

[61 & 62 VICT.] *Corporation of Foreign Bondholders* [Ch. cxlix.]  
Act, 1898.



### CHAPTER cxlix.

An Act to reconstitute the Corporation of Foreign Bondholders. A.D. 1898.  
[25th July 1898.]

**W**HEREAS by licence dated the 1st day of August 1873 under the hand of the secretary of the Board of Trade after reciting that it had been proved to the Board of Trade that the Corporation of Foreign Bondholders which was about to be registered under the Companies Acts 1862 and 1867 as an association limited by guarantee was for the purpose of promoting the objects of the nature contemplated by the 23rd section of the last-mentioned Act and that it was the intention that the income and property of the association whencesoever derived should be applied solely towards the promotion of the objects of the association as set forth in the memorandum of association of the said Corporation and that no portion thereof should be paid or transferred directly or indirectly by way of dividend or bonus or otherwise howsoever by way of profit to the persons who at any time were or should have been members of the said Corporation or to any of them or to any person claiming through any of them the Board of Trade in pursuance of the powers in them vested and in consideration of the provisions and subject to the conditions contained in the memorandum of association of the said Corporation as subscribed by eight members thereof on the 30th day of July 1873 thereby directed the Corporation of Foreign Bondholders to be registered with limited liability without the addition of the word "Limited" to its name:

And whereas the said Corporation of Foreign Bondholders was on the same 1st day of August 1873 duly incorporated under the Companies Acts 1862 and 1867 the word "Limited" being omitted pursuant to the said licence:

And whereas the objects of the said Corporation are by its memorandum of association declared to be (inter alia) (a) Watching over and protecting the rights of the holders of bonds obligations

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A.D. 1898. debentures and other securities of a similar character issued by or on behalf of foreign and colonial governments states provinces municipalities and public companies (c) Adopting measures in case of default of payment of any principal or interest or of any breach of any condition of any foreign loan for the protection and vindication of the rights of the bondholders (h) Giving support and rendering assistance to measures and enterprises calculated to maintain and promote public credit and benefit the holders of foreign bonds and (k) Doing all such other things as are incidental or conducive to the attainment of the above objects :

And whereas the said memorandum of association provides that the members of the Corporation should be of three classes viz. 1. Permanent members whose qualification was the payment to the Corporation of one hundred pounds 2. Life members and 3. Subscribing members and that the contributions of the permanent members should be treated as loans to the Corporation repayable with interest at the rate of five per cent. per annum but only when and as the Corporation should determine :

And whereas paragraph 5 of the said memorandum of association provides that the property and income of the Corporation from whatever source derived shall be applied solely towards the promotion of the objects of the Corporation as set forth in the memorandum of association and that no portion thereof shall be paid or transferred directly or indirectly by way of dividend bonus or otherwise howsoever by way of profit to the persons who at any time are or have been members of the Corporation or to any of them or to any person claiming through any of them But it shall nevertheless be competent to the Corporation to repay the contributions of the permanent members with interest at the rate of five per cent. per annum and also to remunerate any committees agents legal advisers officers and servants of the Corporation or any members of the Corporation or other persons for any services actually rendered to the Corporation and also to exercise powers of borrowing money And paragraph 6 declares that the fifth paragraph qualified as aforesaid was a condition on which the said licence was granted by the Board of Trade and that on breach thereof by the Corporation the liability of the members of the council of the Corporation and of every member of the Corporation receiving any such dividend bonus or other profit as aforesaid should be unlimited :

And whereas the management of the business and direction and control of the said Corporation was by its articles of association (Article 46) vested in a council consisting (Article 33) of not exceeding thirty members :



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And whereas the capital fund of the Corporation was provided by various persons contributing sums of one hundred pounds each to the Corporation and becoming permanent members thereof : A.D. 1898.

