



CHAPTER xcix.

An Act to authorise the increase of the Capital Stock of the Bank of Scotland; and for other purposes. A.D. 1873.

[7th July 1873.]

WHEREAS by an Act of the Parliament of Scotland passed in the fifth year of the reign of His Majesty King William the Third, dated seventeenth July one thousand six hundred and ninety-five, intituled "Act for erecting a Publick Bank," the Governor and Company of the Bank of Scotland were incorporated for the purpose of carrying on the business of banking, and were authorised to raise a capital stock of one hundred thousand pounds sterling :

And whereas further powers of increasing their capital stock were conferred on the Company, and further provisions for the management and administration of their affairs were made by the following local and personal Acts of Parliament; that is to say, 14 George III., chapter 32, 24 George III., session 2, chapter 12, 32 George III., chapter 25, 34 George III., chapter 19, and 44 George III., chapter 23 :

And whereas the capital stock of the Company authorised to be raised by the recited Acts amounts to one million five hundred thousand pounds, of which the whole has been issued and the sum of one million pounds has been paid up :

And whereas the business of the Company has greatly increased since the passing of the last-recited Act in the year one thousand eight hundred and four, and the increase of capital thereby authorised; and it is expedient and would be for the public advantage that the Company should be authorised to issue additional stock from time to time, that the recited Acts should be amended, and that further provision should be made for the management and administration of the business of the Company :

And whereas these objects 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

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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 Bank of Scotland Act, 1873."

Interpretation.

2. The following words and expressions in the recited Acts and in this Act respectively shall have the several meanings hereby assigned to them, unless there be something in the subject or context repugnant to such construction ; that is to say,

The word "Company" means the Governor and Company of the Bank of Scotland :

The word "treasurer" means the treasurer of the Company for the time being, and includes joint treasurer and assistant treasurer :

The word "secretary" means the secretary of the Company for the time being, and includes joint secretary and assistant secretary :

The expression "stock of the Company" and the word "stock" mean and include the capital stock and additional capital stock of the Company raised or authorised to be raised by the recited Acts and this Act :

The expression "additional stock" means the additional capital stock of the Company authorised to be raised by this Act :

The expressions "proprietor" and "proprietors" mean respectively a proprietor and proprietors of the stock of the Company.

Repeal of provisions of Acts.

3. The provisions of the first-recited Act with respect to the following matters, that is to say, the election and qualifications of the governor, deputy governor, and directors, and their continuance in these offices, the qualification of the proprietors, the taking of oaths by the governor, deputy governor, and directors at their entry to their respective offices, and the giving of oaths de fidei by the treasurer, secretary, and other officers of the Company, and the several sections of the second, third, and sixth recited Acts specified in the Schedule (A.) to this Act annexed, are hereby repealed.

Increase of capital stock.

4. In addition to their authorised capital stock of one million five hundred thousand pounds, the Company may from time to time, subject to the provisions of this Act, create and issue additional capital stock of the Company to any amount not exceeding three millions of pounds, for the purpose of carrying on their business of banking under the provisions of the recited Acts and this Act.

Issue, appropriation, and allocation of

5. The proprietors may, at any general meeting specially called for that purpose, determine the amount of additional stock to be

created and issued from time to time, not exceeding in the whole the said sum of three millions of pounds, and the manner in which the additional stock so to be created and issued shall be appropriated, allocated, or disposed of, and the amount and time and mode of payment of calls.

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additional stock.

6. The proprietors of the additional stock shall have and be entitled to the same rights, privileges, and advantages with respect to dividends, voting at meetings of the Company, and in all other respects as the proprietors of the existing stock of the Company.

Additional stock to have same privileges as existing stock.

7. The Company may call for payment of the whole or any part of the additional stock to be created and issued from time to time under the authority of this Act at such times and in such proportions as the Company may think fit, subject to this provision, that the amount of the additional stock called up shall in every case bear the same proportion to the additional stock created and issued as the existing stock of the Company called up at the time bears to the existing stock subscribed and issued; and it shall not be in the power of any proprietor to pay up the whole or any part of the additional stock until the same shall be called up by a general meeting of the proprietors specially called for that purpose.

