

**CHAPTER viii.**

An Act to amend the Colonial and Foreign Banks
Guarantee Fund Incorporation Act 1899 and for other
purposes. A.D. 1913.
[4th July 1913.]

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

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

And whereas by the Colonial and Foreign Banks Guarantee Fund Incorporation Act 1899 (in this Act called "the Act of 1899") the trustees of the Fund were incorporated by the name of the Colonial and Foreign Banks Guarantee Corporation (in this Act called "the Corporation") and the lands stocks funds and securities and other personal estate then held by the trustees of the Fund were transferred to and vested in the Corporation:

And whereas the Act of 1899 provided (amongst other things) for the management of the affairs of the Corporation by a board of management (in this Act called "the Board") for the constitution of a council to be elected by the members of the Corporation (in this Act called "the representative council") for the appropriation from the funds of the Corporation of a

A.D. 1913. sum not exceeding eight hundred pounds per annum for the remuneration of the Board and of a sum not exceeding two hundred pounds per annum for six members or four hundred pounds per annum for twelve members or proportionately for any less number of members of the representative council as remuneration for their services as such members:

And whereas the business of the Corporation has largely increased and is likely to still further increase in the future and it is expedient that the provisions of the Act of 1899 with reference to the amount of remuneration to be paid to the Board and to the representative council respectively should be amended and that the other provisions hereinafter contained should be made:

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:—

Short title.

1. This Act may be cited as the Colonial and Foreign Banks Guarantee Corporation Act 1913.

Remuneration of Board.

2. The Board shall be at liberty and they are hereby empowered to appropriate from the funds of the Corporation and to distribute among themselves in the proportion which they or the majority of them shall think fit as remuneration for their services such sum as they shall think fit Provided that the remuneration for any one year shall not without the previous sanction of a judge of the High Court or a director of the Bank of England exceed one thousand five hundred pounds.

Remuneration of representative council.

3. It shall be lawful for the Board and they are hereby empowered to pay out of the funds of the Corporation to the members of the representative council whether appointed under the provisions of subsection (2) or subsection (3) of section 11 of the Act of 1899 as remuneration for their services as members of such council such sum as the Board shall think fit And such sum shall be distributed among the members of such council in such manner and proportion as the members of such council or the majority of them shall think fit Provided that the

remuneration aforesaid for any one year shall not without the previous sanction of a judge of the High Court or a director of the Bank of England exceed seven hundred pounds where the number of the members of such council is not more than six nor eight hundred pounds where the number of such members is more than six. A.D. 1913.

4. The Board shall have power to undertake upon such terms as the Board may think reasonable the business of any other corporation society or company so far as such business consists of guaranteeing the employers of persons employed in banks against losses arising from any act of dishonesty or fraudulent misconduct on the part of the persons so employed or to amalgamate the business of the Corporation with the business of any such corporation society or company as aforesaid not being a corporation society or company incorporated by statute and from and after any such amalgamation under the powers of this section the business so amalgamated shall be deemed to be part of the business of the Corporation and the provisions of this Act and of the Act of 1899 shall extend and apply accordingly. Power to amalgamate with similar undertakings.

5.—(1) In the event of the Corporation being finally wound up the Board shall have power to distribute the funds of the Corporation remaining after satisfying all claims thereon and the debts and liabilities of the Corporation and the costs of winding up the Corporation in any manner in which surplus funds may be distributed under section 14 of the Act of 1899 or at the discretion of the Board in any other manner which may be approved by the High Court. Application of funds on winding up.

(2) For the purposes of any such winding up the provisions of Part VIII. of the Companies (Consolidation) Act 1908 shall be deemed to apply to the Corporation and the Corporation to be an unregistered company within the meaning of those provisions.

6. Section 8 and subsection (4) of section 11 of the Act of 1899 are hereby repealed. Repeal.

7. A copy of this Act shall so soon as the same has received the Royal Assent be forthwith sent to the London Office of each bank whose employees shall be members of the Corporation. Copy of Act to be sent to banks.

A.D. 1913. **8.** All costs charges and expenses of and incident to the
Costs of Act. preparing for obtaining and passing of this Act or otherwise in
relation thereto shall be paid by the Corporation.

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