



CHAPTER lxii.

An Act to extend the objects of and confer further powers on Lloyd's and to amend Lloyd's Act 1871. A.D. 1911.

[18th August 1911.]

WHEREAS by Lloyd's Act 1871 (in this Act referred to as "the Act of 1871") certain persons were united into a society or corporation for the purposes of that Act and were incorporated by the name of Lloyd's (which incorporated body was in the Act of 1871 and is in this Act referred to as "the Society") and various powers were conferred on the Society by the said Act:

And whereas by the Act of 1871 the objects of the Society were declared inter alia to be the carrying on of the business of marine insurance by members of the Society and the protection of the interests of members of the Society and the collection publication and diffusion of intelligence and information:

And whereas further powers were conferred on the Society and further provisions made with reference to the Society by Lloyd's Act 1888 and Lloyd's Signal Stations Act 1888:

And whereas the members of the Society have in the past carried on at Lloyd's insurance business other than marine insurance and it is expedient that the objects of the Society should be extended to the carrying on of the business of insurance other than marine insurance by members of the Society and that further powers should be conferred on the Society and the Committee of Lloyd's as hereinafter in this Act provided:

And whereas by the Act of 1871 it was directed that the capital stock of the Society should be transferred to and kept in the names of four members of the Society as trustees for the members of the Society and such capital stock now stands

A.D. 1911. in the names of certain members of the Society (hereinafter in this Act called "the trustees of the capital stock") as trustees for the Society and its members as in the said Act mentioned and it is expedient that the capital stock should be transferred to and held by the Society :

And whereas in pursuance of the Assurance Companies Act 1909 or the regulations or requirements for the time being of the Society or the committee or otherwise members of the Society furnish security in the form of either a deposit with a trust deed or a guarantee or guarantees or partly in the one form and partly in the other which security is available solely for the purpose of meeting their liabilities in respect of policies underwritten by them or on their account at Lloyd's and the Society have in the past acted as trustee of certain of such trust deeds and guarantees either solely or jointly with others and doubts have arisen as to the power of the Society to so act and it is expedient that the action of the Society in acting as such trustee in the past should be confirmed and that the Society should be authorised to act as trustee of any trust deed or guarantee furnished by any member of the Society as aforesaid :

And whereas it is expedient that the Society should be authorised itself to act as guarantor either solely or jointly with any other guarantor or guarantors as hereinafter in this Act provided and that the Society should in certain cases be authorised to make good any deficiency arising by reason of the default of any guarantor or the insufficiency of any security furnished by members of the Society as aforesaid :

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 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 :—

1. This Act may be cited as Lloyd's Act 1911 and the Act of 1871 Lloyd's Signal Stations Act 1888 and this Act may be cited and are hereinafter in this Act referred to as Lloyd's Acts 1871 to 1911.

2. In this Act the expression "the committee" shall mean the committee of Lloyd's constituted under the Act of 1871.

Short and
collective
titles.

Definition.

3. The objects of the Society are hereby extended so as to include the carrying on of the business of insurance of every description including guarantee business by members of the Society and the Act of 1871 shall be read and have effect accordingly.

A.D. 1911.
—
Extension
of objects.

4. Section 10 of the Act of 1871 and Lloyd's Act 1888 are hereby repealed and in lieu thereof the following provision is hereby enacted and shall have effect accordingly:—

Objects of
Society.

The objects of the Society shall be—

The carrying on by members of the Society of the business of insurance of every description including guarantee business;

The advancement and protection of the interests of members of the Society in connection with the business carried on by them as members of the Society and in respect of shipping and cargoes and freight and other insurable property or insurable interests or otherwise;

The collection publication and diffusion of intelligence and information;

The doing of all things incidental or conducive to the fulfilment of the objects of the Society.

5. Sections 20 24 31 39 and 40 of the Act of 1871 shall be read and have effect as if the word "marine" had been omitted from such sections wherever the same occurs in such sections and as if the word "insurance" where the same occurs in those sections included guarantee business.

Amendment
of Act of
1871.

6. Within six months after the passing of this Act the capital stock of the Society shall be transferred by the trustees of the capital stock to the Society and such trustees shall on the request of the Society execute and do all such acts and deeds as may be necessary to effect and carry out such transfer and on such transfer being duly made the said trustees shall be released and discharged from their trust and cease to act as such trustees and sections 36 37 and 38 of the Act of 1871 shall be repealed.

Transfer to
Society by
trustees of
capital stock.

