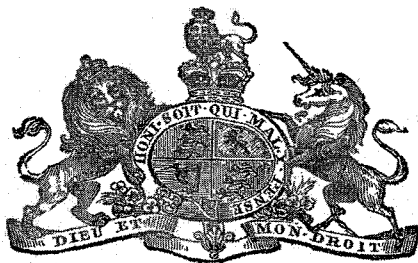


New Zealand.



ANALYSIS.

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| <p>Title.
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1891, No. 2.—*Private.*

AN Act to further amend "The New Zealand Bank Act, 1861." Title.
[19th August, 1891.]

WHEREAS by a Deed of Settlement dated the 2nd day of July, 1861, a Joint Stock Banking Company called "The Bank of New Zealand" (and which is hereinafter referred to as "The Bank") was established in the Colony of New Zealand under and subject to certain rules regulations and provisions contained in the said Deed. And whereas by the said Deed of Settlement in the form in which the same stood prior to the alterations hereinafter mentioned provision was made (clause 13) for increasing the capital of the said Bank from time to time as the shareholders might determine but no provision was made for reducing the capital by writing off or cancelling any lost capital or any capital unrepresented by available assets. And whereas by the said Deed of Settlement in the form aforesaid it was further provided (clause 82) that it should be lawful for a general meeting of the proprietors of the said Bank by a majority of votes to make new laws regulations and provisions for the Company and to amend alter and repeal all or any of the existing laws regulations and provisions of the Company with a proviso that no such new amended or altered laws regulations and provisions should be in force till confirmed at a subsequent general meeting as in the said clause mentioned. And it was further provided (clause 119) that notwithstanding anything thereinbefore contained if at any time it should be certified by the auditors that the assets of the Company were not sufficient to meet its liabilities or that an emergency had arisen which made a call or calls expedient it should be lawful for the Board of Directors to make a call or calls upon the proprietors in proportion to the number of their respective shares for a sufficient amount to make up such deficiency or to meet such emergency as the case might require and such call or calls should be payable at such time or times as the Board of Directors should appoint and should be recoverable against the several parties thereto by action Preamble.

of debt or otherwise in like manner as calls were recoverable for the purpose of raising the amount of the several shares in the subscribed capital of the Company and should afterwards be wholly or partially returned to the proprietors making payment thereof if the same or part thereof were found to be no longer necessary to be retained with a proviso that no call should be made beyond an additional sum equal to the amount of the subscribed capital of the Company. And whereas by "The New Zealand Bank Act 1861" (hereinafter called "the said Act") the Bank was incorporated by the name aforesaid and by the said Act it was enacted (section 3) that the several laws rules regulations clauses and agreements contained in the said Deed of Settlement or to be made under or by virtue or in pursuance thereof were and should be deemed and considered to be and should be the bye-laws for the time being of the Bank save and except in so far as any of them were or should or might be altered varied or repealed by or should or might be inconsistent or incompatible with or repugnant to any of the provisions of the said Act or of any of the laws or statutes in force in the Colony of New Zealand subject nevertheless to be and the same might be amended altered or repealed either wholly or in part in the manner provided in and by the said Deed of Settlement but no rule provision or bye-laws should on any account or pretence whatsoever be made by the Bank either under or by virtue of the said Deed of Settlement or of the said Act in opposition to the general scope or true intent and meaning of the said Deed of Settlement or of the said Act or of any of the laws or statutes in force in the said colony. And it was further enacted (section 4) that it should be lawful for the Bank to carry on business as therein mentioned but subject to certain restrictions thereby provided. And it was further enacted (section 8) that the Bank might increase its capital in the manner specified in the said Deed of Settlement. And it was further enacted (section 21) that in the event of the assets of the Bank being insufficient to meet its engagements then and in that case the shareholders should be responsible to the extent of twice the amount of their subscribed shares only that is to say for the amount subscribed and for a further and additional amount equal thereto. And whereas the capital of the Bank was from time to time increased in accordance with the provisions of the said Deed of Settlement. And whereas by "The New Zealand Bank Act 1861 Amendment Act 1880" and the New Zealand Bank Act 1861 Amendment Act 1889" and from time to time by resolutions passed at meetings of the proprietors and confirmed in accordance with the provisions of the said Deed of Settlement divers amendments have been made in the said Act and Deed of Settlement respectively. And whereas in exercise of a power for this purpose contained in "The New Zealand Bank Act 1861 Amendment Act 1889" the proprietors of the Bank by resolutions duly passed and confirmed at general meetings held on the 14th day of February 1890 and the 24th day of March 1890 changed the place at which the head office or principal banking establishment of the Bank was located to the City of London in England and such change of place took effect on and from the twenty-second day of July 1890. And whereas at meetings of the proprietors of the Bank held respectively on the 28th day of August 1890 and on the 18th day of September 1890 the following two resolu-

tions were duly passed and confirmed, viz.: (1) "That £1 15s. per share of the existing shares in the capital of the Bank numbered 1 to 100,000 inclusive and £2 10s. per share of the shares in the same capital numbered 100,001 to 150,000 inclusive be and the same respectively are hereby cancelled such capital having been lost or being unrepresented by available assets and that henceforth dividends shall be paid on the first mentioned shares as representing £5 5s. each instead of £7 each and on the secondly mentioned shares as representing £7 10s. each instead of £10 each. But such reduction shall not interfere with or in any way alter the liability of shareholders to contribute a further sum of £10 as provided by the Bank's Acts and Deed of Settlement in the event of the assets of the Corporation being insufficient to meet its engagements" (2) "That the Directors be and are hereby empowered at their option to receive from such holders of the shares in the capital of the Bank numbered 1 to 100,000 inclusive as may be willing to pay the same £1 15s. per share to reinstate their shares to £7 and to receive from such holders of the shares in the same capital numbered 100,001 to 150,000 inclusive as may be willing to pay the same £2 10s. per share to reinstate their shares to £10 and on all shares so reinstated to pay dividends on the reinstated amounts. Provided always that no such payment and reinstatement shall render any shareholder liable to pay any further or larger amount than he would have been liable for if such payment and reinstatement had not been made."

