CHAPTER xii.

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An Act to provide for the better administration of the Merchant Company Hospitals and Schools in the City of Edinburgh to constitute a General Board to create a Common Fund a Superannuation Fund and a Reserve Fund to confer further powers of administration and for other purposes. [14th May 1895.]

WHEREAS since the incorporation by Royal Charter in 1681 of the Company of Merchants of the city of Edinburgh there have been established in connexion with the said Company inter alia the following educational and other endowments (viz.) The Merchant Maiden Hospital George Watson's Hospital Daniel Stewart's Hospital and James Gillespie's Hospital and Free School:

And whereas the said endowment of the Merchant Maiden Hospital is held and administered under and in virtue of the provisions of (1) Contract between the governors of the said hospital as empowered by the contributors and Mary Erskine relict of James Hair druggist Edinburgh dated the twelfth and thirteenth days of March 1707 and recorded in the Burgh Court Books of Edinburgh the twenty-first day of February 1738 (2) Act of the Scottish Parliament dated the twenty-fifth day of March 1707 (3) Provisional Order dated the third day of June 1870 made under the powers contained in the Endowed Institutions (Scotland) Act 1869 (4) Statutes and rules made by the governors of the said hospital 1883 and (5) Scheme made under the Educational Endowments (Scotland) Act 1882 approved by Her Majesty by Order in Council dated the seventeenth day of November 1888:

And whereas the said endowment of George Watson's Hospital is held and administered under and in virtue of the provisions of (1) Trust-disposition and settlement of George Watson merchant in Edinburgh dated the ninth day of February 1723 and codicil thereto dated the fifteenth day of February 1723 both registered in the Books of Council and Session the ninth day of April 1723

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(2) Declaration by the original trustees dated the first day of May 1724 containing the fundamental articles of the said George Watson's Hospital (3) Act of Parliament (private) 15 Vict. cap. 7 (4) Provisional Order dated the third day of June 1870 made under the powers contained in the said Endowed Institutions (Scotland) Act 1869 (5) Statutes and rules made by the said Company of Merchants of the City of Edinburgh and governors of the said George Watson's Hospital 1883 and (6) Scheme made under the said Educational Endowments (Scotland) Act 1882 approved by Her Majesty by Order in Council dated the seventeenth day of November 1888:

And whereas the said endowment of Daniel Stewart's Hospital is held and administered under and in virtue of the provisions of (1) Trust-disposition and settlement of Daniel Stewart of the Exchequer Edinburgh dated the 3rd day of May 1811 and codicil thereto dated the thirteenth day of February 1813 both registered in the said Books of Council and Session the seventh day of June 1814 (2) Act of Parliament (private) 23 and 24 Vict. cap. 2 (3) Provisional Order dated the third day of June 1870 made under the powers contained in the said Endowed Institutions (Scotland) Act 1869 (4) Statutes and rules made by the governors of the said Daniel Stewart's Hospital 1883 and (5) Scheme made under the said Educational Endowments (Scotland) Act 1882 approved by Her Majesty by Order in Council dated the seventeenth day of November 1888:

And whereas the said endowment of James Gillespie's Hospital and Free School is held and administered under and in virtue of the provisions of (1) Trust-disposition and settlement by James Gillespie of Spylaw dated the sixteenth day of April 1796 and registered in the said Books of Council and Session the twelfth day of April 1797 (2) Royal Charter incorporating the governors of the said James Gillespie's Hospital and Free School dated the nineteenth day of April 1801 (3) Provisional Order dated the third day of June 1870 made under the powers contained in the said Endowed Institutions (Scotland) Act 1869 (4) Statutes and rules made by the governors of the said James Gillespie's Hospital and Free School 1883 and (5) Scheme made under the said Educational Endowments (Scotland) Act 1882 approved by Her Majesty by Order in Council dated the seventeenth day of November 1888:

And whereas each of the said endowments is held and administered by a separate governing body as follows (viz.) The Merchant Maiden Hospital by a governing body consisting of the master treasurer and two assistants of the said Company of Merchants nine former assistants elected by the said Company five members of the town

council of Edinburgh three ministers of the city of Edinburgh and suburbs the Earl of Mar and the honorary treasurer of the said Merchant Maiden Hospital George Watson's Hospital by a governing body consisting of the master treasurer and twelve assistants of the said Company of Merchants five members of the said town council the minister of the Old Church of Edinburgh and the honorary treasurer of the said George Watson's Hospital Daniel Stewart's Hospital by a governing body consisting of the master treasurer and twelve assistants of the said Company of Merchants and James Gillespie's Hospital and Free School by a governing body consisting of the master treasurer and twelve assistants of the said Company of Merchants five members of the said town council the minister of St. Stephen's Church and the minister of Tolbooth Church both in Edinburgh:

And whereas the master of the said Company of Merchants is preses of the governing body of each of the said endowments and the said endowments are closely allied to one another not only in management and administration but also with the exception of the pension scheme for old men and women in connexion with James Gillespie's Hospital in their general scope and educational work:

And whereas there was instituted under the said Provisional Orders of 1870 a general board of consultation in connexion with the said endowments called "The Merchant Company Hospitals Board" and consisting of the master and the treasurer of the said Company and the convener of the education committee of each of the said endowments:

And whereas there was instituted in 1881 and so far as the said endowments are concerned provided for in the said statutes and rules of 1883 a general finance committee called "the treasurers committee" consisting of the master and the treasurer of the said Company the honorary treasurers of each of the said endowments and one member of the governing board of each of the said endowments:

And whereas it is expedient that the said Merchant Company Hospitals Board and so far as the said endowments are concerned the said treasurers committee should cease to exist and that in lieu thereof there should be established one general board in connexion with the said endowments with the powers of the said hospitals board and treasurers committee and certain other powers as in this Act mentioned:

And whereas it is expedient that provision should be made for the establishment of a common fund consisting of the excess of revenue over expenditure of the said endowments or any of them ascertained at the close of each financial year and for applying the

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said common fund or such part thereof as may be necessary in meeting a deficiency on the annual accounts of the said endowments or any of them as also ascertained at the close of each financial year and for holding the balance to be applied as in this Act directed:

And whereas it is expedient that provision should be made for the establishment of a superannuation fund for head teachers lady superintendents assistant teachers and other employees in the schools of the endowments and for officers and other employees in connexion with the management and administration of the endowments as in this Act provided:

And whereas the said objects and certain other objects provided for in this Act 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 for all purposes as the Edinburgh Merchant Company Endowments Act 1895.

Interpretation.

2. The following words and expressions in this Act shall have the meanings hereby assigned to them unless there be something in the subject or context repugnant to such construction:—

"The Merchant Company" means the Company of Merchants of the city of Edinburgh incorporated by Royal Charter in the year 1681:

"The Merchant Company hospitals and schools" mean and include the following educational and other endowments established in connexion with the Merchant Company (namely) The Merchant Maiden Hospital George Watson's Hospital Daniel Stewart's Hospital and James Gillespie's Hospital and Free School:

"The endowments" mean the endowments of the Merchant Company hospitals and schools and "endowment" when separately referred to means the endowment to which the same is stated to apply:

"The Contracts Acts and Orders" respectively mean the following (namely):—

(1.) Contract between the governors of the said Merchant Maiden Hospital as empowered by the contributors and Mary Erskine relict of James Hair druggist Edinburgh dated the twelfth and thirteenth days of March 1707 and recorded in the Burgh Court Books of Edinburgh the twenty-first day of February 1738;

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(2.) Act of the Scottish Parliament ratifying the constitution of the said hospital dated the twenty-fifth day of March 1707;

(3.) Provisional Order to the governors of the said hospital dated the third day of June 1870 made under the powers contained in the Endowed Institutions (Scotland) Act 1869;

(4.) Statutes and rules made by the governors of the said hospital 1883;

(5.) Scheme for the administration of the said hospital made under the Educational Endowments (Scotland) Act 1882 approved by Her Majesty by Order in Council dated the seventeenth day of November 1888;

(6.) Trust-disposition and settlement of George Watson merchant in Edinburgh dated the ninth day of February 1723 and codicil thereto dated the fifteenth day of February 1723 both registered in the Books of Council and Session the ninth day of April 1723;

(7.) Declaration by the original trustees for the said George Watson's Hospital dated the first day of May 1724;

(8.) Act of Parliament (private) 15 Vict. cap. 7 intituled "An Act to explain and amend the powers of the "governors of the hospital in Edinburgh founded by "George Watson merchant burgess of Edinburgh";

(9.) Provisional Order to the governors of George Watson's Hospital dated the third day of June 1870 made under the powers contained in the said Endowed Institutions (Scotland) Act 1869;

(10.) Statutes and rules made by the Merchant Company and governors of the said George Watson's Hospital 1883;