Calls on additional stock.

8. The proprietors of stock shall not be entitled to transfer their stock or to demand or receive any dividend thereon, or to vote at any meeting of the Company in respect thereof, until they have paid the calls which may be payable in respect of the stock held by them respectively, with interest at the rate of five pounds per centum per annum on the amount of such calls from the date when the same were payable until payment.

Proprietors not entitled to dividends until calls paid.

9. The Company may sue for and recover in any competent court the calls payable by any proprietor of stock; or, in their option, after one month's notice to be given by them to such proprietor, by letter addressed to him at his usual or last known address, and registered and forwarded by post, and by advertisement inserted once in two newspapers published in Edinburgh, the Company may declare that any stock in respect of which the calls are unpaid is forfeited and cancelled, and may re-issue such forfeited stock to such persons, at such times, and on such conditions as the Company may at any general meeting of the proprietors from time to time determine.

Recovery of money due on calls.

10. The stock of the Company may be assigned and transferred by separate transfer in the form, as near as may be, contained in the Schedule (B.) to this Act annexed; and every such transfer shall be prepared by the Company at their head office in Edinburgh, and shall be signed by the transferrer and transferee before being presented to the Company for registration.

Transfer of stock.

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Register of transfers.

11. A register of transfers shall be kept by the Company at their head office in Edinburgh, and every transfer of stock shall be entered in the said register; and the said register may be closed for such period previous to and after any general meeting of the proprietors as the Company may from time to time direct.

Evidence of title.

12. Every transfer of stock, duly stamped and executed, shall be presented to the Company for registration, with such evidence as the Company may require to prove the title of the transferror; and on such transfer and evidence being presented, and on payment to the Company of such fees and costs of the transfer and registration as the Company may from time to time appoint, the transferee shall be registered as proprietor of the stock transferred, and when registered the transfer shall be deposited with and kept by the Company.

Transfer of stock held by proprietors deceased.

13. The executors, trustees, administrators, or testamentary assignees of any deceased proprietor of stock of the Company, on production to the Company of the confirmation, testament testamantar, probate, letters of administration, conveyance, deed of assumption, decree, order, or other instrument under which they claim, and on the ordinary directors of the Company being satisfied of the validity thereof, and on payment of the fees of registration, shall be entitled to have the stock which was held by such deceased proprietor transferred to them by registration in the register of transfers of such confirmation, testament testamantar, probate, letters of administration, conveyance, deed of assumption, decree, order, or other instrument, and it shall not be necessary in such case that any separate transfer should be executed or registered.

Proprietors indebted to the Company not entitled to transfer.

14. A proprietor of stock shall not be entitled, without the authority of the ordinary directors of the Company, to transfer the stock held by him, and the executors, trustees, administrators, or testamentary assignees of a deceased proprietor of stock shall not be entitled to have the stock which was held by such deceased proprietor transferred to them, by registration in the register of transfers as herein-before provided, while and so long as such proprietor, or the estate, or executors, trustees, administrators, or testamentary assignees of such deceased proprietor or any joint holder of such stocks respectively is or are indebted to the Company, either solely or jointly with any other person, whether a proprietor of stock or not, on any account whatsoever.

Lien on stock.

15. The stock held by every proprietor, and all dividends and profits from time to time payable to him out of the funds of the Company, shall be subject to a lien thereon in favour of the Company for all moneys from time to time due by him to the Company in

respect of any call on stock, or as a debt due to the Company, either in respect of cash advances or balances, or current or past due bills or notes, or on account generally, by him alone or jointly or in partnership with any other person; and the Company shall be entitled to have the lien made available as the first charge on the stock held by any proprietor who is indebted to the Company as aforesaid, by the sale of such stock at such times, and to such persons, and for such prices as the Company think fit; and in the event of the proprietor of the stock so sold refusing or delaying to grant and execute a transfer of such stock to the purchaser within fourteen days after being thereto required in writing by the secretary, a transfer of such stock to the purchaser may be granted and executed by the secretary, which shall be a good and sufficient transfer of such stock to the purchaser thereof; and the Company may retain and apply the moneys arising by such sale (for which the receipt of the secretary shall be a sufficient discharge to the purchaser), and any dividends or profits on such stock, in or towards the repayment of the moneys due by such proprietor to the Company, and shall account for and pay to such proprietor or his heirs or representatives any balance of the moneys arising from the sale of such stock which may remain after payment of the moneys due to the Company.

