



CHAPTER cxxxii.

An Act to alter and extend the constitution and powers of the Colonial Bank. A.D. 1898.
[25th July 1898.]

WHEREAS by letters patent under the Great Seal of the United Kingdom of Great Britain and Ireland bearing date at Westminster the first day of June in the sixth year of the reign of His Majesty King William the Fourth (in this Act referred to as "the charter") the Colonial Bank (herein-after called "the Corporation") were incorporated with a capital or joint stock of two million pounds in twenty thousand shares of one hundred pounds each and it was provided that the Corporation should not commence or carry on the business of banking until one million five hundred thousand pounds had been subscribed for and five hundred thousand pounds actually paid up :

And whereas the whole of the capital of the Corporation has long since been subscribed and six hundred thousand pounds being thirty pounds in respect of each share in the said capital has been paid up :

And whereas it is expedient that provision be made for dividing the said capital into one hundred thousand shares of twenty pounds each on each of which six pounds shall be deemed to have been paid up :

And whereas by the charter it was ordained that a half-yearly general meeting of the proprietors of the Corporation should be held on the first Monday in the month of January and the first Monday in the month of July in every year and that previously to every half-yearly general meeting an account should be prepared by the court of directors of the debts and assets of the Corporation with an account of the profits made in the half year next but one preceding such half-yearly meeting for the time being and that at every such half-yearly general meeting or some adjournment thereof a dividend or dividends should (if recommended by the court of

A.D. 1898. directors) be made out of the interest profits or advantage of the Corporation unless such meeting should declare otherwise :

And whereas it would be more convenient and it is expedient that such half-yearly general meetings be held on the first Thursday in the months of April and October respectively and that the accounts be made up to a date three months beforehand :

And whereas by the charter it was ordained that the number of directors of the Corporation should be and be continued at fifteen :

And whereas it is not convenient to preserve the number of the said directors continuously and necessarily at fifteen and it is expedient that the proprietors of the Corporation be empowered from time to time to reduce and again increase the number of directors as herein-after provided :

And whereas by the charter it was ordained that there should be from time to time constituted out of the members of the Corporation three auditors and that no proprietor should be eligible or qualified to act as an auditor of the said Corporation unless he should at the time of his election be the holder of at least two thousand pounds of the capital stock of the Corporation and that if any auditor should at any time after his election cease to be the holder of at least two thousand pounds stock such person should thereupon immediately cease to be an auditor and it is expedient that that provision be modified as herein-after provided :

And whereas by the charter it was ordained that it should not be lawful for the Corporation to lend or advance money on the security of lands houses or tenements or upon ships :

And whereas by the twelfth section of the Colonial Bank Act 1856 (herein-after referred to as "the Act of 1856") a limited power of taking and dealing with mortgages of real and personal property was conferred on the Corporation and the period during which the Corporation may continue to hold lands or real estate acquired under such power is limited to two years but such power does not or may not authorise the taking of mortgages to secure the balance of current accounts nor the lending of money on mortgage by way of investment and the want of such authority unnecessarily impedes the business of the Corporation and it is expedient that such authority be conferred upon the Corporation and that the aforesaid limit of time be extended :

And whereas by the sixth section of the Act of 1856 it was enacted that no part of the capital of the Corporation should thereafter be called up without the consent in writing of the Commissioners of Her Majesty's Treasury or any two of them and by the tenth section of the same Act it was enacted that the Corporation should make certain periodical returns to the Commissioners of Her

Majesty's Treasury and by the eleventh section of the same Act it was enacted that all accounts of the Corporation and the specie and gold and silver bullion kept by them might be inspected and examined as therein mentioned by any officer authorised in that behalf by the Commissioners of Her Majesty's Treasury :

And whereas the Commissioners of Her Majesty's Treasury are desirous and it is expedient that they be relieved from all duties imposed on them by the Act of 1856 :

And whereas by the eighth section of the Act of 1856 it was enacted that it should not be lawful for the Corporation at any time to contract or incur debts or liabilities to any greater aggregate amount (including therein the total amount of the notes of the said bank payable on demand for the time being in circulation) than one million five hundred thousand pounds Provided that in ascertaining the amount of such debts and liabilities the total amount of specie and the market value of gold and silver bullion for the time being held by the Corporation should be deducted from the amount of such debts and liabilities :