(11.) Scheme for the administration of the said last-mentioned hospital made under the said Educational Endowments (Scotland) Act 1882 approved by Her Majesty by Order in Council dated the seventeenth day of November 1888;

(12.) Trust-disposition and settlement of Daniel Stewart of the Exchequer Edinburgh dated the third day of May 1811 and codicil thereto dated the thirteenth day of February 1813 both registered in the said Books of Council and Session the seventh day of June 1814;

(13.) Act of Parliament (private) 23 and 24 Vict. cap. 2 intituled "An Act to incorporate the governors of the "hospital in Edinburgh founded by Daniel Stewart and "to amend and explain his trust settlement";

(14.) Provisional Order to the governors of the said Daniel Stewart's Hospital dated the third day of June 1870

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made under the powers contained in the said Endowed Institutions (Scotland) Act 1869;

(15.) Statutes and rules made by the governors of the said Daniel Stewart's Hospital 1883;

(16.) Scheme for the administration of the said last-mentioned hospital made under the said Educational Endowments (Scotland) Act 1882 approved by Her Majesty by Order in Council dated the seventeenth day of November 1888;

(17.) Trust-disposition and settlement by James Gillespie of Spylaw dated the sixteenth day of April 1796 and registered in the said Books of Council and Session the twelfth day of April 1797;

(18.) Royal Charter incorporating the governors of the said James Gillespie's Hospital and Free School dated the nineteenth day of April 1801;

(19.) Provisional Order to the governors of the said James Gillespie's Hospital and Free School dated the third day of June 1870 made under the powers contained in the said Endowed Institutions (Scotland) Act 1869;

(20.) Statutes and rules made by the governors of the said James Gillespie's Hospital and Free School 1883;

(21.) Scheme for the administration of the said James Gillespie's Hospital and Free School made under the said Educational Endowments (Scotland) Act 1882 approved by Her Majesty by Order in Council dated the seventeenth day of November 1888:

"The governing bodies" or "governors" mean the governing bodies constituted by the Contracts Acts and Orders and the expression "the governing body" or "governors" when used in relation to any particular hospital or school means the governing body or governors of that hospital or school:

"The hospitals board" means the Merchant Company Hospitals Board constituted by the Contracts Acts and Orders:

"The treasurers committee" means the treasurers committee constituted by the Contracts Acts and Orders:

"The Board" means the Merchant Company Endowments Board constituted by this Act:

"Clerical members": mean the elected and ex officio members from the ministers who are qualified to be governors in terms of the Contracts Acts and Orders:

"Town council members" mean members elected from the town council of Edinburgh in terms of the Contracts Acts and Orders:

"Common fund" means the common fund created by this Act:

"Superannuation fund" means the superannuation fund authorised by this Act:

"Reserve fund" means the reserve fund authorised by this Act:

"The Education Department" means the Scotch Education Department:

"Actuary" means a fellow of the Faculty of Actuaries in Scotland incorporated by Royal Charter.

Date of Act coming into operation.

3. This Act shall except where otherwise provided come into operation on the thirty-first day of August one thousand eight hundred and ninety-five.

Amendment of Acts &c.

4. The Contracts Acts and Orders shall be and the same are hereby amended in so far as may be necessary for giving effect to the provisions of this Act but the rights and powers of the governing body of each endowment as at present exercised shall remain entire except in so far as the same are amended by or are inconsistent with the provisions of this Act.

Dissolution of hospitals board and treasurers committee.

5. The members of the hospitals board and in so far as representing the endowments the members of the treasurers committee shall continue in office and shall have and possess and be entitled to exercise their present powers respectively until the first Thursday of December one thousand eight hundred and ninety-five on which date the hospitals board and so far as representing the endowments the treasurers committee shall be dissolved and shall cease to exist.

Constitution of general board.

6. On the first Thursday of December one thousand eight hundred and ninety-five there shall be established a general board in connexion with the endowments to be called "The Merchant Company Endowments Board" which shall consist of fifteen members constituted and elected as follows (that is to say):—

(1.) The master of the Merchant Company for the time being ex officio;

(2.) One member to be elected by the governors of the Merchant Maiden Hospital from among the clerical members of that board;

(3.) One member to be elected by the governors of George Watson's Hospital and James Gillespie's Hospital and Free School jointly from among the clerical members of those two boards;

(4.) One member to be elected by the governors of the Merchant Maiden Hospital from among the town council members of that board;

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(5.) Two members to be elected by the governors of George Watson's Hospital from among the town council members of that board;

(6.) One member to be elected by the governors of James Gillespie's Hospital and Free School from among the town council members of that board;

(7.) Two members each to be elected by the governors of the Merchant Maiden Hospital the governors of George Watson's Hospital the governors of Daniel Stewart's Hospital and the governors of James Gillespie's Hospital and Free School respectively from among the members of their respective boards other than the clerical members and the town council members.