16. An annual general meeting of the proprietors shall be held on the last Tuesday of March in every year, and a half-yearly general meeting of the proprietors shall be held on the last Tuesday of September in every year, or on such other days respectively as the proprietors may from time to time at any general meeting direct and appoint.

General meetings.

17. Notice of the time and place at which the annual general meeting and the half-yearly general meeting of the proprietors of the Company are to be held shall be given by advertisement inserted in two newspapers published in Edinburgh and two newspapers published in Glasgow, fourteen days at least before every such annual general meeting and half-yearly general meeting respectively.

Notice of meetings.

18. At all general meetings of the Company every proprietor shall have one vote for each two hundred and fifty pounds paid up on the stock held by him; provided that no proprietor shall in any case be entitled to more than twenty votes.

Votes of proprietors at general meetings.

19. At all general meetings of the Company any proprietor qualified to vote may exercise his right of voting by granting a proxy under his hand in favour of any other proprietor of the Company, in the form as near as may be contained in the Schedule (C.) to this Act annexed; and the vote of the proprietor holding such proxy shall be received at such meeting in the same manner as if the proprietor granting the proxy were personally present and voted;

Proxies.

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and it shall not be lawful for any person who is not at the date of the general meeting a proprietor of the Company to vote on a proxy granted by any proprietor.

Election of governor, deputy governor, and directors.

20. The governor and deputy governor and the extraordinary directors of the Company shall be elected for one year only by the proprietors at the annual general meeting, and shall retire from office at the annual general meeting, but shall be eligible for re-election immediately after such retirement.

Mode of election of governor, deputy governor, and directors.

21. The election of the governor, deputy governor, and extraordinary directors and ordinary directors of the Company shall be made by lists signed by the proprietors present personally or by proxy at the annual general meeting, and containing the names of the persons for whom they respectively vote for the several offices above mentioned, or any of them, and delivered to the chairman of the meeting.

Qualifications of governor, deputy governor, and directors.

22. The qualifications of the governor, deputy governor, extraordinary directors and ordinary directors of the Company shall be the possession each in his own right of stock on which not less than the following amounts respectively shall have been paid up; that is to say, by the governor, two thousand pounds; by the deputy governor, one thousand five hundred pounds; and by each extraordinary director and ordinary director, one thousand pounds.

Alteration of numbers of directors.

23. Whereas there are at present twelve extraordinary directors and twelve ordinary directors of the Company: The proprietors may from time to time at any annual general meeting alter the relative numbers of the extraordinary directors and ordinary directors by increasing the numbers of the ordinary directors to be elected at such meeting, or by reducing the number of ordinary directors if the same has been increased: Provided that the whole number of directors shall not at any time exceed twenty-four, and the number of ordinary directors shall not at any time be less than twelve.

Rotation of ordinary directors.

24. The ordinary directors of the Company shall be elected by the proprietors at the annual general meeting, and the three ordinary directors of the Company at the head of the list of ordinary directors for the time shall retire from office annually at the annual general meeting, but shall be eligible for re-election immediately after such retirement; and the names of the persons elected as ordinary directors in the room of the ordinary directors so retiring, or the names of such retiring ordinary directors if re-elected, and the names of any additional ordinary directors who may be elected under the provisions of the immediately preceding section, shall be placed in alphabetical order at the bottom of the list of ordinary directors.

25. In the case of a vacancy in the offices of governor, deputy governor, or director of the Company occurring during the year by death, resignation, or disqualification, the proprietors may at any half-yearly general meeting fill up the vacancy by the appointment of a governor, deputy governor, or director, as the case may be, in the room of the governor, deputy governor, or director by whose death, resignation, or disqualification the vacancy has occurred; and any director so appointed shall take the place of the director by whose death, resignation, or disqualification the vacancy has occurred, and shall hold office till the expiration of the period during which the director in whose room he is appointed would have held office.