And whereas by section 6 of the Companies Act 1879 a bank of issue registered as a limited company under the Companies Act 1862 is declared not to be entitled to limited liability in respect to its notes :

And whereas the Corporation is not a company registered under the Companies Act 1862 but by letters patent under the Great Seal of the United Kingdom of Great Britain and Ireland bearing date the thirtieth day of October in the second year of Her present Majesty (in this Act referred to as "the supplemental charter") and by the Act of 1856 a right in perpetuity to issue notes and the privilege of limited liability in respect of those notes subject to the special conditions in the Act of 1856 contained and herein-before recited was granted to the Corporation :

And whereas it is expedient to make other provision for the security of the holders of notes issued by the Corporation :

And whereas it has been found impracticable consistently with the legitimate requirements of trade and of the Government colonial business to keep the nominal debts and liabilities of the Corporation within the limits to which they would be restricted by the said eighth section of the Act of 1856 and it is expedient that subject as herein-after provided the restrictions imposed by the said section be removed :

And whereas it is expedient that the Corporation have such powers as to unclaimed dividends and in other respects as are herein-after conferred :

A.D. 1898.

And whereas the objects 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 for all purposes as the Colonial Bank Act 1898.

Definition.

2. In this Act the expression "British possession" means any part of Her Majesty's dominions out of the United Kingdom in which the Corporation is authorised to carry on business and for the purposes of any enactments applied or incorporated by this Act the expression "proprietor" means shareholder.

Division of capital into 207. shares.

3. The capital of the Corporation is hereby divided into one hundred thousand shares of the nominal amount of twenty pounds each and five of those shares are hereby substituted for each existing share in the capital of the Corporation of the nominal amount of one hundred pounds and the sum of six pounds shall be deemed to have been paid up on each such share of twenty pounds but no proprietor of any such share shall be liable to contribute to the debts or liabilities of the Corporation any sum exceeding the amount (if any) for the time being unpaid on the shares held by him.

New certificates to be issued.

4. The directors may as and when they see fit and if required by any proprietor shall issue certificates of the twenty-pound shares by this Act substituted for the existing shares.

Register of proprietors &c. to be altered.

5. The directors shall cause to be made in the register of proprietors and in the other books and documents of the Corporation such alterations as may be required by or for giving effect to the two last preceding sections of this Act and once in every year and in the month of January in each year a copy of the register of shareholders shall be sent to and filed with the registrar of joint stock companies.

Saving of rights.

6. The five shares of twenty pounds each which are by this Act substituted for a share of one hundred pounds shall to all intents and purposes represent such last-mentioned share and shall be subject and liable to the same trusts powers provisions declarations agreements charges liens and encumbrances as immediately before the passing of this Act affected such share and so as to give effect to and not to defeat or prejudice any deed agreement or other

instrument or any testamentary or other disposition of or affecting the same and every such deed agreement or other instrument or disposition shall take effect with reference to the whole or a proportionate part as the case may be of the shares so substituted for such shares of one hundred pounds.

A.D. 1898.

7. The following provisions of the Companies Clauses Consolidation Act 1845 (that is to say):—

Incorporating certain provisions of Companies Clauses Acts 1845 and 1863.

With respect to the distribution of the capital of the Company into shares;

With respect to the transfer or transmission of shares;

With respect to the payment of subscriptions and the means of enforcing the payment of calls;

With respect to the forfeiture of shares for non-payment of calls;

With respect to the remedies of creditors of the Company against the shareholders; and

With respect to the provision to be made for affording access to the special Act by all parties interested;

and Part I. (as to cancellation and surrender of shares) of the Companies Clauses Act 1863 as amended by subsequent Acts are (except where expressly varied by this Act) incorporated with and form part of this Act. And for the purposes of the provisions so incorporated the expression "the Company" shall mean the Corporation.

8. The Corporation may continue the offices established at the date of the passing of this Act in England and in New York and may carry on there the business of a bank for the purpose of facilitating originating or completing operations directly connected with the business of the Corporation as a banker in Jamaica and the other West India Islands and British Guiana but not otherwise and may with the previous consent in writing of the Treasury and notwithstanding anything contained in the charter establish other offices there or elsewhere for the like purpose but not for any other purpose.