Election of members of Board.

7. The election of members to the Board shall take place annually at meetings of the governing bodies respectively as reconstituted for the ensuing year and which shall be held not sooner than the date of the annual meeting of the Merchant Company in the second week of November and not later than the first Thursday of December following and the first election shall take place during the aforesaid period in the year one thousand eight hundred and ninety-five and the members to be then elected and to be elected during the corresponding period in each succeeding year shall continue in office until the first Thursday of December in the year following that in which they are elected and shall be eligible for re-election if otherwise qualified under this Act.

Vacancies to be filled up.

8. In the event of any vacancy occurring at any time by death resignation or otherwise among the elected members of the Board the governing body or governing bodies which elected the person whose office has become vacant shall elect another person from the same class to supply such vacancy at a meeting of such governing body or governing bodies to be held not sooner than two weeks nor later than six weeks after such vacancy shall have occurred and the person so elected shall continue in office until the first Thursday of December following his election and shall be eligible for re-election if otherwise qualified under this Act.

Incorporation of Board.

9. The first and all subsequent members of the Board shall be and are hereby incorporated under the aforesaid name of "The Merchant Company Endowments Board" and by that name shall have perpetual succession and a common seal and may sue and be sued and may purchase acquire hold and dispose of lands and other property real and personal for the purposes of this Act and shall have all the other privileges of a body corporate Provided always that all deeds and other writings sealed by the corporate seal and

signed by any two members of the Board and the secretary or clerk of the Board shall be held to be validly executed on behalf of the Board.

Chairman of Board.

10. The master of the Merchant Company for the time being shall be chairman of the Board but in his absence from any meeting a chairman of the meeting shall be chosen for the time from among the members present The chairman of every meeting shall have a deliberative vote and also a casting vote in all cases of equality of votes.

Meetings to be called by billet.

11. The first meeting of the Board shall be called by billet issued by the master of the Merchant Company and all subsequent meetings shall be authorised by the Board or in the absence of any direction by the Board shall be authorised by the chairman of the Board and in either case shall be called by billet issued by the clerk or secretary of the Board for the time being and posted at least two days before the date of meeting At every meeting of the Board seven members shall be a quorum and may exercise and carry out the powers authorities and functions of the Board.

Committees of Board.

12. The Board may from time to time appoint committees of their number and conveners of such committees and may commit to such committees all such powers and give them such instructions as may appear to the Board expedient and a majority of the members of each such committee shall be a quorum.

Proceedings not to be invalidated.

13. No proceedings of the Board or of any committee shall be invalidated or be illegal in consequence of there being any vacancy in the number of members of the Board at the time of such proceeding or in respect of any informality in the election of the Board or of any member thereof.

Appointment of officers.

14. The Board may appoint all such officers and other persons as they may deem necessary for carrying into effect the provisions of this Act and may prescribe their duties and fix the amount of their respective salaries and remuneration All officers and other persons employed by the Board shall hold their appointments at the pleasure of the Board.

Suspense accounts to be closed.

15. The separate suspense account of the governing body of each endowment existing at the passing of this Act shall be closed on the thirty-first day of August one thousand eight hundred and ninety-five and the balance if any at the credit of such suspense account shall thereupon be transferred to and form part of the ordinary stock or capital of the endowment to which it belongs.

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Payments to superannuation fund.

16. In the event of the balances added to the ordinary stock or capital of the endowments in virtue of the provisions of the immediately preceding section amounting in cumulo to ten thousand pounds or upwards the governing bodies may on the superannuation fund being established pay or transfer to the Board for behoof of the superannuation fund a sum not exceeding seven thousand five hundred pounds and in the event of the balances added to the ordinary stock or capital of the endowments as aforesaid amounting in cumulo to less than ten thousand pounds the governing bodies may on the superannuation fund being established pay or transfer to the Board for behoof of the superannuation fund a sum not exceeding three fourth parts of the total amount of such balances as such sum in either case may be fixed by a resolution of a joint meeting of the governing bodies which sum so fixed shall be paid or transferred by the respective governing bodies out of the funds of the endowments rateably according to the amount of their respective capital stocks including the value of their heritable property as appearing in the respective capital accounts last made up previous to the date of such payment or transference.