And whereas at a meeting of the proprietors of the Bank held on the 14th day of January 1891 the following resolution was proposed that is to say "That the amendments and alterations in the Company's Deed of Settlement contained in the printed documents submitted to the meeting and for the purpose of identification subscribed by the Chairman thereof being the existing Deed of Settlement of the Company with certain amendments and alterations therein be and the same are hereby approved. And that the laws regulations and provisions of the said Deed of Settlement as contained in such printed document be and they are hereby adopted as the laws and regulations of the Company to the exclusion of the laws regulations and provisions of the existing Deed of Settlement of the Company." And whereas at the same meeting the following amendment was subsequently carried "That the proposed alteration in the Bank's Deed of Settlement as contained in the printed document referred to in the resolution before the meeting be varied by substituting half yearly general meetings for yearly meetings." And whereas at the same meeting the resolution so proposed as aforesaid was subsequently duly passed with the addition of the following words "subject to effect being given to this amendment." And whereas at a meeting of the said proprietors held on the 4th day of February 1891 the following resolution was duly passed that is to say "That due effect having been given as is hereby declared to the amendment passed at the special general meeting of the Company held on the 14th day of January 1891 the resolution which was unanimously passed at such meeting be and the same is hereby confirmed. And that the amendments and alterations in the Company's Deed of Settlement as contained in the printed document now submitted to the meeting and for the purpose of identification sub-

"scribed by the Chairman thereof (being the amendments and alterations
 "approved by the said meeting of 14th January 1891 together with
 "certain further amendments and alterations made therein pursuant to the
 "said amended resolution) be and the same are hereby ratified confirmed
 "and adopted." And whereas a copy of the said Deed of Settlement in
 the form in which the same was approved and adopted at the aforesaid
 meeting of the 4th of February 1891 is set forth in the schedule
 hereto. And whereas doubts have been raised as to whether the said
 resolutions or some of them were not *ultra vires* of the said corporation
 or the proprietors thereof and it is expedient that the said doubts
 should be set at rest.

BE IT THEREFORE ENACTED by the General Assembly of New
 Zealand in Parliament assembled and by the authority of the same as
 follows:—

Short Title.

1. This Act may be cited for all purposes as "The New Zealand
 Bank Act 1891."

Construction.

2. This Act shall so far as is consistent with the tenor thereof be
 construed as one with the said Act "The New Zealand Bank
 Act 1861 Amendment Act 1880" and "The New Zealand Bank
 Act 1861 Amendment Act 1889" and such Acts and this Act
 may be referred to as "The New Zealand Bank Acts 1861 to 1891."

Confirmation of
 resolutions as to
 cancellation of
 capital.

3. The two several resolutions passed and confirmed by the
 proprietors of the Bank on the 28th day of August 1890 and the 18th
 day of September 1890 as hereinbefore mentioned are hereby confirmed
 and declared to be valid and binding on the proprietors of the Bank and
 all other persons as from the 18th day of September 1890.

Confirmation of
 alterations in Deed
 of Settlement.

4. The aforesaid Deed of Settlement of the Bank shall be taken
 to have been duly altered as aforesaid and shall as from the 4th day of
 February 1891 be taken to be in the form set forth in the Schedule
 hereto and the laws regulations and provisions therein contained shall be
 taken to be and shall be the laws regulations and provisions for the time
 being of the Bank notwithstanding anything contained in the aforesaid
 Acts or any of them save and except in so far as any of the said laws
 regulations and provisions may be amended altered or repealed either
 wholly or in part in manner provided by the said Deed of Settlement.

Amendments,
 alterations, and
 repeal under the
 Deed of Settlement.

5. The said laws regulations and provisions shall not be amended
 altered or repealed under the provisions of the Deed of Settlement in
 any way inconsistent with or repugnant to any of the provisions of the
 New Zealand Bank Acts 1861 to 1891 or of any of the laws or statutes
 in force in New Zealand.

Schedule.

SCHEDULE.

DEED OF SETTLEMENT OF THE BANK OF NEW ZEALAND.

Preamble.

THIS Indenture made between the several parties who by themselves or their agents
 or attorneys duly authorized in this behalf have subscribed or shall subscribe their
 names to and have sealed and delivered or shall seal and deliver these presents
 WHEREAS the several persons whose names are hereunto subscribed and whose seals are
 hereunto affixed have agreed to establish a Joint Stock Company for the purpose of
 carrying on the Trade or Business of Bankers or Banking under the name style and
 title of "The Bank of New Zealand" with such capital in such respective shares
 and under and subject to such covenants rules regulations and provisions as are herein-
 after expressed and contained.

Now this Indenture witnesseth that in pursuance and performance of the said Agreement and in consideration of the premises each of them the said several persons who now are or at any time hereafter shall be parties to these presents for himself and herself severally and respectively and for his and her several and respective heirs executors and administrators Doth hereby covenant promise agree and declare with and to the others and each and every of the others of them their and each and every of their heirs executors and administrators in the manner following (that is to say) —

General mutual covenant.

