amount of insurance obtainable on the terms and conditions specified in clauses 1 or 2 hereof, as the case may be, has been placed in the open market.

(iii) The certificate shall specify the maximum amount so obtainable and the rates of premiums payable and the rates of discount and the share of brokerage allowed to the Company.

(iv) If required by the Board of Trade, the certificate shall be confirmed (save as to the share of brokerage allowed) by the Chairman of the Corporation of Lloyds.

Failure of market insurances.

5.—(1) In the event of the Company being wholly unable to place in the open market any insurances against ordinary marine risks on or in respect of the first vessel, the Board of Trade, at the request in writing of the Company, shall grant to or provide for the Company effective insurances on or in respect of the said vessel in a sum not less than the standard value (as hereinafter defined) on such reasonable terms and conditions as to rate of premium or otherwise as may be agreed between the parties hereto or in default of agreement as may be determined by arbitration in the manner hereinafter provided.

(2) In the event of the parties hereto being unable to agree as to the terms and conditions of the insurances to be granted or

provided by the Board of Trade under this clause, the question as to what are reasonable terms and conditions as to rates of premium or otherwise shall be referred to and determined by two arbitrators, one to be appointed by either party hereto, or, if the two arbitrators so appointed be unable to agree, by an umpire appointed by the said arbitrators:

Provided that (i) in determining what rate or rates of premium are reasonable the said arbitrators or umpire, as the case may be, shall have regard to the same considerations and be subject to the same limitation as the Chairman of the Corporation of Lloyds would have regard to or be subject to in determining reasonable rates of premium under clause 2 (6) hereof, and (ii) the determination of the said arbitrators or the umpire, as the case may be, shall be final and conclusive on all matters referred to them or him.

(3) In respect of any insurances granted or provided by the Board of Trade in pursuance of this clause, there shall be paid to the Board by the Company premiums at the rate or rates of premium so agreed or determined with the addition of two and one half per cent. of the said rate or rates subject to deduction from the rates so augmented of—

(*a*) discount at the same rate as would normally be allowed by underwriters upon similar insurances placed in the open market; and

(*b*) an allowance in lieu of share of brokerage at the same rate, if any, as would have been allowed by the insurance brokers to the Company out of the brokerage receivable by them if the insurances had been placed in the open market.

Ownership and class.

6. Notwithstanding anything hereinbefore provided the Board of Trade shall not be bound to grant or provide or to continue to grant or provide any insurances on or in respect of the first vessel at any time or in respect of any period of time (after delivery to and acceptance by the Company) when or during which the Company shall not be the registered owners of the vessel or when or during which the vessel shall not be maintained in Lloyds highest class for passenger vessels.

Definitions.

7 In this agreement—

"First vessel" means the first passenger vessel of an estimated value when completed exceeding four million pounds the building of which in Great Britain the Company shall have ordered within one year before or after the execution of this agreement;

"Open market" means the market reached through the ordinary insurance market channels in England; and

"Standard value" means the full price payable by the Company in respect of the construction and equipment of the first vessel less depreciation for each year at the rate of four per cent. on such price.

Second vessel.

8. If the Company shall enter into a contract for the building in Great Britain of a second similar vessel and shall satisfy the Board of Trade that the keel of that vessel will be laid within six years from the execution of this agreement the provisions of this agreement shall mutatis mutandis apply to the insurances of that vessel.

CHAPTER 3.

An Act to raise to seventy million pounds the limit on the amount of the advances by the Treasury to the Unemployment Fund which may be outstanding during the deficiency period.

[19th December 1930.]

BE it enacted by the King'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:—

Increase of limit of Treasury advances. 11 & 12 Geo. 5. c. 1.

1. The limit on the amount of the advances to be made by the Treasury to the Unemployment Fund under section five of the Unemployment Insurance Act, 1921, as amended by subsequent enactments, which may be outstanding during the deficiency period, shall be raised to seventy million pounds.

Short title, extent and repeal.

2.—(1) This Act may be cited as the Unemployment Insurance (No. 4) Act, 1930, and shall be included among the Acts which may be cited together as the Unemployment Insurance Acts, 1920 to 1930.

(2) This Act shall not extend to Northern Ireland.

(3) The Unemployment Insurance (No. 3) Act, 1930, is hereby repealed. 20 & 21 Geo. 5. c. 47.