Creation of common fund.

17. On the said thirty-first day of August one thousand eight hundred and ninety-five there shall be established in lieu of the separate suspense account for each endowment and thereafter maintained a common fund applicable to all the endowments consisting of the excess of revenue over expenditure of the endowments or any of them as the same may be ascertained and fixed by a certificate under the hand of the accountant-auditor to the endowments for the time being at the close of each financial year commencing with and including the close of the financial year in one thousand eight hundred and ninety-five and the governing bodies are hereby authorised and empowered to pay and transfer and shall from time to time pay and transfer such excess of revenue over expenditure as soon as the same is ascertained and fixed as aforesaid to the Board to be held managed administered and applied by the Board as in this Act directed Provided always that during the period which shall intervene between the respective dates for making the first payments to the common fund and the date of the establishment of the Board the amounts of such payments shall be placed and remain on deposit-receipt in any bank having its head office in Scotland in the joint names of the master and the treasurer both of the Merchant Company for the time being for behoof of the Board and to be paid over to the Board Provided further that the receipt of the master and the treasurer of the Merchant Company for the aforesaid first payments to the common fund and the receipt

of the chairman and the chamberlain of the Board for all subsequent payments thereto shall be a sufficient discharge to the respective governing bodies making such payments.

Application of common fund and creation of reserve fund.

18. The common fund shall be held managed administered and applied by the Board in manner following (that is to say):—

(1.) For payment of the expenses to be incurred by the Board in carrying this Act into effect and administering the same other than the expenses of and connected with the superannuation fund which shall be borne by that fund;

(2.) For payment of the whole or such part as the Board may deem expedient of any deficiency on the annual accounts of the endowments or any of them as the same may be ascertained and fixed by a certificate under the hand of the accountant-auditor to the endowments for the time being at the close of each financial year commencing with and including the close of the financial year in one thousand eight hundred and ninety-five Provided always that with the exception of any deficiency which may be ascertained and fixed at the close of the financial year in one thousand eight hundred and ninety-five such deficiency has arisen in accordance with an estimate of income and expenditure previously approved by the Board or in consequence of special expenditure to which the previous consent of the Board was obtained or in respect of any other cause which the Board in its discretion may regard as a sufficient justification of such deficiency Provided further that after the superannuation fund is established the Board shall only make such payments towards deficiencies on the annual accounts in any year as shall leave a sufficient sum available to meet the necessary annual grant or contribution on behalf of the endowments to the superannuation fund;

(3.) For payment of an annual grant or contribution from the endowments to the superannuation fund but such annual grant or contribution shall not exceed five per cent. of the total amount of the salaries or other remuneration paid during the immediately preceding financial year of the endowments to those persons who shall have become contributors to the superannuation fund as herein-after provided for; and

(4.) For the formation as soon as conveniently may be of a reserve fund for the endowments which fund shall be formed and maintained of such amount from time to time as the Board may consider necessary and shall be held by the Board for the purpose of meeting extraordinary expenditure in connexion with the renewal of buildings and appliances or otherwise for

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the benefit of the endowments or any of them in so far as such extraordinary expenditure cannot be met by the revenues of the respective endowments and the Board may from time to time vote such sums as it may deem expedient out of the reserve fund to the respective governing bodies for the above purpose.

Further application of common fund.

19. Any sums which may remain after providing for the purposes of the immediately preceding section shall be held managed administered and applied by the Board in the manner and in the order following (that is to say) :—

(1.) For the promotion of the objects for which the endowments are at present held by the several governing bodies in like manner as these endowments are at present held managed administered and applied by the several governing bodies under their Contracts Acts and Orders and thereafter in the event of any sum remaining after satisfying the said objects ;

(2.) For the promotion of secondary education in the city of Edinburgh according to such scheme as may on the application of the Board be approved by the Education Department or according to such amended scheme as may from time to time on the application of the Board be also approved by the Education Department which Department is hereby authorised and empowered to approve of such original or amended schemes subject to such alterations thereon as it may consider necessary.

Superannuation fund.