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Supply of vacancies in offices.

26. Any governor, deputy governor, or extraordinary or ordinary director of the Company who shall become insolvent or notour bankrupt, or shall cease to hold the amount of stock required for his qualification as herein-before provided, and any ordinary director of the Company who shall be absent for six consecutive months from the meetings of the board of directors without leave of the said board specially asked and obtained, shall be disqualified and shall cease to be a director of the Company.

Disqualification of directors.

27. The governor, or, in his absence, the deputy governor, or, in the absence of both, one of the ordinary directors chosen by the board of directors, shall preside as chairman at all general meetings of the proprietors and at all meetings of the board of directors, and the minutes of every such meeting shall be signed by the chairman.

Chairman at meetings.

28. All deeds and instruments granted by the Company shall be under the corporate seal of the Company, and shall be signed by the treasurer or secretary.

Execution of deeds.

29. The Company may from time to time make byelaws and regulations with respect to the election of the governor, deputy governor, and directors and officers of the Company and all other matters relating to the management and administration of the business and affairs of the Company, and may from time to time vary and alter such byelaws and regulations, as well as the existing byelaws and regulations of the Company in force at the passing of this Act; and all such byelaws and regulations, and variations and alterations, shall, before taking effect, be submitted to and approved by a general meeting of the proprietors convened with notice of the business to be transacted.

Byelaws.

30. The recited Acts, except in so far as repealed by or inconsistent with this Act, shall be and remain in full force and effect.

Acts to remain in force.

31. All costs, charges, and expenses of and incident to the preparing for, obtaining, and passing of this Act, or otherwise in relation thereto, shall be paid by the Company.

Expenses of Act.

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SCHEDULES referred to in this Act.

SCHEDULE (A.)

Provisions of Acts Repealed.

Act.	Section.	Subject or Marginal Note of Provisions.
Act of the Scottish Parliament, 5 William III. 1695.		Provisions with respect to the following matters, that is to say, the election and qualifications of the governor, deputy governor, and directors, and their continuance in these offices, the qualification of the proprietors, the taking of oaths by the governor, deputy governor, and directors at their entry to their respective offices, and the giving of oaths de fidei by the treasurer, secretary, and other officers of the Company.
14 George III. chapter 32.	9	Qualification of governor, &c.
	10	Qualification of voters.
	13	Manner of choosing governor, deputy governor, &c.
	14	How intimation of annual meetings is to be given for election of governor, &c.
	15	Proprietors may send lists of persons they intend for offices. Persons claiming to vote at elections to take the following oath. Proprietors who cannot attend to make oath.
24 George III., sess. 2, chapter 12.	9	Qualification of governor, &c.
	10	Qualification of voters.
44 George III. chapter 23.	9	Qualification of governor, deputy governor, and directors.
	10	Limitation of right of voting by proprietors.

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SCHEDULE (B.)

Form of Transfer of Stock.

I, *A. B.* of
sum of _____ in consideration of the
paid to me by *C. D.* of _____
do hereby assign and transfer to the said *C. D.* the sum of _____
of the stock of the Governor and Company of the Bank of Scotland, standing
in my name in the books of the said Company, to hold unto the said *C. D.*,
his executors, administrators, and assignees, subject to the several conditions
on which I held the same at the time of the execution hereof: And I, the said
C. D., do hereby accept the said stock subject to the same conditions. In
witness whereof [*insert testing clause in the form required by the law of Scotland*].

E. F., witness.
G. H., witness.
I. K., witness.
L. M., witness.

A. B.
C. D.

SCHEDULE (C.)

Form of Proxy.

THE BANK OF SCOTLAND.

I, *A. B.* of _____ being a proprietor of stock of the
Governor and Company of the Bank of Scotland, and entitled to vote, hereby
appoint *C. D.* of _____ as my proxy,
to vote for me and on my behalf at the annual (or half-yearly) general
meeting of the said Company to be held on the _____ day of _____
and at any adjournments thereof, and at every election
that may take place at such meeting or adjournments.

Witness my hand at _____ this _____ day of _____ 18 .
A. B.

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