And whereas the business and operations of the Corporation have been and are still being carried on with great advantage to the English holders of foreign securities and to the public at large :

And whereas the whole of the contributions of the permanent members of the Corporation have been repaid out of the accumulated funds of the Corporation either with interest at five per cent. per annum or in some cases without interest where the members have accepted less than the full amount in discharge thereof but no portion of the property or income of the Corporation has been paid or transferred directly or indirectly by way of dividend bonus or otherwise howsoever by way of profit to the persons who are or at any time have been members of the Corporation or to any of them or to any person claiming through any of them There are five life members but there are no subscribing members of the Corporation :

And whereas the accumulated funds and property of the Corporation (after repayment of the contributions of the permanent members) amounted in value at the 31st day of December 1896 to £100,000 or thereabouts as appears by the balance sheet of the Corporation at that date :

And whereas the original capital fund of the Corporation was mainly subscribed and the Corporation was established by persons who were holders of or otherwise interested in foreign securities and such persons became the permanent members of the Corporation but by the lapse of time deaths of parties changes of interest and other causes the permanent membership of the Corporation has to a considerable extent passed into the hands of persons who are not now directly interested in foreign securities or in the work of the Corporation or the objects for which it was established :

And whereas it is desirable to secure that the Corporation should in the future more directly and exclusively represent the interests of the holders of foreign and other public securities and that the application of the accumulated funds and property of the Corporation to the public objects for which it was constituted should be further safeguarded and the possibility of the voluntary winding-up of the Corporation and the distribution of its surplus funds amongst its members prevented and that with these objects the existing Corporation should be dissolved and a new Corporation established and that the objects and scope of the Corporation should be enlarged :

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A.D. 1898. — And whereas these objects cannot be attained 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 as the Corporation of Foreign Bondholders Act 1898.

Dissolution of existing Corporation. 2. The Corporation of Foreign Bondholders (in this Act hereafter referred to as "the old Corporation") shall be and is hereby dissolved.

Incorporation of new Corporation of Foreign Bondholders. 3. The Right Honourable Sir John Lubbock Baronet The Right Honourable Sir Edward Thornton The Right Honourable Sir Mountstuart Elphinstone Grant Duff The Right Honourable William Lawies Jackson The Honourable Sir Charles William Fremantle The Right Honourable William Lidderdale Sir Henry Whatley Tyler General Sir John Luther Vaughan His Honour Judge Thomas William Snagge Admiral Edward Field Charles Edward Barnett William Henry Bishop Edward Oliver Pleydell Bouverie Walter Randolph Farquhar Henry Riversdale Grenfell William Rolle Malcolm Richard Biddulph Martin John Wynford Philipps Cornelius Surgey William Trotter and Andrew Kinsman Hichens and other the persons who shall for the time being constitute the council or governing body of the Corporation as in this Act provided shall be and are hereby incorporated by the name and designation of "The Corporation of Foreign Bondholders" with perpetual succession and a common seal with power to hold lands and to sue and be sued in its corporate name and with the further powers conferred and subject to the conditions imposed by this Act.

Objects and scope of Corporation. 4.—(1) The objects and scope of the Corporation are—  
(a) To watch over and protect the rights and interests of holders of public securities wherever issued but especially of foreign and colonial securities issued in the United Kingdom :  
(b) To collect and preserve documents statistics reports and information of all kinds in respect of public securities and publish circulate and render available the same in a readily accessible form :  
(c) To adopt measures for the protection vindication and preservation or reservation of the rights and interests of holders of public securities either on any default in or on breach or contemplated breach of the conditions on which



such public securities may have been issued or otherwise and to obtain for such holders such legal and other assistance and advice as the Corporation may deem expedient :