As to offices outside the limits of the Corporation.

9. From and after the passing of this Act and subject to the provisions of this Act as to the qualification of auditors the charter shall be read and have effect as if wherever any particular amount of the capital stock of the Corporation is mentioned a number of shares of twenty pounds each the nominal amount of which shall in the aggregate be equal to the amount of capital stock so mentioned had been mentioned in the charter instead of such amount of capital stock and any and every provision in the charter inconsistent or at variance with or the subject-matter of

Interpretation of charter.

A.D. 1898. — which is otherwise provided for by this Act or the provisions of other Acts herewith incorporated is by this Act repealed.

Change of dates for the bank's half-yearly meetings.

10. From and after the passing of this Act the half-yearly general meetings by the charter directed to be held shall be held on the first Thursday in the month of April and the first Thursday in the month of October in every year or on such other days in those months respectively as the directors from time to time by resolution determine instead of their being held in the months of January and July respectively :

Provided always that in the event of this Act passing before the first day of August one thousand eight hundred and ninety-eight the half-yearly general which in accordance with the charter should be held in the month of July one thousand eight hundred and ninety-eight shall if not already held be held in the said month of July and the next half-yearly general meeting shall be held in the month of April one thousand eight hundred and ninety-nine and in the event of this Act passing on or after the first day of August one thousand eight hundred and ninety-eight the next half-yearly general meeting shall be held in the month of April one thousand eight hundred and ninety-nine which last-mentioned meeting shall for the purposes of this Act be deemed in any event to be and is herein-after referred to as the first half-yearly general meeting held under the provisions of this Act.

Present directors and auditors to remain in office until and certain directors and all auditors to retire at general meeting in April 1899.

11. The directors and auditors in office at the passing of this Act shall notwithstanding anything in the charter continue in their respective offices until the first half-yearly general meeting held under the provisions of this Act :

At that meeting such of the directors as if this Act had not passed would have retired by rotation under the provisions of the charter in the month of January one thousand eight hundred and ninety-nine and all the auditors of the Company shall retire from office.

As to future auditors.

12. At the first half-yearly general meeting held under the provisions of this Act there shall be elected one auditor (but one only) and thenceforth the provisions of the charter with respect to auditors shall have effect as if it had been by the charter ordained that there should be one auditor and not three auditors of the Corporation :

Provided that no person shall be eligible to be an auditor of the Corporation after the passing of this Act unless he be a member of a firm of chartered accountants and no person who has served as an auditor since the passing of this Act shall be elected a

director until after the expiration of five years from the date of his ceasing to be such auditor. A.D. 1898.

13. Notwithstanding anything in the charter contained from and after the passing of this Act it shall not be necessary for the auditors of the Corporation to be shareholders therein and the holding of any particular number of shares shall not be necessary to enable any person being a proprietor in the Corporation if elected as such auditor to assume or retain that office. Removal of restrictions as to auditors.

14. The accounts to be laid before each half-yearly general meeting and the dividends to be (subject to the provisions of the charter) thereat declared shall cover a period up to the thirty-first day of December or as the case may be the thirtieth day of June next before the date of such meeting : Change as to half-yearly accounts and dividends.

Provided always that at the first half-yearly general meeting held under the provisions of this Act accounts shall be laid before the meeting and dividends shall (if recommended by the court of directors) be made in accordance with the provisions of the charter as amended by this Act in respect of the half-years ending respectively the thirtieth day of June and the thirty-first day of December one thousand eight hundred and ninety-eight.

15. Notwithstanding anything in the charter contained from and after the passing of this Act the Corporation may from time to time by resolution at any general meeting of the proprietors convened with notice of the object reduce and again increase the number of directors of the Corporation but so that the number of directors be not at any time more than fifteen nor less than nine and from and after the passing of this Act on any vacancy arising from death or resignation of any person being at the date of the passing of this Act a director the vacancy shall not be filled up until the number of directors shall be reduced to twelve unless the proprietors shall by resolution at any general meeting resolve that the number of directors shall be more than twelve. Reduction in number of directors.