7. The Society shall hold the capital stock and other funds and property of the Society and the dividends and interest thereon for the purpose of defraying the costs charges and expenses of the Society and the committee or otherwise in the

Purposes for
which capital
stock &c. to
be held by
Society.

A.D. 1911. execution and carrying out of Lloyd's Acts 1871. to 1911 and otherwise in furthering the objects of the Society and for such other purposes (if any) as may be prescribed by any byelaws of the Society and subject thereto for the benefit of the members of Lloyd's jointly.

Society may act as trustee for certain purposes.

8.—(1) It shall be lawful and shall be deemed always to have been lawful for the Society to act as trustee either solely or jointly with any other person of any trust deed or guarantee or other document furnished to the Society by any member of the Society as security for meeting his liabilities under policies under-written by him or on his account at Lloyd's.

(2) Any trustee or trustees of any trust deed or guarantee furnished to the Society by any member of the Society as security for meeting their liabilities may transfer any trust fund subject to any such trust deed to the Society and assign to the Society the benefit or advantage to which he or they are entitled under any such trust deed or guarantee and on the execution of such transfer or deed of assignment the Society shall be entitled to such trust fund and to all benefits and advantages under any such trust deed or guarantee in the same manner and to the same extent and on the same trusts as such trustees held or were entitled to the same.

Powers to Society with reference to guarantees.

9.—(1) For the purpose of enabling or assisting members of the Society to comply with the provisions of the Assurance Companies Act 1909 or the regulations or requirements for the time being of the Society or the committee in reference to furnishing security by a member of the Society the Society may either by itself or jointly with any other guarantor or guarantors guarantee the payment of claims and demands upon policies of insurance including guarantees underwritten by members of the Society or on their account at Lloyd's and the Society may for such purposes enter into contracts and may apply the capital stock and other funds and property of the Society or any part thereof for the purpose of discharging any liabilities of the Society under any guarantees or contracts as aforesaid and the powers conferred on the Society by this section may be exercised by the committee in the same manner as if such powers had been included in the powers exerciseable by the committee under section 29 of the Act of 1871 Provided that (A) the Society shall not guarantee the payment by any one member of the Society of any such claims and demands as aforesaid for a greater amount in all in any one year than the

estimated aggregate of the premiums received or receivable by such member in the last preceding year in connection with policies of insurance including guarantees underwritten by him or on his account (B) no such guarantee as aforesaid shall be given by the Society in respect of any member of the Society whose premiums shall not have been placed in a trust fund in accordance with the provisions of a trust deed approved by the Board of Trade or whose accounts for the year last preceding the year to which such guarantee may relate shall not have been audited by an accountant approved by the committee or who shall not have furnished to the committee and to the Board of Trade such accountant's certificate of such audit in a form prescribed by the Board of Trade (c) such power shall only be exercised in accordance with byelaws of the Society sanctioning such power and prescribing rules and regulations under which such power may be exercised which byelaws the Society is hereby empowered to make in the same manner as byelaws to be made under the Act of 1871 except that no resolution making any such byelaws shall be effective unless at the first general meeting held under section 24 of the Act of 1871 not less than one hundred members of the Society shall be present or on any ballot taken in pursuance of a demand made at such meeting not less than one hundred members of the Society shall be present and vote nor unless such resolution shall be passed by a majority of not less than three fourths of the members of the Society present and voting at such meeting or voting on such ballot.

(2) A declaration by the chairman of any general meeting or adjourned general meeting held under or for the purposes of this section as to the number of members of the Society present or as to the insufficiency of the number of those present to form a quorum or as to the passing or otherwise of a resolution at any such general meeting shall be final and conclusive.

(3) The Society shall furnish every year to the Board of Trade a revenue account and balance sheet in the form set forth in the schedule hereto and such revenue account and balance sheet shall be dealt with by the Board of Trade in the manner prescribed by section 20 of the Assurance Companies Act 1909 and the rules made thereunder as if the same were documents deposited with the Board of Trade under the said Act.

A.D. 1911.

Power to
apply capital
stock &c. to
meet de-
ficiency of
guarantors
&c.