- (d) To negotiate and carry out or assist in negotiating and carrying out arrangements for the resumption of payments in respect of any public securities in default or re-arranging the terms on which such securities may in future be held or for converting or exchanging the same for new securities or for any other object in relation thereto and for the purpose of effectively representing the holders of public securities or otherwise to invite the deposit and undertake the custody of such public securities and to issue receipts or certificates of the Corporation in the place of securities so deposited :
- (e) To undertake and carry out or superintend assist and take part in the conversion or exchange of public securities under any arrangement made with regard thereto or otherwise :
- (f) To undertake superintend or take part in the collection and application of revenues and funds appropriated to the service of public securities and in relation thereto or otherwise to draw accept endorse and negotiate bills of exchange and negotiable instruments :
- (g) To convene meetings of holders of public securities for the purpose of concerting with them the requisite measures to be adopted and to appoint committees to act on their behalf in conjunction with the Corporation or otherwise :
- (h) To organise equip despatch and appoint missions delegates and representatives to and in any part of the world with a view to carrying out and effectuating any of the objects or purposes of the Corporation and to provide for or contribute towards the expenses of any missions agents or representatives appointed by the Corporation or others for the purposes aforesaid or otherwise :
- (i) Generally for the purposes aforesaid or otherwise to act in the name and on behalf of the holders of public securities the care or representation of whose interests shall be entrusted to the Corporation :
- (j) To take such steps as may be deemed expedient with the view of securing the adoption of clear and simple forms of public securities and just and sound principles in the conditions and terms thereof :
- (k) To render assistance to and support measures and enterprises calculated to maintain and promote public credit and to benefit the holders of public securities and promote or concur in the promotion of Bills for obtaining any statutory or

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other enactment with that object and to oppose any Bills or measures which the Corporation may deem calculated to prejudice that object :

- (l) To subscribe to or take any share or interest in or lend money to any other company society or association whether for profit or not carrying on or intending to carry on any similar or analogous objects :
- (m) To employ retain and pay agents in any part of the world :
- (n) To invest the funds of the Corporation on any securities and vary the investments from time to time and to purchase take on lease or hire sell let and turn to account any real or leasehold property required or deemed expedient for the purposes of the Corporation :
- (o) To borrow or raise money for any of the purposes or objects of the Corporation and in any mode and to mortgage charge or pledge any of the property of the Corporation as security for the same :
- (p) To apply to Parliament for any variation or extension of the objects or constitution of the Corporation :
- (q) To do all such other things as are incidental or conducive to the attainment of the above objects and to employ or expend the funds and property of the Corporation in carrying out such objects.

Interpreta-  
tion of  
"public  
securities."

(2) The expression "public securities" in this section and in the First Schedule to this Act includes bonds debentures obligations annuities rentes stock shares and other securities of all kinds of or issued or guaranteed by governments states colonies provinces cities municipalities public bodies local and other authorities commissioners boards corporations companies and associations whether incorporated or not.

Vesting in  
new Corpo-  
ration assets  
and liabilities  
of old Cor-  
poration.

5. All the assets property and rights of the old Corporation shall be and are hereby vested in the Corporation and such Corporation shall pay undertake and shall be bound by and be liable for all the debts liabilities engagements contracts and obligations of the old Corporation in the place and in discharge of the old Corporation and may sue and be sued in respect thereof.

Manage-  
ment of  
Corporation  
vested in a  
council—  
Appointment  
&c. of  
members.

6.—(1) The control and management of the business and operations of the Corporation shall be vested in a council consisting of twenty-one members (with power to increase to not exceeding thirty as hereafter provided) seven of whom shall retire at the second quarterly meeting of the Council in 1899 and in each subsequent year but shall continue in office until the conclusion of

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the meeting at which the appointment of their successors shall be made or notified as the case may be as herein-after provided The members to retire in each year shall be those who have been longest in office except in the case of the members of the first council whose order of retirement shall in default of agreement among themselves be determined by ballot.

(2) The places of the seven members of the council retiring in each year by rotation as aforesaid shall be filled up in the following manner:—

(a) Two members shall be appointed by the Central Association of Bankers of London :

(b) Two members shall be appointed by the London Chamber of Commerce :

(c) Three members shall be appointed by the said council and of such three members two at least shall be persons who at or before the time of their election shall have respectively proved to the satisfaction of the said council that they are the bonâ fide holders of foreign bonds to the nominal amount of five thousand pounds.