20. The Board may if and when it thinks fit having regard to the financial condition of the endowments and of the common fund established by this Act establish a fund for the payment of superannuation allowances to any head teachers lady superintendents assistant teachers and other employees in the schools of the endowments and any officers and other employees in connexion with the management and administration of the endowments as the Board may from time to time in its absolute discretion determine and such superannuation fund shall be made up as follows (that is to say) :—

(1.) The sum if any which may be paid or transferred as herein-before provided by the governing bodies to the Board on the establishment of the superannuation fund for behoof of that fund ;

(2.) An annual grant or contribution on behalf of the endowments to be paid out of the common fund as herein-before provided and which grant or contribution shall be paid by being transferred by the Board from the common fund to the superannuation fund as at the first day of February in each year

commencing with the first day of February immediately following the date of the establishment of the superannuation fund for the first year of that fund and so forth in each year thereafter;

(3.) An annual contribution by every contributor to the superannuation fund not exceeding five per cent. on the amount of such contributor's salary or other remuneration from the endowments and which contribution shall be deducted in four equal portions from the quarterly payments of the salary or other remuneration of such contributor and shall be paid over to the superannuation fund commencing the first deduction and payment on the payment to such contributor of the first quarter's salary after he or she shall become a contributor to the superannuation fund and thereafter quarterly so long as such contributor shall remain in the employment of the governing bodies or any of them; and

(4.) The interest and other revenue accruing on the respective contributions to the superannuation fund and any accumulations thereof.

Contributors to superannuation fund.

21. Subject to the provisions of this Act it shall be obligatory on all persons who may after the passing of this Act enter the employment of the governing bodies or any of them and whose remuneration shall consist wholly or partly of salary to become contributors to the superannuation fund on the same being established under the provisions of this Act Provided always that subject to the provisions of this Act all persons who are at the passing of this Act in the employment of the governing bodies or any of them and whose remuneration consists wholly or partly of salary or any of such persons may with consent of the Board within one year from the superannuation fund being established become contributors and upon so becoming contributors it shall be obligatory on all such persons to contribute to the said fund in the same way as the other contributors Provided further that the Board may at any time admit any person in the employment of the governing bodies or any of them who may not have become a contributor to the said fund under the provisions of this Act to be a contributor and that on such terms as the Board may think fit.

Power to grant certain retiring allowances to cease.

22. The power of the governing bodies respectively under the Contracts Acts and Orders to grant retiring allowances to head teachers and lady superintendents shall as regards all appointments of head teachers and lady superintendents made after the date when any superannuation fund is established under the provisions of this Act cease and determine Provided always that for the purposes of

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this section any transfer made after the said date from one school to another school of any such head teacher or lady superintendent in the employment of the governing bodies or any of them at the said date shall be deemed to be an appointment made prior thereto.

Application of superannuation fund.

23. The superannuation fund shall subject to the provisions of this Act be held managed administered and applied by the Board in manner following (that is to say):—

(1.) For payment of the expenses to be incurred by the Board in establishing maintaining managing and administering the superannuation fund and in connexion therewith;

(2.) For payment of superannuation allowances;

(3.) For repayment if authorised by the regulations which may be framed and approved in virtue of the provisions of this Act to any contributor ceasing to be in the service of the governing bodies or any of them before the age at which he or she would have become entitled to a superannuation allowance of the whole or any part of his or her own contributions to the fund; and

(4.) For payment if authorised by such regulations to the representatives of any contributor dying either before or after such contributor has become entitled to a superannuation allowance of the whole or any part of such contributor's own contributions to the fund.

Board to make regulations.

24. The Board shall if they determine to establish a superannuation fund from time to time subject to the provisions of this Act and with the approval of the Education Department make regulations for the management and administration of the fund and may subject as aforesaid rescind alter extend or vary such regulations or any part or parts thereof and shall by such regulations provide for the following among other matters and things (that is to say):—

(1.) The amount of the contribution to the superannuation fund by any person who under this Act shall become a contributor;

(2.) What (if anything) shall disqualify any person from becoming a contributor to the fund and from participating in the benefits thereof;

(3.) Under what circumstances any person who has contributed to the fund shall cease to be a contributor and to be entitled to participate in the benefits thereof;

(4.) The age at which or other circumstances in which a person shall become entitled to a superannuation allowance;

(5.) The scale by which the amount of the superannuation allowance shall be regulated;

(6.) For enabling the Board to advise with and receive suggestions from the contributors and for carrying into effect such purposes;

(7.) Whether any contributor ceasing to be in the service of the governing bodies or any of them before the age at which he or she would have become entitled to a superannuation allowance should receive back the whole or any part (and if so to determine the amount) of his or her own contributions to the fund and to provide in such cases that such contributor should have no further claim upon the superannuation fund;

(8.) Whether the representatives of any contributor dying either before or after such contributor has become entitled to a superannuation allowance shall be entitled to receive payment of the whole or any part (and if so to determine the amount) of such contributor's own contributions to the fund;

(9.) To provide for all such other matters in relation to the management and administration of the superannuation fund as the Board shall deem fit and proper:

Provided always that a copy of any such proposed regulations shall not less than twenty-eight days before application for the approval thereof shall be made to the Education Department be sent by the secretary or clerk of the Board to every person then in the employment of the governing bodies or any of them who may under the provisions of this Act become a contributor to the superannuation fund and the Education Department before approving of any such regulations shall consider any representations made to them by any such person.