10. It shall be lawful for the Society and the committee in any case where in the opinion of the Society or the committee it is to the interest of the Society so to do to apply the capital stock and other funds and property of the Society for the purpose of making good any deficiency arising by reason of the default of any guarantor or guarantors under any guarantee furnished by any member of the Society in accordance with the provisions of the Assurance Companies Act 1909 or the regulations or requirements for the time being of the Society or the committee or otherwise as security for his liabilities under policies underwritten by him or on his account at Lloyd's or by reason of the insufficiency of any security furnished by any member of the Society as aforesaid or of any such guarantee. Provided that the capital stock and other funds and property shall not be so applied except in cases where the guaranteed member has complied to the satisfaction of the committee with the provisions of the Assurance Companies Act 1909 in so far as the same are for the time being applicable to him and with all the regulations or requirements for the time being of the Society or the committee as to security nor unless the guarantee or other security under or in respect of which any such deficiency or insufficiency arises has been approved and accepted by the committee and the powers conferred by this section shall only be exercised in accordance with byelaws sanctioning the exercise of such power and prescribing rules and regulations under which such power may be exercised which byelaws the Society is hereby empowered to make in the same manner and subject to the same provisions as byelaws to be made under the section of this Act the marginal note whereof is "Powers to Society with reference to guarantees."

Provision
respecting
protection of
interests of
members in
shipping &c.

11. Section 32 of the Act of 1871 is hereby repealed and in lieu thereof the following provision is hereby enacted and shall have effect accordingly:—

In order to the attainment of the objects of the Society which inter alia consist in the advancement and protection of the interests of members of the Society in connection with the business carried on by them as members of the Society and in respect of shipping and cargoes and freight and other insurable property or insurable interests or otherwise the Society may from time to time apply the capital stock and other funds and property of the Society and employ officers and agents and use other lawful

means for the following purposes or any of them (namely):—

A.D. 1911.

The investigation of frauds felonies or misdemeanours or circumstances having the appearance of such practised or attempted or intended to be practised with respect to property or interests in which any member of the Society is concerned or interested or with respect to insurances (including guarantees) effected or purporting to be effected with any member of the Society or with respect to the business of insurance including guarantee business carried on by any member of the Society as such;

The taking or facilitating of proceedings for the punishment of persons guilty of or concerned in such frauds felonies or misdemeanours;

The taking charge of the interests of members of the Society and others consenting thereto in vessels and cargoes and freight and other insurable property of whatever description or otherwise in connection with any business carried on by them as members of the Society;

The doing of all things incidental or conducive to the fulfilment of the purposes in this section mentioned:

But nothing in this section shall enable the Society to do any act which it would not be competent for an individual person to do at common law.

12.—(1) If it be established to the satisfaction of the committee at any meeting to be held by them in accordance with the Act of 1871 or the byelaws made thereunder that any member of the Society has been guilty of any act or default discreditable to him as an underwriter or otherwise in connection with the business of insurance including guarantee business the committee may by a resolution of a majority of not less than five sixths of the members of the committee present at any meeting duly convened for the purpose at which not less than ten members of the committee are present resolve that such member shall for such period not exceeding two years as they shall determine be suspended from carrying on insurance business including guarantee business as a member of the

Power to committee to temporarily suspend members.

A.D. 1911. Society and on the passing of any such resolution and on notice in writing thereof being given to any such member so suspended such member shall cease to carry on as a member of the Society any insurance business including guarantee business for such period as may be fixed by such resolution of the committee Provided that any such member so suspended may within seven days of receipt of notice of any such resolution give notice in writing to the committee of his desire to appeal to a general meeting of the Society against the resolution of the committee under this section and if such notice of appeal be given by such member the committee shall summon a general meeting of the Society to be held within forty-two days after the receipt of such notice of appeal but not before the expiration of a period of twenty-one days after the committee shall have given notice of such general meeting to such member by letter delivered to him personally or addressed to him by post at Lloyd's and the resolution of the committee shall be submitted to the meeting for confirmation and the meeting shall have power to confirm the same and the decision of the meeting shall be final and in the event of any such appeal and pending such confirmation the resolution of the committee shall be inoperative If within fifteen minutes after the time appointed for the meeting one hundred members of the Society are not present the meeting shall be adjourned to a day and hour (not less than seven days nor more than fourteen days after the day of adjournment) to be fixed and declared by the chairman of the meeting and no further notice of the adjourned meeting need be given and the adjourned meeting shall be held on the day and at the hour so fixed and declared and if within fifteen minutes after the time appointed for the adjourned meeting one hundred members of the Society are not present then the resolution of the committee shall be deemed not to have been confirmed and shall be inoperative in all respects as if it had never been passed by the committee.

