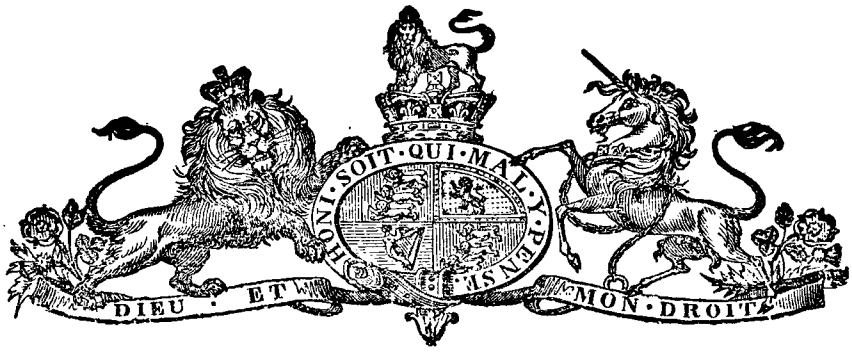


ANNO TRICESIMO & TRICESIMO PRIMO

VICTORIÆ REGINÆ.

****

CAP. CVIII.

An Act to provide for the Guarantee of Persons holding Situations of Trust under Government by Companies, Societies, or Associations.

[20th *August* 1867.]

WHEREAS Persons having Offices or Employments in the Public Service are frequently required to give Security by means of Sureties for the due Performance of the Duties of such Offices or Employments, and it is expedient that the Guarantee of Companies which comply with certain Conditions should be authorized to be accepted in lieu of such Sureties:

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:

Definitions of Terms.

1. The following Terms shall in this Act, unless the Context otherwise requires, have the Meanings hereby assigned to them; that is to say,

The Term "Company" shall mean and include any Company, Corporation, Society, or Association incorporated by Act of Parliament or by Royal Charter, or under any Act relating to Joint Stock Companies:

The Term "Directors" shall include the Managing Body of any Company:

The Term "Office or Employment in the Public Service" shall mean every Office or Employment which is remunerated out of

the

the Consolidated Fund, or out of Monies provided by Parliament, or out of or by Fees authorized by some Public Act of Parliament, or by some Order made thereunder:

The Term "the Treasury" shall mean the Lord High Treasurer or the Commissioners of the Treasury for the Time being.

Security for certain Officers may be accepted from Companies who comply with Conditions named hereafter.

2. Where any Person has any Office or Employment in the Public Service, and such Person is required to give Security by means of a Surety or Sureties for the due Performance of the Duties of such Office or Employment, the Head of Department or other Person or Persons in whom is vested the Discretion of determining the Nature, Amount, and Sufficiency of the Security (herein-after referred to as "the Employer") may, in the Exercise of such Discretion, accept as Security the Guarantee of any Company which complies with the Conditions contained in this Act, and which has received a Certificate from the Treasury as herein-after provided, and may fix in each Case the Amount to be guaranteed.

Conditions on which Guarantee of Company may be accepted.

3. The Conditions on which the Guarantee of a Company may be accepted under this Act are as follows:

(1.) The Capital which has been actually subscribed must not be less than Fifty thousand Pounds:

(2.) The Amount of Capital paid up must not be less than Twenty thousand Pounds:

(3.) The Company shall set aside a Special Fund of such Amount and invested in such Manner as is herein-after mentioned, and in any Case in which the Amount of Capital paid up shall be less than Thirty thousand Pounds, the First Ten thousand Pounds set aside for the Creation of such Special Fund shall be raised by new Calls on the existing Capital of the Company, or by Calls on new Capital created for that Purpose, or by both:

(4.) The Amount of any one Guarantee shall not exceed the Sums herein-after mentioned:

(5.) The Company shall within Three Weeks after their First Meeting in every Year send to the Treasury such List of the Members of the Company and Summary of Particulars as is required by the Twenty-sixth Section of The Companies Act, 1862, to be sent to the Registrar, and also a Copy of their Balance Sheet or Balance Sheets for the previous Twelvemonth, and a Statement of the Special Fund and of the other Funds of the Company, and of the actual State of Investment of such Funds, such Balance Sheet and Statement to be verified by the Auditor or Auditors of the Company.

Regulations as to Special Fund.