16. The twelfth section of the Act of 1856 shall be read and have effect as if "five years" had been mentioned therein instead of "two years" and the power of taking and dealing with mortgages and charges upon land conferred on the Corporation by that section shall be extended so as to include the taking of mortgages or charges upon land by deposit of title-deeds or otherwise for securing the balance of current accounts. Extension of the bank's power of taking mortgages.

17. The Corporation shall not directly or indirectly lend money on the security of any shares in the capital of the Corporation but the Corporation in the event of the bankruptcy of a person registered Lending by Corporation on own securities.

A.D. 1898. — as holder of any share in the capital of the Corporation shall subject to the charge created by this Act in favour of holders of the notes of the Corporation and to any prior incumbrance on such share have a first and paramount lien upon such share for all sums due from such holder to the Corporation either alone or jointly with any other person.

Repeal of sections of Act of 1856 relating to Treasury control.

18. The sixth tenth and eleventh sections of the Act of 1856 are hereby repealed and the Corporation shall not incur any liability or disability on account of any past neglect to conform to any of the enactments in those several sections respectively contained Provided that—

(A) Fresh capital shall not be called up without the sanction of a resolution passed and confirmed with the formalities required in the case of a special resolution under the Companies Act 1862; and

(B) Any capital in excess of one half of the capital actually subscribed shall not be capable of being called up except in the event of and for the purposes of the Corporation being wound up.

Publication of accounts.

19. Section forty-four of the Companies Act 1862 with respect to publishing a statement of accounts by a limited banking company shall apply to the Corporation as if it were a limited banking company within the meaning of that section and the Corporation shall further publish the statement therein mentioned in some newspaper in general circulation in every British possession in which the Corporation carries on business and in default of such publication the Corporation and every director and manager of the Corporation shall be liable to the like penalties as for default under the said section forty-four.

Repeal of sections of Act of 1856 restricting the bank's operations save as to note issue &c.

20.—(1) The eighth section of the Act of 1856 is hereby repealed and the Corporation shall not incur any liability or disability on account of any past infringement of that section. But notwithstanding such repeal as last mentioned the total amount of the notes of the Colonial Bank payable on demand for the time being in circulation shall never exceed the nominal amount of five hundred thousand pounds and if notes are at any time issued by the Corporation in excess of that amount and the Corporation is not wound up on account of non-compliance with the provisions of this Act the Corporation shall forfeit to the Crown a sum not exceeding the sum of five pounds per day for every day during which such non-compliance shall continue for any sum not exceeding one thousand pounds and a further sum of five pounds per day for every day during which such non-compliance shall continue for every complete

additional sum of one thousand pounds of the nominal amount of notes so issued in excess and in any proceedings for such forfeiture the Corporation shall produce such books and information as the court may require for the purpose of showing the amount of notes for the time being issued and of capital for the time being subscribed. A.D. 1898.

(2) Where it is made to appear to a Principal Secretary of State on the application of the Government of any British possession in which the Corporation carries on business or otherwise that there is reasonable cause to suppose that the nominal amount of notes issued by the Corporation at any date is in excess of the amount authorised by this Act the Secretary of State may require the Corporation to give within such time and with such particulars as may be specified in his requisition a return of the amount of notes issued and capital subscribed at the said date and thereupon the Corporation shall give such return and shall permit the same to be verified both by inspection of their books and otherwise by such persons as the Secretary of State may appoint and if the Corporation fail to give such return or permit such verification or give a false return the Corporation shall forfeit to the Crown a sum not exceeding fifty per centum of the whole of the nominal amount of notes issued at the time of such failure.

(3) Where the Corporation become subject to any forfeiture under this section or would be so subject if not wound up every director and officer of the Corporation who is wilfully a party to any act or default on account of which the Corporation become so subject shall forfeit to the Crown a sum not exceeding two hundred pounds.

(4) The amount of a forfeiture under this section shall be fixed by the court in which proceedings are taken for such forfeiture so that it do not exceed the maximum amount fixed by this section.

