



CHAPTER xlv.

An Act to empower the Royal Exchange Assurance to create and issue debentures or debenture stock to amend the fundamental laws of the Corporation and for other purposes. A.D. 1925.

[31st July 1925.]

WHEREAS by Royal Charter dated the twenty-second day of June seventeen hundred and twenty and granted in pursuance of an Act passed in the sixth year of the reign of King George the First chapter eighteen intituled "An Act for better securing certain powers and privileges intended to be granted by His Majesty by two charters for assurance of ships and merchandises at sea and for lending money upon bottomry and for restraining several extravagant and unwarrantable practices therein mentioned" a Corporation was created by the name of "The Royal Exchange Assurance for assurance of ships goods and merchandise at sea or going to sea and for lending money upon bottomry":

And whereas by Royal Charter dated the twenty-ninth day of April seventeen hundred and twenty-one the then present and future members of the Royal Exchange Assurance were incorporated as a distinct Corporation for the assurance of any life or lives of any person or persons whatsoever and against casualties and accidents by fire by the name of "The Royal Exchange Assurance of Houses and Goods from Fire":

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And whereas the following Acts have been passed for amending and extending the powers of the Corporation under the recited Royal Charters viz.—

33 Geo. III. c. 14.	6 Geo. IV. c. 37.
36 Geo. III. c. 26.	17 Vict. c. 11.
41 Geo. III. c. 57.	34 Vict. c. 16.

And whereas by the Royal Exchange Assurance Act 1901 the Acts hereinbefore recited were repealed but without prejudice to the recited charters and the then existing constitution of the Corporation and it was enacted that the objects of the Corporation and its fundamental laws should from and after the passing of the said Act be those defined and set forth in the schedule thereto :

And whereas it is expedient that additional powers should be conferred upon the Corporation and that it be authorised to acquire and hold lands in any part of the world for the general purposes of its undertaking :

And whereas the Corporation has power to form or assist in forming outside the United Kingdom any company or association for carrying on any business which the Corporation may for the time being be authorised to carry on and to hold shares or stock in or securities of any such company and to dispose of the same and to guarantee the obligations of any such company but so that in every case arrangements shall be made for securing to the Corporation the control management and benefit of the business of any such company and it is expedient that the Corporation be empowered to form and assist in forming similar companies within the United Kingdom and to enjoy rights and privileges in connection with such companies similar to those hereinbefore mentioned in relation to any such company formed abroad Provided that in every case arrangements be made for securing to the Corporation the control and management of and benefit of the business of any such company either solely or jointly with any other body person association or company :

And whereas the Corporation has power to undertake and transact any business ordinarily known as trustee and executorship business and it is expedient that in connection with such business the Corporation be empowered to act as registrars and transfer agents :

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And whereas it would be of benefit to the Corporation and its business if the Corporation was empowered to provide an official seal for use in any place outside the United Kingdom with power to authorise an agent to use or affix the same to instruments relating to transactions in such place :

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And whereas the authorised capital of the Corporation is £2,000,000 of which £789,148 17s. 10d. has been issued and paid up :

And whereas it is expedient that the Corporation should be empowered to raise its unissued capital from time to time in such amounts and in shares of such denominations as shall be deemed advisable and if it thinks fit to convert the same when fully paid into stock and to allocate to such shares or stock such preferential or other rights as may be deemed best in the interests of the Corporation :

And whereas the Corporation has opportunities from time to time to purchase and acquire businesses or undertakings which would be of great benefit to the Corporation and its stockholders and for the purpose of carrying such transactions into effect on the most favourable and suitable terms and conditions it is in many cases desirable that the Corporation should create and issue debentures or debenture stock but it is doubtful whether the Corporation has power to do so :

And whereas it is expedient that the Corporation should be empowered accordingly to create and issue debentures or debenture stock from time to time redeemable or irredeemable and apply the same for the purpose of acquiring the businesses and undertakings aforesaid :

And whereas the objects aforesaid 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 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 (that is to say) :—

1. This Act may be cited as the *Royal Exchange Assurance Act 1925.* Short title.

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Interpreta-
tion.

2. In this Act—

“The Corporation” means the Corporation known as the Royal Exchange Assurance;

“Fundamental laws” means the objects of the Corporation (with its official name) as defined in the schedule to the Royal Exchange Assurance Act 1901.

Power to
hold lands
in other
countries.

3. From and after the passing of this Act the Corporation shall have power to acquire hold and dispose of for any purposes lands of any tenure in any part of the world or any interest therein and from time to time to sell lease exchange or otherwise dispose of any lands or any interest in lands so acquired or any part of the same on such terms and conditions as the Corporation may see fit free from any restriction imposed by any fundamental law or other instrument or Act governing or regulating the objects or operations of the Corporation.

Formation
of sub-
sidiary
companies
in United
Kingdom.