(2) No resolution of the meeting or adjourned meeting confirming the resolution of the committee shall be effective unless the same shall be passed at such meeting or adjourned meeting or on any ballot taken in pursuance of a demand made thereat (which demand may be made by the member himself or by six or more members present) by a majority of not less than three fourths of the members present and voting at such meeting or on such ballot and if no effective resolution shall be passed at such meeting or adjourned meeting or on such ballot

confirming the resolution of the committee then such resolution of the committee shall be deemed to be revoked and shall be inoperative in all respects as if it had never been passed by the committee.

(3) A declaration by the chairman of any general meeting or adjourned general meeting held in pursuance or for the purposes of this section as to the number of members of the Society present or as to the insufficiency of the number of those present to form a quorum or as to the passing or otherwise of a resolution at any such general meeting shall be final and conclusive.

(4) The committee shall publish in the rooms at Lloyd's the effect of any resolution passed by them under the provisions of this section after the date of the expiration of the time limited for appealing against such resolution and in the event of there being no such appeal and in the event of there being an appeal the committee shall in like manner publish the confirmation or non-confirmation (as the case may be) of such resolution.

13. Section 24 of the Act of 1871 shall be read and have effect as if the word "shipping" had been omitted therefrom.

Amendment
of section 24
of Act of
1871.

14. All notices summoning general meetings and other notices to members of the Society under the provisions of Lloyd's Acts 1871 to 1911 or of any byelaws under any of such Acts not specially directed by any such Acts or byelaws thereunder to be otherwise given shall be given by posting the same in the rooms at Lloyd's or in such other manner as may be prescribed by the byelaws of the Society.

Notices to
members.

15. The costs charges and expenses of and incidental to the preparing applying for obtaining and passing of this Act shall be borne and paid by the Society.

Costs of Act.

A.D. 1911.

The SCHEDULE referred to in the foregoing Act.

CORPORATION OF LLOYD'S.

REVENUE ACCOUNT OF UNDERWRITERS' GUARANTEE FUND.

	£	s.	d.	£	s.	d.
Amount of Underwriters' Guarantee Fund at the beginning of the year - - -						
Reserve for unexpired risks - - -						
Additional Reserve (if any) - - -						
Premiums - - -						
Interest Dividends and Rents - - -						
Less Income Tax thereon - - -						
Other Receipts (accounts to be specified) - - -						
						£
Claims paid and outstanding - - -						
Expenses of management - - -						
Other payments (accounts to be specified) - - -						
Amount of Underwriters' Guarantee Fund at the end of the year - - -						
Reserve for unexpired risks being per cent. of premium income for the year - - -						
Additional Reserve (if any) - - -						
						£

CORPORATION OF LLOYD'S.

BALANCE SHEET AT DAY OF

LIABILITIES.		ASSETS.	
£	d.	£	d.
Creditors - - - - -	-	Investments—	-
General Fund - - - - -	-	(Set out as in Third Schedule of Assurance Com-	-
Underwriters' Guarantee Fund - - - - -	-	panies' Act 1909)	-
		Fittings Furniture and Plant - - - - -	-
		Signal Stations Lands Buildings and Stores - - - - -	-
		Stock in hand - - - - -	-
		Debtors - - - - -	-
		Cash—	-
		On Deposit - - - - -	-
		In hand and on Current Account - - - - -	-
			£

NOTE.—(1) The Balance Sheet must state how the values of the Stock Exchange securities are arrived at and a certificate must be appended signed by the same persons as sign the Balance Sheet to the effect that in their belief the assets set forth in the Balance Sheet are in the aggregate fully of the value stated therein less any investment reserve fund taken into account.

NOTE.—(2) The Auditors shall state on every Balance Sheet—
 (A) Whether or not they have obtained all the information and explanations they have required; and
 (B) Whether in their opinion the Balance Sheet referred to in the report is properly drawn up so as to exhibit a true and correct view of the state of the Corporation's affairs according to the best of their information and the explanations given to them and as shown by the books.

Printed by EYRE and SPOTTISWOODE, Ltd.,
 FOR
 ROWLAND BAILEY, Esq., C.B., M.V.O., the King's Printer of Acts of Parliament.
 And to be purchased, either directly or through any Bookseller, from
 WYMAN AND SONS, LTD., FETTER LANE, E.C.; or
 OLIVER AND BOYD, TWEEDEDALE COURT, EDINBURGH; or
 (E. PONSONBY, Ltd., 116, GRAFTON STREET, DUBLIN.

A.D. 1911

1901

1901

1901

1901

1901

1901

1901

1901

1901

1901

1901

1901

1901

1901

1901

1901

1901

1901

1901

1901

1901