(3) On any member so appointed vacating office either at the expiration of his term of office or previously thereto his successor shall be appointed by the party with whom the original appointment rested Any member appointed in the place of a member vacating office prior to the date fixed for his retirement shall as to retirement by rotation stand in the place of the vacating member.

(4) On any member of the council whose appointment does not rest with the council vacating office the secretary of the Corporation (and in case of the yearly appointments at least fourteen days before the date of the quarterly meeting of the council at which the vacating members are to retire) shall give notice in writing to the party with whom the appointment rests requesting such party to make the appointment and notify the same to the Corporation within fourteen days and if such appointment is not made or is not so notified within that time the council may at any time before such appointment shall be notified fill the vacancy by the appointment of a member who as to period of office and re-appointment shall be deemed to be the nominee of the party with whom the appointment originally rested.

(5) A retiring member shall be eligible for re-election and if retiring by rotation shall be deemed to offer himself for re-election unless he gives to the council notice of a contrary intention.

(6) The first council shall consist of the persons named in section 3 of this Act seven of whom shall retire at the second quarterly



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A.D. 1898. — meeting of the council in 1899 seven others at that in 1900 and the remaining seven at that in 1901 and on any such member vacating office prior to the date fixed for his retirement the council may fill the vacancy by the appointment of a member who as to retirement by rotation shall stand in the place of the vacating member.

(7) Whenever the number of the members of the council is below thirty the council may appoint any extraordinary or additional members up to that number and may determine the period for which they shall respectively hold office All such extraordinary or additional members shall be subject to the general provisions of this Act applicable to ordinary members of the council.

Vacation of  
office &c.

7.—(1) A member of the council shall vacate his office—

- (a) On the expiration of his term of office :
- (b) If he resigns his office by notice in writing to the council :
- (c) If being interested directly or indirectly in any contract or transaction with the Corporation he fails to declare such interest to the council (unless his name appears in connexion therewith) prior to or when such transaction is considered by the council and no member so interested shall in any case vote thereon but having declared such interest the member so interested shall not be bound to account for any profit accruing to him therefrom :
- (d) If he becomes bankrupt or enters into any arrangement or composition with or applies for protection against his creditors or is declared lunatic or becomes of unsound mind or is convicted of felony :
- (e) If he shall not attend any meeting of the council or any committee of the council for a consecutive period of six months and the council resolve that his office is vacated :
- (f) If the council shall at a meeting specially convened for that purpose by resolution passed by a majority of at least three fourths of the whole of the members of the council remove such member from office The member whom it is proposed to remove shall have seven days clear notice sent to him of such meeting and he may attend the meeting but shall not be entitled to be present at the voting or take part in the proceedings otherwise than as the council may allow.

(2) Provided always that no resolution of the council shall be invalidated by reason of any disqualified members having taken part therein or voted thereon and all acts done in good faith by the council or by the persons acting as members thereof shall be valid



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for all purposes notwithstanding any invalidity in their appointment or any disability in acting on the council be afterwards discovered. A.D. 1898.  
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(3) The members of the council if constituting a quorum may act notwithstanding any vacancy in their number and if by any means the number of members should at any time be reduced below that required for a quorum of the council the remaining member or members may exercise the powers of filling up vacancies given to the council by subsections (3) and (4) of section 6.

8.—(1) The council may exercise all the powers of the Corporation within the objects and scope of the Corporation declared by this Act. Powers &c. of council.

(2) The council may out of the surplus funds and property of the Corporation after providing for its liabilities remunerate the members of the council for the conduct of the ordinary business of the Corporation in such manner as the council may determine Provided that such remuneration shall not without the sanction of the Board of Trade exceed in any one year the sum of one thousand five hundred pounds in respect of the president or president and vice-president and one hundred pounds in respect of each member of the council exclusive of any remuneration for special missions undertaken or special services rendered and of any remuneration in which any such member may participate as a member of any special committee of the holders of public securities acting in conjunction with the council The aggregate of the sums payable in respect of the ordinary remuneration of the council shall be divided amongst the members as the council may determine.