1. That the several persons parties to these presents hereinafter designated "Proprietors" shall and will whilst holding shares in the capital of the Company be and continue a Joint Stock Company or Partnership under the name style and title of the "Bank of New Zealand" from the day of the date of these presents until the said Company shall be dissolved under the provisions in such behalf hereinafter contained.

Association called "The Bank of New Zealand."

2. That each of the several persons parties hereto whilst he shall be a holder of any share or shares in the capital shall and will observe and perform fulfil and keep all the covenants articles stipulations and provisions in these presents contained and all additions alterations variations and modifications which may hereafter be made in pursuance of the provisions hereinafter contained which are or ought to be observed performed fulfilled and kept by him in respect of or in relation to such share or shares and in relation to the said Company and its affairs according to the true intent and meaning of the same covenants articles stipulations and agreements respectively and the same shall be binding upon the heirs executors administrators and assigns of every such Proprietor.

Agreement to observe the articles.

3. That the whole management of the business of the Company shall be and the same is hereby reposed in the Board of Directors hereinafter more particularly mentioned And that subject to the limitations herein contained and the powers hereby vested in General Meetings of the Proprietors the individual parties hereto do hereby for themselves severally and respectively and for their several and respective heirs executors and administrators renounce and disclaim all right to interfere in the management of the affairs of the Company or to inspect the Books of the Company or unless appointed by the Board as hereinafter provided to sign accept or endorse any Bill Note or Negotiable Security in the name of the Company or to enter into any other contract or engagements so as to charge or bind the Company or the properties funds securities or moneys of or belonging to the Company And each party hereto binds himself his heirs executors and administrators that he and they shall and will keep harmless and indemnify the Company and their lands goods chattels funds and securities from and against all losses costs damages and expenses occasioned by any contract or engagement made or entered into by him or them as aforesaid.

Management to be in directors and rights of individual partners renounced.

4. That it shall be lawful for the Board at the expense of the Company to apply for and endeavour to obtain an Act of the General Assembly of New Zealand to incorporate the Company under the name style and title of "The Bank of New Zealand" and from time to time such other Act or Acts of the Legislature of the said Colony as the Board may consider calculated to facilitate their legal remedies and advance the general interests of the Company And for the purpose of obtaining such Act of Incorporation or such other Act or Acts as aforesaid it shall be competent to the Board on behalf of the Company to comply with such conditions as may be imposed by any such Act or Acts anything in these presents inconsistent with such conditions notwithstanding And every provision herein contained inconsistent with the provisions of such Act or Acts shall during the continuance of the said Act or Acts be suspended and shall be of no force and effect but after the expiration of the said Act or Acts by effluxion of time or otherwise every such provision herein contained shall again be in full force.

Power to apply for Act of General Assembly and submit to conditions imposed.

5. That the objects of the Company shall be the carrying on of the Business of a Bank of Issue and Deposit the Lending of Money on Cash Credits Promissory Notes Bills of Exchange or Letters of Credit and on other securities of the like nature or on personal security the dealing in Money Bullion Specie and Exchanges of and with all Countries and in Notes Bills or other Securities for Money and generally the transacting of all such other business as it is or shall or may at any time hereafter be usual and lawful for establishments carrying on Banking in all its branches or dealing in Money Bullion Specie Exchanges or in Notes Bills or Loans to do or transact and the establishment of agencies or connections in relation to the said business as may be considered desirable for the Company or may promote the convenience of merchants and others and the granting of Letters of Credit on agents and banking connections abroad.

Objects of the company.

6. That the Business of the Company shall be carried on in such place in the City of London in England as the Board shall from time to time determine on and also if it shall be determined according to the provisions hereinafter contained to establish Branch

Places of business.

Banks or Agencies such Branch Banks or Agencies shall be carried on in such places as the Board may from time to time determine upon.

Capital of the company.

7. That the Capital of the Company shall consist of Five Hundred Thousand Pounds hereinafter designated the Original Capital to be contributed in Fifty Thousand Shares of Ten Pounds each and of such further sum or sums of money as may hereafter be raised by the creation and sale of new shares of the like amount as hereinafter provided. Provided always that the business of the Company may be commenced and carried on when Two Hundred and Fifty Thousand Pounds of the said Capital shall be subscribed.

Agreement to pay deposit and instalments on shares.

8. That the several persons parties to these presents shall and will severally contribute to the said original capital in proportion to the number of shares set against their respective names in manner following that is to say a deposit of one pound upon every share of the original capital shall be paid on or before the execution of the Deed and the remaining sum of nine pounds shall be paid in instalments of not more than one pound upon every share at such time and place as the same may be called for in pursuance of the power vested by these presents in the Board hereinafter constituted save as hereinafter excepted that is to say in no case shall more than fifty pounds per centum on the subscribed capital be required except with the concurrence of three-fourths in value of the Proprietors at a general meeting to be called for that special purpose but if any further call or calls be determined on at such meeting then all powers and regulations for making and enforcing the same may be given to the Directors at such meeting or at any subsequent meeting or meetings to be called for such purpose.

Calls of instalments on shares.

9. That the Board may call for the payment of such instalments respectively at such times and places as they may determine by one or more public advertisement or advertisements in the *New Zealand Government Gazette* or by circular letters as hereinafter provided. Provided always that no such instalments shall be required to be paid within a shorter period than three months after the time at which a previous instalment has become payable.

Interest on and recovery of calls.

