



CHAPTER cxxix.

An Act to reduce the capital and extend the powers of the London and San Francisco Bank Limited and for other purposes. A.D. 1900.
[30th July 1900.]

WHEREAS the London and San Francisco Bank Limited (in this Act called "the Company") was incorporated in the year 1880 under the Companies Acts 1862 and 1867 as a company limited by shares :

And whereas the nominal capital of the Company is seven hundred thousand pounds divided into one hundred thousand shares of seven pounds each of which seventy thousand shares have been issued and have been fully paid up :

And whereas the Company has since its incorporation carried on a large banking business in London and in the states of California Oregon and Washington in the United States of America :

And whereas the Company in the course of carrying on its business has by failures of customers become possessed of certain landed property and other assets in the United States of America a summary of which assets is contained in the schedule to this Act and the particulars of which assets are set forth in the inventory herein-after referred to :

And whereas the said assets are at the present time and have long been practically unsaleable and unproductive and the taxes and other necessary outgoings upon some of such assets are more than the income derived from the whole of them and such assets cannot without great delay and special outlay be converted into money save at a considerable sacrifice :

And whereas the said assets have been estimated as nearly as possible to represent capital of the Company equal to three pounds per share in respect of the issued shares aforesaid :

And whereas the fact that the capital of the Company is known to be in part represented by and locked up in such assets is detrimental to the business of the Company :

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And whereas the said assets are of considerable value and it is anticipated that with careful and judicious treatment they will ultimately produce a large sum:

And whereas in the meantime it is desirable with a view to limiting the amount of paid-up capital of the Company to the amount at the disposal of the Company for the purposes of its ordinary business to reduce the capital by converting the said assets into a capital reserve fund and by lowering the nominal amount of the shares as herein-after provided:

And whereas it is desirable to make special provision for dealing with the assets from time to time constituting the said capital reserve fund so as to make the same available for the greater security of the creditors of the Company and to render it inapplicable towards the payment of dividends or bonuses to members of the Company:

And whereas the Company is advised in the special circumstances of the case that such reduction cannot be carried out or such reserve fund constituted without the authority of Parliament and that to proceed by way of reconstruction and sale of its assets to a new company would endanger many of the titles to the said landed properties and prevent the vesting of such titles in the new Company:

And whereas doubts have arisen as to whether having regard to the objects of the Company set forth in its memorandum of association certain powers which for the better working of the Company's business are requisite are vested in the Company and it is desirable to remove these doubts:

And whereas the purposes of this Act 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 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 London and San Francisco Bank Limited Act 1900.

Constitution
of capital
reserve fund
and reduction
of capital.

2. The assets of the Company comprised in the inventory signed by the members in London of the board of directors of the Company shall as from the passing of this Act cease to be part of the capital of the Company and shall constitute a capital reserve fund as herein-after provided and accordingly each of the fully paid-up shares in the Company's capital shall be reduced from seven pounds to four pounds fully paid up and every member of the Company shall forthwith deliver up to the Company the

certificate or certificates of title relating to his shares in order that the Company may issue fresh certificates for the shares of reduced amount. The said inventory shall after the passing of this Act be kept at the registered office of the Company and during the usual business hours be open to the inspection of any shareholder. Provided that the right of inspection hereby conferred shall not carry with it a right to take or to require copies of the said inventory or of any part thereof. A.D. 1900.

3.—(1) A capital reserve fund of the Company is hereby constituted and shall consist of the assets comprised in the said inventory and of the assets for the time being and from time to time representing the same and such assets shall be kept separate from the other assets of the Company and the said fund shall in the accounts of the Company be entered and treated from time to time as of such nominal value as the directors of the Company may from time to time determine. Provisions as to capital reserve fund.

(2) The directors of the Company may from time to time deal with the assets constituting the said capital reserve fund in such manner as they may think expedient with a view to managing developing safeguarding preserving increasing the value of preventing further diminution in value of realising and turning to account such assets.

(3) All assets acquired pursuant to any such dealings and all net income arising from the capital reserve fund shall become part of the capital reserve fund.

(4) None of the assets for the time being and from time to time constituting the capital reserve fund shall be applied in paying dividends or bonuses to the members of the Company.