9. The regulations contained in the First Schedule to this Act or such other regulations varying or supplementing the same for like or analogous purposes as may from time to time be made by the council with the approval of the parties in whom a right of appointment of members of council is vested or in case of difference shall be settled by the Board of Trade shall govern and regulate the summoning of meetings of the council and the procedure thereat and the keeping and auditing of the accounts of the Corporation and other matters referred to in such schedule. Regulations in First Schedule.

10. The Council shall in each year commencing in the year 1899 out of the available funds and property of the Corporation appropriate such a sum not being less than two thousand pounds as they think fit and apply the same in manner prescribed in the Second Schedule hereto Such appropriation shall be made at the second quarterly meeting of the council in each year. Appropriation for payments to members of old Corporation.

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Property  
and income  
of Cor-  
poration to  
be applied  
exclusively  
as autho-  
rised by  
this Act.

**11.**—(1) All the property and income of the Corporation from whatever source derived shall be applied solely towards the promotion of the objects and purposes of the Corporation and except as authorised by this Act no portion thereof shall be paid or transferred directly or indirectly to the persons who at any time are or have been members of the Corporation or of the old Corporation or to any of them or to any person claiming through any of them and any contravention or attempted or contemplated contravention of this section may be restrained at the suit of any member of the council or of any member of the old Corporation at the passing of this Act as well as any other person by law entitled to sue for such purpose.

(2) If the Corporation acts in contravention of the provisions of this section every member of the council of the Corporation who shall be party or privy to such contravention and every member of the Corporation or of the old Corporation who shall have received except as authorised by this Act any part of the property or income of the Corporation shall be liable to account for and return any property or income so received and further shall be responsible for the whole of the liabilities of the Corporation.

(3) Except in the case provided for by the last preceding subsection no member of the Corporation or of the old Corporation shall be in any way personally responsible for the debts liabilities or engagements of the Corporation.

Application  
of surplus  
funds on  
winding-up  
after pay-  
ment of old  
members  
according  
to scheme  
sanctioned  
by Board of  
Trade.

**12.** On any winding-up of the Corporation the surplus assets of the Corporation after discharge of its liabilities shall be applied first in payment of fifty pounds to each permanent member of the old Corporation at the passing of this Act his representatives or assigns who shall not have received payment under the provisions of section 10 and subject thereto such surplus assets shall be devoted to the objects or some of them or to objects similar or analogous to those or some of those for which the Corporation is established by this Act in accordance with a scheme which shall be settled or sanctioned by the Board of Trade with power to such Board from time to time to vary or amend such scheme as such Board may deem expedient.

Expenses of  
Act.

**13.** The expenses of this Act shall be paid out of the funds of the Corporation.



SCHEDULES referred to in the foregoing Act.

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FIRST SCHEDULE.

REGULATIONS REFERRED TO IN SECTION 9.

I.—MEETINGS AND PROCEEDINGS OF THE COUNCIL AND COMMITTEES  
OF THE COUNCIL &C.

1. Meetings of the council shall be held at such time and place and may be adjourned and shall be regulated as the council may from time to time determine. A quarterly meeting of the council shall be held in the months of January April July and October in each year. No notice shall be necessary of council meetings fixed by resolution of the council to be held on stated days.

2. The council shall elect a president and may elect a vice-president of the Corporation and determine the period for which they shall respectively hold office.

3. The president or if absent the vice-president if any shall preside at every meeting of the council. If neither is present the members present shall elect a chairman of the meeting.