10. That every instalment so to be called for shall bear interest from the day on which the same shall become due at the rate of fifteen per cent. per annum and the amount of such instalment with interest as aforesaid shall be recoverable by action of debt if the same be not paid within the time to be appointed for that purpose and on the trial of every such action it shall not be necessary to prove the appointment of the Directors by whom such call was made nor any other matter except that the defendant at the time of making such call was a holder of one or more shares in the capital of the Company and that such call was in point of fact made and notice thereof and of the time fixed by the Directors for payment thereof given in the manner herein provided.

Agreement to pay calls to meet losses.

11. That the several Proprietors in the Company shall and will duly pay all such calls as may be made in pursuance of the provision in that behalf hereinafter contained for the purpose of meeting any losses of the Company or any emergency for which the said Board may deem it necessary to make such calls.

Forfeiture of shares on default.

12. That in case default shall be made by any Proprietor in the payment of any call that shall be made and become payable on his or her share or shares for the space of six calendar months next after the same shall have become payable it shall be lawful for the Board to declare the share or shares on which such default has been made and the deposit and calls previously paid thereon and all benefit and advantages whatever attending the same to be absolutely forfeited to the Company and the person or persons making such default shall thereupon in respect of such share or shares cease to be a member of the Company. Provided nevertheless that the Board may if they think fit upon the application of the Proprietor or late Proprietor discharge any share or shares from forfeiture and restore the same or any part thereof to such Proprietor on such terms as the Board may think fit and in the event of such discharge the forfeiture shall be held not to have occurred and the rights and liabilities of the Proprietor making default not to have been in anywise affected and provided further that it shall be lawful for the Board if they think fit instead of declaring such share or shares to be forfeited to enforce payment of the calls with interest as hereinbefore provided or to sell so many only of the shares of any Proprietor so making default as may be necessary and sufficient to pay the amount payable upon the whole of such Proprietor's shares and all expenses costs and charges.

Forfeiture may be discharged.

Creation of new shares.

13. That after the original Capital of Five Hundred Thousand Pounds shall have been fully paid up but not sooner it shall be lawful from time to time for the Proprietors by a special resolution to create such further and additional shares of Ten Pounds each as may be deemed advisable such additional shares to be allotted disposed of and paid for (by instalments or otherwise) in such manner at such time and upon such terms and conditions as the special resolution or in default thereof the Board shall prescribe.

14. Except so far as otherwise provided by the conditions under which the same shall have been created or by these presents any new shares shall be subject to the provisions herein contained with reference to the payment of calls and instalments transfers and transmission forfeiture lien and otherwise.

New shares subject to provisions herein contained.

15. That any share forfeited in pursuance of any provision herein contained shall as soon as possible after such forfeiture be disposed of by public sale or private contract for such reasonable price as may be obtained for the same and thereupon a transfer of the forfeited share shall be made to the purchaser thereof by such Director as the Board may appoint. Provided nevertheless that it shall be lawful to withhold any such forfeited share from immediate sale for a reasonable time in every case in which it is hereby made competent to the Board to discharge such forfeiture and in which they shall think it probable that an application for such discharge will be made by the Proprietor or late Proprietor and that it would be proper to discharge the same upon such application being made.

Sale and transfer of forfeited shares.

16. Any Proprietor whose shares have been forfeited shall notwithstanding be liable to pay and shall forthwith pay to the Company all calls instalments interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of forfeiture until payment at Five per cent. per annum and the Board may enforce the payment thereof if they think fit.

Proprietor of forfeited shares liable to calls &c. thereon at time of forfeiture.

17. That every Proprietor shall have a separate and distinct right to his share for the time being in the capital of the Company and shall be entitled to the profits of the Company in proportion to the amount paid up on the shares held by him and liable and subject to the losses of the Company in proportion to the number of shares held by him or her but subject nevertheless to the provisions hereinafter contained.

Rights and liabilities of proprietors.

18. That as between the proprietors of the several shares and their respective real and personal representatives the said capital and all the funds and property of the Company and the share and shares of each Proprietor shall be deemed personal estate and be transmissible as such and that there shall not be benefit of survivorship among the Proprietors in respect of the said capital funds and property.

Capital and property of company to be personalty without survivorship.

19. That subject to the restrictions herein contained every separate share in the said capital but not any fractional part of a share shall be transferable by the Proprietor of such share to any other person such transfer to be made in such manner and form as the Board shall determine and the execution thereof by both transferor and transferee to be duly attested to the satisfaction of the Board.

Shares transferable.

20. That no share or shares shall be transferred after any call shall have been made by the Board until the amount of such call in respect of such share or shares with the interest due thereon if any shall have been paid.

No transfer till calls paid up.

21. That in all cases wherein a Proprietor either by himself or jointly with any other person or persons and whether directly or indirectly shall become debtor to the Company or to any person or persons for their use and behoof or shall be under engagements to the the Company of any kind such debts and engagements shall be first and paramount charges upon the share or shares of such Proprietor and the dividends or interest accruing thereon before all other creditors of such Proprietor and before his or her assigns voluntary and legal and it shall be lawful for the Board if they shall see fit to prohibit and restrain the transfer of the share or shares of such Proprietor or the payment of the dividends accruing thereon, until all and every such debts and engagements shall have been fully paid and satisfied and if such Proprietor shall fail within a time to be fixed by the Board to pay and satisfy all such debts and engagements the share or shares of such Proprietor shall thereupon become forfeited to the Company and it shall be lawful for the Board without notice to such Proprietor absolutely to sell the said shares or so many thereof as shall be necessary and sufficient for the purpose either by public sale or private contract and to apply the proceeds thereof together with the dividends and interest due thereon in liquidation of such debts and engagements and the balance of the net proceeds of any such sale shall be paid over to the late Proprietor of such shares.