(5) The Corporation shall within six months from the date of the passing of this Act deposit and thenceforth at all times keep deposited either with the Crown Agents for the Colonies in London or with trustees to be appointed by the Treasury or partly with the Crown Agents and partly with such trustees a fund consisting of coin being legal tender in Barbados Demerara Trinidad and Jamaica respectively or securities to be approved by the Treasury or partly coin and partly securities equal to not less than one fourth of the maximum amount of their notes for the time being in circulation and such fund shall be held by the Crown Agents or by the said trustees separately or jointly as a special fund primarily available for the satisfaction of the claims of the holders of notes issued by the Corporation and in the event of the Corporation becoming insolvent the securities (if any) shall be realised by

A.D. 1898.

the Crown Agents or trustees and the fund shall be applied accordingly so far as may be necessary without prejudice to the rights of the holders of such notes against any uncalled capital of the Corporation and to their rights of ranking with other creditors of the Corporation against the general assets of the Corporation and subject thereto the fund shall in the event of the Corporation being wound up under the provisions of the charter or of the Act of 1856 or in pursuance of the Companies Act 1862 and any Acts amending the same be applicable as part of the general assets of the Corporation.

(6) The maximum amount of notes for the time being in circulation shall for the purpose of the preceding subsection mean such amount not exceeding five hundred thousand pounds as may from time to time be fixed by agreements entered into between the Treasury and the Corporation.

(7) Section 9 of the Act of 1856 is hereby repealed.

(8) If at any time hereafter the Corporation is wound up under the provisions of the charter and the Act of 1856 or is wound up in pursuance of the Companies Act 1862 and any Acts amending the same and the general assets of the Corporation other than any capital not called up are insufficient to satisfy the claims of both the noteholders and the general creditors then such uncalled capital shall be liable to satisfy the remaining demands of the noteholders in priority to all other claims including claims of the Crown but excluding such costs charges and expenses properly incurred in winding up as the court may allow.

Unclaimed
dividends.

21.—(1) If at any time any dividend on any shares of the Corporation is unclaimed at the time for payment thereof the same shall nevertheless on demand at any subsequent time whatsoever be paid to the person showing his right thereto but without interest in the meantime.

(2) Where any dividend remains unclaimed for five years from the time for payment thereof the Corporation shall cause notice thereof to be sent by post in a registered letter addressed to the proprietor named in their books by the description and at the address therein appearing and so at the expiration of three other successive periods of five years.

(3) At the end of every successive period of five years from the passing of this Act the Corporation shall publish an advertisement in a newspaper circulating in the city of London stating what if any dividends on shares of the Corporation other than those falling due at the then last half-yearly or other day of payment are then unclaimed and the names and addresses appearing in the register of proprietors of the holders of the shares on which the dividends are unclaimed.

(4) At the end of every successive ten years from the passing of this Act the Corporation may if they think fit carry to the reserve fund all dividends unclaimed during that period without prejudice nevertheless to the rights of any person to those dividends. A.D. 1898.

22. From and after the passing of this Act the Corporation shall have all such powers as are conferred by the Companies Seals Act 1864 on the companies to which that Act relates. Application of Companies Seals Act 1864.

23. If the Corporation wilfully fail to comply with the provisions of this Act or of the Act of 1856 as amended by this Act the Corporation may at the instance of the Secretary of State for the Colonies be wound up by the court under the Companies Act 1862 and the Acts amending the same in like manner as if such failure to comply had been mentioned in section one hundred and ninety-nine of the said Act as one of the circumstances under which a company may be wound up. Failure to comply with Acts.

24. The transfer of any share or shares in the capital of the Corporation shall not relieve any proprietor from any liability in respect of such share or shares in the event of the Corporation being wound up within twelve months from the date of such transfer. Provided that no such past proprietor shall be liable to contribute in respect of any debt or liability of the Corporation contracted after the date of such transfer and no such proprietor shall be liable to contribute to the assets of the Corporation unless it appears to the court that the existing proprietors are unable to satisfy all contributions to which they are liable. Liability of past proprietors.

25. The second section of the Act of 1856 relating to the period for exercise of the powers of the Corporation shall as from the passing of this Act take effect as if all the powers rights and privileges hereby conferred on the said bank had been conferred by the Act of 1856. Period for exercise of powers of the bank.

26. A Colonial Legislature shall not have power to interfere with the constitution of the Corporation but nothing in this Act or in the Act of 1856 shall exempt the Corporation from being otherwise subject to Colonial law. Subjection to Colonial law.

27. All costs charges and expenses of and incident to the preparation and passing of this Act shall be paid by the Corporation. Expenses of Act.

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