4. From and after the passing of this Act the Corporation shall have full power to form and assist in forming as well within as without the United Kingdom any company or association for carrying on any business or undertaking which the Corporation may for the time being be authorised to carry on subject to the same conditions and with the same rights privileges and benefits in connection therewith as it is subject to or is entitled to enjoy under the fundamental laws hereinbefore referred to in connection with any such company formed outside the United Kingdom Provided that in every case arrangements be made for securing to the Corporation the control and management of and benefit of the business of any such company either solely or jointly with any other body person association or company.

Corporation
may act as
registrars
or transfer
agents.

5. From and after the passing of this Act the Corporation shall have full power to act as registrars or transfer agents in respect of any debentures debenture stock or other securities whether constituted or secured by any trust deed of which the Corporation may be or become the trustees or otherwise and paragraph 3 (A) of the schedule to the Royal Exchange Assurance Act 1901 shall be read and construed accordingly.

Issue of
capital with
special
rights.

6. The Corporation may issue any part of its existing unissued capital or any capital which may hereafter be created in shares of such denominations and with such

preferred deferred or other special rights or such restrictions whether in regard to dividend voting return of capital or otherwise as the directors shall determine and they may convert the same when fully paid into stock.

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7.—(1) The Corporation may issue any part of its existing unissued capital or any capital which may hereafter be created so as to be redeemable with or without a premium and on such other terms and conditions as the directors may determine.

Issue of redeemable shares or stock.

(2) The Corporation may redeem any redeemable shares or stock either by paying off the same or by issuing to the holder thereof subject to his consent other shares or stock in substitution therefor and may for the purpose of providing money for paying off such redeemable shares or stock or of providing substituted shares or stock create and issue new shares or stock (either redeemable or irredeemable) or re-issue shares or stock originally created and issued under this section. Provided that the creation and issue for the purposes of any particular class of shares or stock does not make the total amount of such shares or stock issued exceed the amount of that class of shares or stock which the Corporation is for the time being authorised to issue.

8. Subject to the provisions hereinafter set forth the Corporation may create and issue debentures or debenture stock perpetual or otherwise and either secured (save as hereinafter provided) by specific or floating charge on all or any part of the general assets and property of the Corporation both present and future including uncalled capital or unsecured and may purchase redeem or pay off any such debentures or debenture stock.

Creation of debentures or debenture stock.

9. Any debentures or debenture stock created and issued as aforesaid shall be applied by the Corporation for the purposes of the payment or satisfaction of part of the purchase money or consideration payable on the acquisition or purchase by the Corporation of the whole or any part of any business or undertaking similar to that carried on by the Corporation or the whole or any part of any debentures debenture stock or shares of any company carrying on such a business or any property which the Corporation has power to hold or acquire and shall not be applied to or used for any other purpose. Provided that not more than two-thirds of any such purchase money or

Application of debentures &c.

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Purchase of debentures &c.

10. Before the acquisition or purchase of any such business or undertaking or part thereof or any such debentures debenture stock or shares or property as aforesaid the directors shall submit to the stockholders of the Corporation at a general court particulars of the proposed purchase specifying the amount to be paid as purchase money or consideration to the vendors thereof and the amount of debentures or debenture stock of the Corporation which it may be proposed to create and issue and the directors shall not create or issue or apply any debentures or debenture stock of the Corporation for the part payment or satisfaction of any such purchase money or consideration without the sanction of the Corporation in general court.

Saving for statutory funds &c.

11. The creation and issue of debentures or debenture stock under the powers conferred by this Act shall not in any way prejudice or affect the security of the holders of any policies of the Corporation provided by subsection (2) of section 3 of the Assurance Companies Act 1909 in respect of any fund established by the Corporation under that Act.

Power for Corporation to have official seal for use abroad.

12.—(1) The Corporation may have for use in any territory district or place not situate in the United Kingdom an official seal which shall be a facsimile of the common seal of the Corporation with the addition on its face of the name of every territory district or place where it is to be used.

(2) The Corporation may by writing under its common seal authorise any person appointed for the purpose in any territory district or place not situate in the United Kingdom to affix such official seal to any deed or other document to which the Corporation is a party in that territory district or place.

(3) The authority of any such agent shall as between the Corporation and any person dealing with the agent continue during the period if any mentioned in the instrument conferring the authority or if no period is there mentioned then until notice of the revocation or determination of the agent's authority has been given to the person dealing with him.

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(4) The person affixing any such official seal shall by writing under his hand on the deed or other document to which the seal is affixed certify the date and place of affixing the same. A.D. 1925.

(5) A deed or other document to which an official seal is duly affixed shall bind the Corporation as if it had been sealed with the common seal of the Corporation.

13. All costs charges and expenses of and in relation to the application for obtaining and passing of this Act shall be paid by the Corporation. Costs of Act.

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