4. The president or vice-president may at any time summon a meeting of the council to be held at the office of the Corporation or other usual place of meeting on giving such notice to the members by post or otherwise as he shall think fit. Any two other members of the council or the secretary may convene a meeting of the council on three clear days notice. The first meeting of the first council shall be held within one month after the passing of this Act and may be summoned by the Right Hon. Sir John Lubbock or in default of him during such month by any two other members of such council.

5. Notice to members for the time being out of the United Kingdom shall not be necessary to constitute a valid meeting of the council for the transaction of business.

6. The council shall from time to time determine the quorum necessary for the transaction of its business and until so otherwise determined seven members shall form a quorum.

7. All questions arising at a meeting of the council shall be decided by a majority of votes which shall be given personally and in case of equality the chairman of the meeting shall have a second or casting vote.

8. The council may appoint and remove such committees of one or more of their number and may delegate to them such of the powers of the council as they may deem requisite or expedient for any of the business or purposes of the Corporation and may determine and regulate their duties and procedure. Subject thereto any such committee may regulate its own procedure in the same manner as the council may do.

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9. Minutes of proceedings of every meeting of the council and of every committee as aforesaid shall be kept and shall be signed by the chairman of that or the following meeting.

10. The council may from time to time appoint any member or members of the council or other persons to be trustees for the purpose of holding any of the property of the Corporation or otherwise acting on behalf of the Corporation. Such trustees may be removed at the pleasure of the council and shall in all things act and deal with the property under the direction of the council and shall be indemnified in respect of all acts done under such direction.

II.—COMMITTEES OF HOLDERS OF PUBLIC SECURITIES.

11. The council may in addition to committees of the council appoint and remove committees of or to represent holders of any class or classes of public securities or of any particular issue or issues of such securities and may determine and regulate their functions and procedure.

12. The president and vice-president if any of the council shall if desiring to act be ex-officio members and unless the council shall otherwise determine shall be the chairman and vice-chairman respectively of every such last-mentioned committee. The council may appoint any members of the council to be members of any such committees whether holders of securities of any particular class represented by such committee or not.

13. The members of all such committees shall act gratuitously but the council may in their discretion if they think fit pay to the members of such committees or some of them (and as regards the members of the council serving thereon in addition to their ordinary remuneration as members of the council) such sums in recognition of services rendered as the council may determine and may provide for such payment out of the funds of the Corporation or in any manner they think fit.

III.—GENERAL REGULATIONS.

14. The council may employ such persons whether members of the council or not for the conduct of or in relation to the business and operations of the Corporation and may remunerate them in such manner as the council may determine and may grant pensions or bonuses to any officer of the Corporation or of the old Corporation or bonuses to their representatives.

15. No person except the council and persons authorised by them shall have any authority to make accept or indorse any bill cheque or other negotiable instrument or to enter into any contract on behalf of or impose any liability on or otherwise pledge the credit of the Corporation. Contracts entered into in the name of the "Council of Foreign Bondholders" shall be binding on the Corporation.

16. All bills and negotiable instruments contracts and other documents requiring to be signed on behalf of the Corporation but not requiring to be sealed shall be signed in such manner as may be authorised by the council. No instrument signed in any other mode shall be binding on the Corporation unless subsequently adopted or ratified by the council.

17. The common seal of the Corporation shall be affixed only with the authority of the council and shall be attested by two members of the council and the secretary or the acting secretary for the time being.



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18. The Corporation (acting by the council) may exercise the powers of the Companies Seals Act 1864 Any foreign seal shall be affixed with such formalities as the council may from time to time prescribe. A.D. 1898.

19. The council may make and vary such byelaws rules and regulations (not inconsistent with the regulations in this schedule) with regard to meetings of the council and committees of the council and of holders of public securities and of committees of such holders and generally as to the conduct of the business and operations of the Corporation as the council may determine.

IV.—ACCOUNTS AND AUDIT.

20. The council shall cause accounts to be kept of all matters relating to or connected with the transactions and business of the Corporation The books of account shall be kept either at the office of the Corporation or at such other place or places as the council may determine or partly at one place and partly at another and shall be open to the inspection of every member of the council.