(5) Nothing in this section contained shall prevent the Company from making from time to time advances to the capital reserve fund out of the other assets for the time being of the Company with a view to the application thereof to any of the purposes mentioned in sub-section 2 of this section or from charging interest as against the capital reserve fund at the current commercial rate holding at the time and place where such advances are respectively made or from paying off such advances and interest out of the capital reserve fund and such advances and interest shall as between the other assets aforesaid and the capital reserve fund be regarded as a charge on the capital reserve fund.

4. Whenever the directors in London of the Company shall certify in writing that in their opinion some specified assets belonging to the capital reserve fund aforesaid are of a specified Power to capitalise assets of capital reserve fund

A.D. 1900. value and are suitable for ordinary purposes of the Company's business and may properly be capitalised the Company may capitalise the same at such value in either of the modes following (that is to say) :—

(1) By passing a special resolution that such assets be capitalised and that the amount of each of the issued shares of the Company be increased by a sum bearing the same ratio to the amount of the value aforesaid as the share bears to the whole of the issued shares and such resolution shall have effect :

or in the alternative where the Company has lost some portion of its capital other than the capital reserve fund—

(2) By passing a special resolution that such assets be capitalised by way of recoupment of a corresponding amount of lost capital of the Company.

Declaration
as to mean-
ing of the
Company's
objects.

5. The objects of the Company contained in clause 3 of its memorandum of association shall be deemed to confer on the Company amongst other powers the following powers namely :—

(1) To undertake the office of trustee receiver liquidator executor administrator committee manager registrar attorney proxy delegate substitute treasurer and any other office or situation of trust or confidence and to perform and discharge the duties and functions incident thereto and generally to transact all kinds of trust and agency business either gratuitously or otherwise :

(2) To receive money securities and valuables of all kinds on deposit at interest or for safe custody and generally to carry on the business of a safe deposit company :

(3) To promote any company or companies or syndicate for the purpose of acquiring any of the property and liabilities of this Company or for any other purpose which may seem directly or indirectly calculated to benefit this Company :

(4) To enter into any arrangement for sharing profits union of interests co-operation joint adventure reciprocal concession or otherwise with any person partnership or company carrying on or engaged in or about to engage in or carry on any business or transaction which this Company is authorised to carry on or engage in or any business or transaction capable of being conducted so as to directly or indirectly benefit this Company :

(5) To take or otherwise acquire or hold sell re-issue with or without guarantee or otherwise deal with shares stocks bonds debentures and securities of any company whether constituted

in the United Kingdom or in the United States of America or elsewhere : A.D. 1900.

- (6) To do all things which may seem useful or necessary for the management or improvement and development of property of the Company in the United States.

6. The Company shall forthwith after the passing of this Act give notice thereof to the Registrar of Joint Stock Companies and shall within three months after the passing of this Act forward a printed copy thereof to him and it shall be recorded by him and if such copy is not so forwarded within three months after the passing of this Act the Company shall incur a penalty not exceeding two pounds for every day after the expiration of such three months during which such copy is omitted to be forwarded and every director and manager of the Company who knowingly and wilfully authorises or permits such default shall incur the like penalty and every penalty under this section shall be recoverable summarily.

Act to be
lodged with
Registrar.

7. To every copy of the memorandum and articles of association of the Company supplied after the passing of this Act to any member under the provisions of section 19 of the Companies Act 1862 there shall be annexed a copy of this Act which for the purposes of that section shall be treated as part of the memorandum of association of the Company.

Copy of
Act to be
supplied to
members on
request.

8. Save and except as by this Act is specially enacted nothing herein contained shall be deemed to render valid or invalid any act done or proceeding pending by or against the Company before or at the time of the passing of this Act.

General
saving
clause.

9. All costs charges and expenses preliminary to or incidental to the preparing applying for and the obtaining and passing of this Act shall be paid out of the funds of the Company.

Costs of
Act.

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SCHEDULE referred to in the foregoing Act.

SUMMARY of INVENTORY of PROPERTY and other ASSETS in the United
States of America referred to in the preamble.

	Estimated at
(1) Real estate	- \$615,972·45
(2) Mortgages on land	- 160,310·78
(3) Shares in companies	- 111,793·04
(4) Bills and promissory notes discounted	- 114,654·39
(5) Sundry securities	- 45,319·62
	<u>\$1,048,050·28</u>

(or) at 49*d.* per dollar equal in sterling to - £213,976 18. 6

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