Superannuation allowances alimentary.

25. The superannuation or other allowances which may become payable to the contributors to the superannuation fund in virtue of the provisions of this Act shall be held and deemed to be purely alimentary and shall not be assignable by them or liable to be arrested or otherwise affected or attached by their creditors nor shall such superannuation or other allowances be subject to the jus mariti and right of administration or any other right of any husband whom a contributor may marry or be liable to his debts or deeds but the same shall be payable to each contributor entitled to the same upon his or her own receipt notwithstanding such assignation arrestment attachment or marriage which receipt shall sufficiently exonerate the Board.

Separate accounts to be kept.

26. The Board shall cause full and separate accounts applicable to the common fund the reserve fund and the superannuation fund respectively to be kept of the capital income and expenditure vested in received and expended by the Board under this Act in such form

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and manner as the Education Department shall from time to time prescribe and after the accounts have been examined and passed by the Board an abstract thereof in such form as the Education Department shall from time to time prescribe shall be transmitted to that Department and after such audit as herein-after provided shall be published by the Board in such manner as the Education Department may also from time to time prescribe.

Audit.

27. A duly qualified accountant shall annually as at a date to be fixed by the Board examine and check and report upon the whole accounts of the Board which accounts shall also be audited on behalf of the Education Department at the expense of the Board in such manner as that Department may from time to time prescribe.

Abstract to be printed and circulated.

28. An abstract of the whole accounts of the Board shall be printed and circulated annually among the members of the Merchant Company and the governors and copies shall be supplied to any Government officer or inspector requiring the same An abstract of the accounts of the superannuation fund shall also be printed and circulated annually among the contributors to that fund.

Valuation of assets and liabilities of superannuation fund.

29. A valuation of the assets and liabilities of the superannuation fund shall be made from time to time at intervals of not less than three years and not more than seven years by an actuary appointed by the Board.

Regulations and reports to be supplied to contributors.

30. The Board shall supply a copy of any regulations for the time being in force under this Act gratuitously or at a price not exceeding sixpence to any contributor to the superannuation fund and shall supply gratuitously or at a price not exceeding two shillings to any such person a copy of the report upon the actuarial investigation which may be made of the superannuation fund from time to time.

Investments of funds.

31. The Board may invest the funds or any part of them held under and for the purposes of this Act in the same way and manner as the governing bodies respectively may invest their funds under the Contracts Acts and Orders (that is to say) In the purchase of any of the Government funds of the United Kingdom or India or heritable or real property or feu duties or annual rents in Scotland or stock of the Bank of England or stocks or shares of any Indian Railway guaranteed by the Indian Government or debentures or debenture stocks or preference or guaranteed stocks of any railway of the United Kingdom paying dividend on its ordinary stock or in lending the same on the security of heritable or real property in Scotland or of rates or assessments levied by authority of Act of

Parliament or on the security of any of the investments before mentioned or on deposit receipt in any bank having its head office in Scotland and may vary and change all such investments at the discretion of the Board And the Board may lend to or borrow from the endowments or any of them upon simple receipts. A.D. 1895.

Powers of Board.

32. The Board shall have and may subject to the provisions of this Act and in addition to the other powers conferred by this Act exercise all or any of the following powers (that is to say) :—

(1.) To supervise the income and expenditure of the endowments and to make to the respective governing bodies any recommendation as to the best and most economical manner of managing and administering the endowments;

(2.) To prepare and adjust annually at such date as may be fixed by the Board but so as that the estimates shall be submitted to the governing bodies as after provided before the prospectuses of the schools of the endowments for the ensuing session are issued estimates of income and expenditure of the respective endowments for the ensuing financial year which estimates shall be submitted to the respective governing bodies for their guidance in making their financial arrangements for such ensuing year;