4. With respect to the Special Fund, the following Enactment shall be made:

(1.) The Special Fund shall be invested in the Public Funds or Government Securities of *Great Britain* or *Ireland* in the Name of such Three or more of the Directors of the Company as are from Time to Time named by the Treasury, and

and in the Matter of this Act, and the Dividends thereon shall be paid to the said Directors, but no Part of the Securities in which the Special Fund is invested shall be sold without the Consent of the Treasury, signified in Writing under the Hand of One of the Secretaries or Under Secretaries of the Treasury:

(2.) The Amount of the Special Fund shall not at the Time that any Guarantee of the Company is accepted in pursuance of this Act be less than Ten thousand Pounds, and in each Year after the Special Fund is formed a Sum of not less than One thousand Pounds out of the Assets or Income of the Company shall be added to the Special Fund, and invested as before mentioned until the Sum invested on account of the Special Fund amounts to Twenty thousand Pounds, and the said Fund may be further increased in such Manner as the Company may direct:

(3.) The Special Fund shall be liable, after the other Assets of the Company are exhausted, to meet all Claims under Guarantees given in pursuance of this Act, and all such Claims, whether accrued or contingent, shall be the sole Charge upon the Special Fund so long as there are any such Guarantees given by the Company.

Amount of Guarantee for any One Person.

5. The Amount which may be guaranteed under this Act in respect of any One Person shall not,—

(*a.*) If the Amount invested on account of the Special Fund in manner in this Act provided is less than Twenty thousand Pounds, exceed One thousand five hundred Pounds:

(*b.*) If the Amount so invested amounts to Twenty thousand Pounds and is less than Thirty thousand Pounds, exceed Three thousand Pounds:

(*c.*) If the Amount so invested amounts to Thirty thousand Pounds and is less than Fifty thousand Pounds, exceed Five thousand Pounds:

(*d.*) In any Case exceed Ten thousand Pounds:

And where any Guarantee has been given in respect of any One Person for a Sum exceeding Fifteen hundred Pounds, Three thousand Pounds, or Five thousand Pounds respectively, the Amount so invested on account of the Special Fund shall not during the Pendency of such Guarantee be reduced below Twenty thousand Pounds, Thirty thousand Pounds, or Fifty thousand Pounds respectively.

Form of Guarantee.

6. The Guarantee may be given by such Document under the Seal of the Company and in such Form as the Employer may direct, and it may be given either to Her Majesty, Her Heirs and Successors, or to the Employer, or to such Officer as the Employer may direct.

Amount of Loss may be certified.

7. Where a Company has given a Guarantee in pursuance of this Act with respect to any Person having an Office or Employment in the Public Service, and any Loss accrues owing to some Act or Default of such Person which constitutes a Breach of the Guarantee, the Employer may certify under his Hand the Amount due in respect

of

of such Loss from the Guarantor, and such Certificate shall be conclusive Evidence of such Amount being due from the Guarantor; and on Payment by the Company of the Amount specified in such Certificate all Rights and Remedies to which the Employer is or may be entitled on account of the Defaulter shall vest in the Company, and the Receipt of the Employer for the Amount paid shall be conclusive Evidence of such Payment.

Treasury may issue Regulations.

8. The Treasury may issue Regulations with respect to the Acceptance and Form of any Guarantee under this Act, and with respect to the Persons who are to give Certificates of Loss, and all such Regulations shall be binding on all such Persons having any Office or Employment in the Public Service, or on that Class of Persons to which they are made applicable.

Treasury may certify Compliance of Company.

9. The Treasury, on Proof to their Satisfaction that a Company complies with the Conditions required by this Act, may, if they shall think fit, give a Certificate to that Effect; such Certificate of Compliance shall be given under the Hand of One of the Secretaries of the Treasury, and shall be published in such Manner as the Treasury direct, and after such Publication the Company named therein shall be deemed to have complied with the Conditions of this Act.

Inspection of Accounts by Treasury, and Certificate of Non-compliance with Conditions.

10. The Treasury may from Time to Time appoint an Inspector, who may inspect and examine all the Accounts and Books of a Company who gives Guarantees under this Act, and may examine the Officers and Servants of such Company, and the Company shall pay to the Inspector such Remuneration as the Treasury may fix.

If any such Company obstruct such Inspector in his Inspection or Examination, or if, on the Report of an Inspector or otherwise, the Treasury are satisfied that any such Company does not comply with the Conditions of this Act, the Treasury may give a Certificate to that Effect; such Certificate shall be given and published in the same Manner as a Certificate of Compliance, and after the Date of the Publication thereof the Company named therein shall be deemed not to comply with the Conditions of this Act, and shall not give any Guarantees under this Act until the Treasury give them a Certificate of Compliance.

Not to affect Guarantees herein named.

11. Nothing in this Act contained shall affect the Right of giving or accepting any Guarantee in any Case where a Guarantee by a Company might be given or accepted without the Authority of Parliament.

Short Title.

12. This Act may be cited for all Purposes as "The Guarantee by Companies Act, 1867."

LONDON:
Printed by George Edward Eyre and William Spottiswoode,
Printers to the Queen's most Excellent Majesty. 1867.