Debts of individual proprietors to give a lien on their shares to the bank.

22. That no person shall be allowed to subscribe for or by reason of purchase or otherwise to hold more than Three Thousand shares in the capital of the Company and if any transfer of shares shall be executed in favour of any Proprietor by means of which the shares of such Proprietor would if the same were allowed to take effect exceed the above prescribed number such transfer shall be wholly inoperative in respect of so many of the shares comprised therein as would be in excess of such number but if any person shall by means of marriage or as executor or administrator of any deceased Proprietor acquire so many additional shares as with those previously held by him amount to more than Three Thousand shares such person may transfer the share or shares exceeding the number hereby allowed to be held as aforesaid and in case such transfer shall be made

Limit to number of shares held by one proprietor.

within six calendar months next after the right of such person as aforesaid shall have accrued then but not otherwise the transferee shall thereby become entitled to any dividend or bonus previously declared in respect of such share or shares and if no such transfer shall be made within such period of six months the dividends and bonuses (if any) due on such shares so in excess shall be forfeited to the Company and in case such transfer shall not be made within twelve months after the accruing of the right thereto the same shares together with all dividends and bonuses due thereon shall be absolutely forfeited to the Company.

Execution of deed condition precedent to proprietorship.

23. That no person or persons shall be deemed or taken to be a Proprietor of or to have any interest in any share or shares of the said capital until he or she shall have executed this Deed or a duplicate thereof either in person or by attorney or shall either in person or by attorney have executed a memorandum in writing agreeing to be bound by this Deed such memorandum to be in such form as the Board may from time to time approve and to be contained in an instrument of transfer of shares or an application for shares or an acceptance of allotment of shares or otherwise. Provided however that this article shall not prevent the Company from requiring payment of and receiving the deposit or any call upon shares agreed to be taken by any person.

Execution of deed not to confer rights unless deposit and calls then due be paid.

24. That failing the payment of such deposit as aforesaid upon the original shares and of every call that may have been made and be payable upon any share or shares at the time of the execution of this Deed or of such memorandum as aforesaid by any of the several parties hereto such execution shall not confer upon the party executing any of the rights or privileges of a member of the Company.

Rights of proprietor suspended if calls overdue.

25. That no Proprietor shall be allowed to attend or vote at any meeting of Proprietors or to receive any dividend or exercise any other right or privilege under or by virtue of these presents before the amount of every call which shall have been made and shall have become payable and overdue in respect of his share or shares together with interest thereon if any shall have been fully paid and satisfied.

Of joint proprietors one only to be recognised for certain purposes.

26. That when a share or shares shall be vested in two or more persons jointly or in common or otherwise the one of such persons or of the survivors of them whose name shall stand first in the books of the Company as one of the owners of such shares or the sole survivor of such two or more persons shall be considered and deemed the Proprietor of such share or shares for the purpose of voting and receiving dividends and of receiving any notice that may be required to be given but all the parties shall be liable jointly and severally to the Company for the fulfilment of all the covenants herein contained and any notice given to either of them shall be deemed good notice to all of them.

Upon transfer of shares and execution by transferee of deed or duplicate or memorandum referred to in clause 23 transferor released from liability.

27. That on the completion of the transfer of any share or shares and the execution of this Deed or a duplicate thereof or of such a memorandum as is mentioned in Clause 23 by the person or persons to whom the same shall be transferred the previous holder of such share or shares shall subject to Clause 16 be as between the Proprietors exonerated and released from all claims demands obligations and liabilities in respect of such share or shares and from all further observance and performance of any covenants conditions stipulations or agreements herein contained or which may be contained in any supplementary deed bye-law or regulation of the Company and the person or persons to whom such transfer shall be made shall have the same privileges and be subject to the same liabilities as the original Proprietor.

Custody of deeds of transfer.

28. That every deed or instrument of transfer and every other deed or instrument in writing on which the right of any Proprietor may be founded or an attested copy of every such last mentioned deed or instrument shall be deposited and kept at the office of the Company and no such deed or instrument of transfer shall be valid or effectual until so deposited.

Proprietor under clause 28 may require production of deeds.

29. Every Proprietor referred to in Clause 28 shall be entitled at all times by writing under his or her hand to require the deeds and instruments referred to in the same Clause to be produced and shown forth to himself or herself or to such person or persons as he or she shall require on payment of all reasonable costs and charges attending the production and shewing forth the same.

No trusts to be noticed unless directors think fit.

30. That the Company shall not be bound in any manner by any trusts or equitable interests affecting any share or shares of the capital standing in the name of any person or persons or to take any notice of any such trusts or equitable interests but the receipt of the Proprietor in whose name the shares shall stand in the books of the Company shall notwithstanding any such trusts or equitable interests and notice thereof to the Company be a good and sufficient discharge for the money which may become payable by the Company in respect of the share or shares standing in the name of such Proprietor and the Company shall not be bound to see the application of the money paid upon such receipt and a transfer of the shares by such Proprietor shall when complete be

binding and conclusive against all persons claiming by virtue of such trusts or equitable interests whether or not the Company have had notice of such trusts or equitable interests. Provided however that when the Company shall have had such notice it shall be in the discretion of the Board to refuse to sanction any such transfer and to require the concurrence of the person or persons so claiming. And in case such sanction shall be refused then any deed or instrument whereby a transfer of such shares shall be attempted shall be wholly inoperative. And provided also that when the Company shall have had such notice it shall in like manner be in the discretion of the Board to refuse to pay any dividend or bonus to the legal proprietor without the concurrence of the person or persons claiming in respect of such trusts or equitable interests.