21. Unless otherwise determined by the council the financial year of the Corporation shall be deemed to end on the 31st day of December in each year and a general account and balance sheet of the Corporation shall be made out in each year down to the end of each financial year as soon as reasonably practicable thereafter.

22. Every such account shall contain such particulars and be in such form as clearly to exhibit a true and correct statement of the affairs of the Corporation down to the end of each financial year and shall be audited by one or more auditors who shall examine the same and report thereon to the council.

23. The auditors for each year shall be appointed by the council at the first quarterly meeting in each year and the council shall forthwith fill up any vacancy arising by death or otherwise in the office of auditor Any one of a firm appointed auditors may execute the office The remuneration of the auditors shall be fixed by the council No auditor shall hold any other office under the Corporation.

24. If no appointment of auditors be made in manner aforesaid the Board of Trade may appoint an auditor for the current year and fix the remuneration to be paid to him by the Corporation for his services.

25. Every auditor shall be entitled to have delivered to him a list of all books of account kept by the Corporation and shall at all reasonable times have access to the books and accounts of the Corporation and to all documents in any manner relating to or having any bearing on such accounts and shall have the right to all such information from members of the council and other officers of the Corporation as he may reasonably require.

V.—ANNUAL REPORT.

26. The council shall make and print an annual report of the operations of the Corporation during each year and shall send a copy thereof together with a copy of the account and balance sheet and auditors report thereon referred to in paragraphs 21 and 22 of this schedule to the Board of Trade and also to each permanent member of the old Corporation at the passing of this Act during his life if required by him So far as the addition printed by the

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SECOND SCHEDULE.

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REGULATIONS AS TO DISTRIBUTION OF SUMS APPROPRIATED FOR THE PERMANENT MEMBERS OF THE OLD CORPORATION PURSUANT TO SECTION 10.

1. In these regulations—

- (a) "Permanent members" means permanent members of the old Corporation at the passing of this Act their representatives or assigns:
- (b) "Unpaid members" means such of the said permanent members as may not have received any payment under section 10 or these regulations:
- (c) "The council" means the council of the Corporation established by this Act:
- (d) "Appropriation" means a sum appropriated by the council pursuant to section 10.

2.—(1) The council shall within fourteen days after the second quarterly meeting of the council in each year commencing in 1899 send by post to each unpaid member a notice stating what appropriation in respect of the preceding year the council have made and inviting tenders for the same and stating that the lowest tenders below one hundred pounds in respect of any one unpaid member sent to the Corporation before a date to be named in the notice will be accepted so far as the appropriation will extend. The sums so tendered for shall so far as the appropriation will extend be paid to the unpaid members making the lowest tenders and as between two or more tenders of the same sum those to be paid shall be determined by ballot and any fraction over shall be carried forward to the next appropriation.

(2) If no such tenders are received or if such tenders shall not exhaust the whole appropriation the distribution of such appropriation or the surplus thereof shall be made amongst the unpaid members by ballot at the rate of one hundred pounds per member.

(3) The amounts to be paid as aforesaid shall be paid on surrender and delivery up to the Corporation of the certificate of permanent membership of the member so paid.

3. The council may at any time purchase the right to such payment of any unpaid member at any price at or below one hundred pounds if the circumstances be such as in the opinion of the council may render it expedient and



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reasonable to do so provided that this power shall not be exercised so as to unduly or unfairly exclude unpaid members from participation in the appropriations to be made in pursuance of this Act.

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4. The existing register of the permanent members of the old Corporation shall be continued so long as any unpaid members remain and all transfers or transmissions of the rights of such unpaid members to participate in any appropriation and all payments made to such members shall be recorded in such register. All instruments of transfer recorded in the register shall remain in the custody of the Corporation.

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HODGES, FIGGIS, & Co., LIMITED, 104, GRAFTON STREET, DUBLIN.