(3.) To regulate the scale of tuition fees to be charged at the respective schools of the endowments so that the fees may be fixed with a due regard to the financial condition of all the endowments the interests of all the schools and the relative position of the schools inter se And to enable this power to be exercised the governing bodies shall obtain the consent of the Board from time to time to any alteration on the tables of tuition fees charged at the respective schools before such alteration is adopted;

(4.) To prepare and adjust annually for consideration by the governing bodies prospectuses of the schools of the endowments for the ensuing session;

(5.) To fix from time to time the duration of the school session and the holidays at each of the schools;

(6.) To make all arrangements necessary for conducting the examinations and competitions and for holding the exhibitions in connexion with the schools of the endowments including the appointment of examiners or inspectors other than the examiners or inspectors appointed or who may be appointed by or on behalf of the Education Department;

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(7.) To fix the amounts to be expended annually in the purchase of medals and books for prizes at the schools of the endowments and the nature and description of all such prizes as well as of forms for merit and other certificates;

(8.) To enter into contracts when such contracts are common to two or more of the endowments for the supply of prizes stationery coal and other articles and for the execution of printing lithographing and other works required in connexion with the endowments;

(9.) To audit annually the accounts of the hall and office accommodation of the endowments including expenses of management common to two or more of the endowments as well as the accounts of the official fee funds kept in connexion with the endowments and to prepare annually according to such principle or principles as may seem to the Board to be fair and reasonable a scheme of allocation of the charges and expenses of management of a common nature among the respective endowments;

(10.) To apportion the accommodation required for the various official departments in the offices of the endowments and to arrange in so far as the endowments are concerned for the building and furnishings of the offices being maintained in proper repair;

(11.) To appoint suspend and dismiss clerks and apprentices in the departments of secretary law agent and chamberlain or in the department of any other officer in the offices of the endowments to fix their respective salaries provided that the total amount thereof for each department shall not exceed the amount sanctioned by the governing bodies and to procure where considered necessary by the Board guarantees for the fidelity of such clerks and apprentices;

(12.) To report to the governing bodies upon any alterations suggested by such governing bodies or any of them or by the Board in regard to the terms of the appointment of any officers appointed or to be appointed in connexion with the management and administration of two or more of the endowments and when a vacancy occurs in the appointment of any such officer to make a special report to the governing bodies regarding the duties and emoluments of the office which has become vacant and as to any alterations considered necessary in making a new appointment and it shall not be lawful to the governing bodies or any of them to proceed to carry out any alterations

on the terms of appointment of such officers or to make a new appointment without first procuring and considering such report by the Board;

(13.) To fix the rate of interest which shall be charged and paid from time to time by the respective governing bodies on loans granted or which may be granted by one endowment to another endowment and to report in regard to any re-arrangement which may from time to time be considered desirable of all such loans;

(14.) To report upon all other matters which may be remitted to the Board by the governing bodies or any of them; and

(15.) To make and alter or rescind and renew rules and regulations as the Board shall consider necessary at any time for conducting the business of the Board under this Act.

Saving as to James Gillespie's Hospital and Free School.

33. Nothing in this Act contained shall authorise the governing body of the endowment of James Gillespie's Hospital and Free School to pay or the Board to receive payment of any surplus from that endowment unless during the year in which such surplus has arisen the said governing body has expended a sum of not less than two thousand two hundred pounds sterling (in addition to any donations legacies or other sums received by the said governing body at any time after the first day of August one thousand eight hundred and ninety-four to be held in trust and applied for the benefit of old men and women or either of them) in pensions to old men and women who are now or may become foundationers as such expenditure shall be certified by a statement under the hand of the accountant-auditor of the said endowment for the time being nor shall anything in this Act contained limit the powers of the governing body of the said endowment of James Gillespie's Hospital and Free School with respect to pensions.

Saving tenure of appointments.

34. Nothing in this Act contained shall alter in any way the tenure of office of any person at present holding or who may hereafter hold office under the governing bodies or any of them or under the head teachers or any of them.

Board may receive donations.

35. The Board may receive any donations or endowments for the purposes of this Act or any of them and they may also receive donations or endowments for any special objects which shall not be inconsistent with or calculated to impede the due working of the provisions of this Act.

Costs.

36. The costs charges and expenses of preparing for obtaining and passing this Act and incident thereto shall be paid by the

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respective governing bodies out of the funds of the endowments rateably according to the amount of their respective capital stocks including the value of their heritable property as appearing in the respective capital accounts last made up previous to the passing of this Act.

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