31. That no legatee next of kin or *cestui que* trust claiming under the will of any deceased Proprietor shall as such become a Proprietor of any share or shares of the said capital but in all cases where legatees or next of kin of deceased Proprietors or such *cestui que* trusts shall become entitled to or interested in any such share or shares the executors or administrators of such deceased Proprietors shall be considered as the holders of the share or shares and shall be the only persons entitled to become Proprietors or to procure some other person or persons to become a Proprietor or Proprietors in respect thereof.

No legatee next of kin or *cestui que* trusts to be recognized but executor or administrator only.

32. That the husband of any female Proprietor or the executor or administrator of any deceased Proprietor or the committee of any lunatic Proprietor may on production of satisfactory evidence of title either elect to become a Proprietor in respect of the shares to which he shall be entitled in either of these capacities or procure any other person or persons to become a Proprietor or Proprietors in respect of such shares but the trustees or assignees of any insolvent or bankrupt Proprietors shall not be entitled to become Proprietors in respect of the share or shares of such insolvent or bankrupt proprietor but shall procure some other person or persons to become a Proprietor or Proprietors in respect thereof. Provided always that no person shall be entitled to receive any dividends or other profits which shall be declared on such shares as aforesaid of such female deceased lunatic insolvent or bankrupt Proprietor accruing after his or her marriage death commission of lunacy insolvency or bankruptcy until some person or persons shall have become a Proprietor or Proprietors in respect of such share or shares and the person or persons who shall ultimately become a Proprietor or Proprietors in respect of such share or shares shall be entitled to such last mentioned dividend and profits and the full right and interest of and in such share or shares. And provided further that if no person shall become a Proprietor in respect of such shares within the period of two years from the date of such marriage death or commission of lunacy respectively then the rights herein reserved to such husband executor administrator or committee respectively shall cease and determine, and it shall be lawful for the Board to sell the said shares in manner mentioned in Clause 15 and to retain the proceeds together with the interest and dividends which shall have accrued previously to such sale until the person legally entitled thereto shall establish his claim to the satisfaction of the Board and such person shall not be entitled to claim interest on the amount so retained. And also that if no person shall have become Proprietor in respect of the shares of such bankrupt or insolvent Proprietor within the period of three months after the bankruptcy or insolvency of such bankrupt or insolvent Proprietor it shall be competent to the Board if they shall think fit to sell the said last mentioned shares by public auction or private contract for the best prices that can be reasonably got for the same and the net proceeds of such sale shall in such case be paid over by the Board to the said trustee or assignee for the benefit of the said insolvent or bankrupt.

As to shares of female proprietor on her marrying and of deceased, lunatic bankrupt or insolvent proprietor.

33. That all persons claiming any shares by transmission or claiming a right to procure another person to be a Proprietor according to the provisions of the last preceding clause shall before he shall be recognized as a Proprietor of such share or shares or before he shall be permitted to procure another person to become a Proprietor as the case may require and every guardian committee of a lunatic or other person claiming a right to act in a representative character on behalf of a Proprietor shall before he shall be permitted to become a Proprietor or receive any dividends or transfer any shares or exercise any of the rights and privileges conferred by this Deed authenticate such transmission or right by a declaration in writing setting forth the material facts which declaration shall be made and signed by some credible person before some Justice of the Peace Notary Public or any person empowered to administer oaths in the country in which such declaration shall be made and shall be subject to the consideration and approval of the Board.

Transmission of shares by other means than transfer to be authenticated by declaration.

34. That if such transmission be by virtue of the marriage of a female Proprietor the said declaration shall contain a copy of the register of such marriage or other particulars of the celebration thereof and shall declare the identity of the wife with the holder of such shares and if such transmission shall have taken place by virtue of any

Proof of transmission by marriage will &c.

testamentary instrument or by intestacy the probate of the will or letters of administration or an official extract therefrom shall together with such declaration be produced to the Secretary of the Company and if such right be claimed in consequence of insolvency or bankruptcy or of any appointment as a guardian or as a committee of a lunatic a certificate signed by the Commissioner of Bankrupts or Insolvents or a Registrar of the Supreme Court as the case may require shall together with such declaration be produced and left with the Secretary and if such right be claimed by virtue of any power of attorney the power of attorney shall be so produced and left. And upon such production and the due execution of these presents or of such memorandum as is mentioned in Clause 23 in any of the cases aforesaid the shares shall be transferred in the books of the Company to the name of the person or persons entitled to become a Proprietor in respect thereof.

35. That every Proprietor shall be entitled to receive a certificate under the hand of one or more of the Directors of the number of shares held by him or her in the capital of the Company and the amount paid thereon but such certificate shall not be transferable and shall only be evidence of the title of such Proprietor at the time such certificate was signed and the books of the Company shall be conclusive evidence in all matters in dispute between the Company and any member or members thereof and every or any person claiming any interest in any share or shares of the capital thereof.

36. That the number of Directors shall be not less than five nor more than nine and such Directors shall constitute the Board of the Company and any three of such Directors assembled at an ordinary or duly convened special meeting of the Directors shall be competent to transact all the affairs of the Company and shall possess and exercise all the powers herein conferred on the Board.

37. That the Directors shall be selected from amongst the Proprietors possessed of two hundred shares at the least in the capital of the Company but no Proprietor shall be eligible or qualified to be or act as a Director of the Company who being indebted to the Company shall fail to satisfy such debts within a time fixed by the Board for that purpose or who shall within three years preceding the day of election have taken the benefit of any Act for the relief of insolvent debtors or who shall within that time have been bankrupt or have made an assignment of his estate for the benefit of his creditors or who shall have made a composition with his creditors or who shall after his election as a Director become bankrupt or insolvent or make any assignment of his estate for the benefit of his creditors or compound with his creditors or who shall without leave from the Board be absent from England (unless engaged upon the business of the Bank) for the space of six calendar months consecutively during his term of office or who shall during such term without leave from the Board absent himself except on account of illness for three months from the meetings of the Board.

38. That the Board as soon as they shall receive notice of the non-qualification or disqualification of any person then being a Director of the Company shall forthwith proceed to enquire into the matter at a meeting of the Board specially convened for the purpose and if they shall be satisfied that such Director is not duly qualified shall declare the office of such Director to be vacant and the same shall thereupon become vacant and such Director shall be removed from the Direction of the Company and the Board shall then take the necessary steps for filling up such vacancy by a new election. Provided always that such non-qualification or disqualification shall not extend to render illegal or invalid any act deed matter or thing done or executed or suffered to be done or executed for or on account of the Company by such person assuming to act as a Director prior to such declaration of vacancy but every such act deed matter or thing so done or executed or suffered to be done or executed by such person before his actual removal from office shall be held to be valid binding and conclusive upon the Company and the Proprietors thereof any invalidity or preceding disqualification for his office notwithstanding.

39. That until Directors shall have been elected as provided in the clause next hereinafter contained John Logan Campbell Thomas Henderson James O'Neill Thomas Russell and James Williamson shall be the Provisional Directors. The several parties hereto do hereby ratify and confirm such appointment as aforesaid and in pursuance of such appointment the said Provisional Directors or any three of their number shall have full power to receive applications for and to allot the several shares in the capital of the said Company and to take all proceedings that may be necessary for the formation of the Company and to receive such deposits as may be made on the allotment of shares and out of such deposits to pay and satisfy all costs and charges connected with the drawing of the Deed of Settlement or in any other way connected with the formation of the Company. And every act deed matter or thing made done executed and performed by the said Provisional Directors or any three of them in pursuance of such appointment or of the powers herein conferred and everthing heretofore done by the said Provisional

Certificates of shares.

Constitution and ordinary powers of directors.

Qualification of directors.

Removal of unqualified director.

Provisional directors for initiatory matters.

Directors or any three of them in or about the formation of the said Company the preparation of these presents or the application to the Legislative Council for an Act to incorporate the Company shall be binding and conclusive on the Company and on every member thereof.

40. That a special general meeting of the proprietors shall be held on a day and at a place within the City of Auckland to be fixed by the Provisional Directors for the purpose of electing seven Directors and two Auditors duly qualified to be the first Directors and Auditors of the Company And thereupon such Directors and Auditors shall be elected in manner hereinafter provided and shall upon testifying their respective acceptance of the office of Directors and Auditors be the first Directors and Auditors of the Company.

Election of first ordinary directors and auditors.

41. That at the first half-yearly general meeting to be held after the election of the first Directors under the last preceding clause one of the said Directors shall go out of office by lot and shall not be eligible for re-election until the next ensuing election and in like manner at every succeeding half-yearly general meeting to be held in the month of October in each year another of the original Directors shall retire by lot and shall not be eligible for re-election until the next ensuing election and so on until the whole of the original Directors shall have so vacated office And thereafter at every succeeding ordinary general meeting the two Directors who shall have been longest in office shall retire As between two or more who have been in office an equal length of time the Director to retire shall in default of agreement between them be determined by lot The length of time a Director has been in office shall be computed from his last election or appointment where he has previously vacated office A retiring Director shall be eligible for re-election.

Retirement of directors.

42. That the Proprietors at any general meeting at which any Director shall retire in manner aforesaid shall fill up the vacated office by electing a duly qualified Proprietor and may fill up any other vacancies and from time to time increase or reduce the number of Directors Provided that if the place of the retiring Director be not filled up at such meeting he shall unless it shall be determined at such meeting to reduce the number of Directors continue in office until the ordinary general meeting in the next year and so on from year to year until his place be filled up.

Election of directors to fill vacancies caused by retirement.

43. That any Director may at any time vacate his office by sending in his resignation to the Board and the Proprietors shall have power at any time by extraordinary resolution to remove from his office any Director for negligence misconduct in office or any other reasonable cause.

Resignation of directors and removal by proprietors.

44. That in case of any vacancy or vacancies in the office of Director occasioned by death resignation disqualification or removal from office the continuing Directors may act notwithstanding such vacancy or vacancies but such vacancy or vacancies may be filled up by the appointment by the Board of another or other duly qualified Proprietor or Proprietors and if at any time the number of Directors be reduced below five then within sixty days after the number shall be so reduced sufficient vacancies to raise the number to five at the least shall be filled up by the like appointment The Proprietor or Proprietors so appointed shall continue in office until the next ordinary half-year or special general meeting and at such next meeting some duly qualified person shall be elected to fill any vacancy so filled up by the Board as aforesaid and such last-mentioned person shall continue in office until the expiration of the time that such deceased disqualified removed or retiring Director might have continued in office Provided always that if such vacancy or vacancies shall happen within sixty days before the next ordinary general meeting it shall be lawful for the Board by a resolution to be entered in their Minutes to direct that such vacancy or vacancies shall remain over until the said ordinary general meeting And provided further that if two or more such vacancies shall have to be filled up together at any such ordinary half-year or special general meeting the person elected by the greater number of votes shall be allowed to elect the vacancy which he may prefer to fill.

Filling of casual vacancies in the Direction.

45. That if in order to facilitate the removal of the Head Office and General Management of the Company the Members of the Board for the time being shall deem it expedient to resign in order that a new Board may be elected or in case from any cause whatever the number of Directors shall be reduced to less than three the Chief Officer of the Company or the Manager of the Company in London shall call a special general meeting of the Proprietors to elect so many Directors as may be deemed necessary and such meeting shall be held at the place where the Head Office and General Management of the Company are located.

If all directors resign, or if number reduced to less than three, Chief Officer to call meeting.

46. That every Proprietor who shall become a candidate for the office of Director shall give notice thereof to the Board in writing to be left at the Banking-house of the Company in London thirty days at the least before the day of election and the names of

Notice by candidates for the office of director.

the candidates who have given such notice shall be published in one or more London newspaper or newspapers ten days at the least before the day of election and no Proprietor shall be eligible who shall fail to give such notice.

Mode of election
of directors.

47. That the election of Directors at any general meetings shall be by the majority of the votes of Proprietors present and voting in person or absent and voting by proxy and when and so often as on the election of any Director or Directors there shall be votes for more candidates than there shall be vacancies and in consequence of any two or more candidates having an equal number of votes it cannot otherwise be determined which of those candidates shall be the person or persons to supply the vacancy or vacancies it shall be decided by lot amongst those candidates which of them shall supply the vacancy or vacancies And the person or persons in whose favour such decision shall be made shall be considered duly elected.

Defects in election
or appointment of
directors or officers
not to invalidate
acts but upon
discovery the
directors or officers
to retire or be
removed.

48. That no irregularity informality or illegality in the election of any Director or in the appointment of any Officer of the Company shall be taken or construed to render illegal or invalid any act deed matter or thing done or executed or suffered to be done or executed by such Director or Officer in pursuance of such election or appointment before notice in writing shall have been given by a Proprietor or Proprietors to the Board of the irregularity informality or illegality of such election or appointment but upon receipt of such notice the Board shall unless the Director or Officer shall voluntarily resign or retire proceed to enquire into the objection to such election or appointment at a meeting in the case of a disputed election of a Director of not less than three Directors other than the one whose election is disputed specially convened for the purpose and if the Board shall be of opinion that such election or appointment is void they shall declare the office vacant accordingly and the same shall thereupon become vacant and a new election or appointment as the case may require shall be had or made.

New director or
auditor to declare
acceptance until
which retiring
director or auditor
to continue in office.

49. That every person who shall be elected a Director or Auditor of the Company as herein provided shall as soon as conveniently may be testify his acceptance of the office of a Director or Auditor by a declaration or memorandum in writing to that effect to be entered by him in a Book to be kept at the Banking-house for that purpose and until such acceptance shall have been so testified the retiring Director or Auditor shall continue in office as such and shall possess and be subject to all his former powers duties or obligations Provided that such continuance in office shall in no case extend beyond the next ordinary half-year or special general meeting and that if the new Director or Auditor so elected shall not within one month before such next meeting have so testified his acceptance his election shall be deemed to have lapsed and notice thereof shall be given by the Board and thereupon some other person shall be elected in his place and stead at such next ordinary half-year or special general meeting.

Penalty on
unqualified direc-
tors acting.

50. That if any person holding the office of a Director shall whilst unqualified or disqualified as hereinbefore provided do any act matter or thing in the capacity of a Director except at the instance or with the approbation of the Board after notice of his non-qualification or disqualification he shall forfeit and pay to the Company the sum of One Hundred Pounds or such less amount as the Board may upon his removal from office think fit to declare as for a breach of covenant with the other Proprietors of the Company and the shares standing in the name of such person shall be liable for the payment of such penalty.

Remuneration to
directors.

51. That in each year in addition to their reasonable travelling and hotel expenses the sum of Two Thousand Five Hundred Pounds together with such further sum as may be voted by the Company in general meeting shall be paid to the Directors out of the funds of the Company as a remuneration for their services and such remuneration shall be distributed amongst the Directors in such manner as the Board shall from time to time determine Provided always that if in the opinion of the Board it is desirable that any Director or Directors should from time to time make any special journey on behalf of the Company such Director or Directors shall be paid such reasonable additional remuneration and expenses for such journey as the Board may from time to time determine.

Directors to regulate
the order of their
proceedings and
times of meeting.

52. That the Board may from time to time make such regulations for their own proceedings and fix such times for their ordinary and special meetings as they shall think fit But any Director may at any time by writing under his hand convene a special meeting of the Board for the consideration of any matter relating to the business of the Company Provided that the object of such meeting be expressly stated in the notice convening the same and that such notice be left at the usual places of residence of the other Directors not less than twenty-four hours before the time specified for holding such meeting.

Resolution of
directors may be
rescinded &c.

53. That every resolution order or direction made and passed or given at any meeting of the Board shall be liable to be rescinded amended or altered at any other meeting by the same Directors by whom the same was made and passed or given or by a

majority of the Directors at a meeting at which a larger number of the Directors are present. Provided that in the last-mentioned case notice shall either be given to the Directors by whom the resolution order or direction was made passed or given of the intention to move for a rescission amendment or alteration thereof or that the consideration of such motion shall if either of the last-mentioned Directors shall so require be adjourned to a future meeting. And provided also that no such rescission amendment or alteration shall invalidate any act matter or thing in the meantime done or submitted to under or in consequence of such resolution order or direction.

54. That all questions coming before the Board for consideration shall be decided by the majority of votes of the Directors present and not declining to vote or disqualified from voting and if there shall be an equality of votes the President or other chairman of the meeting of Directors shall have a casting vote.

55. That no Director shall be allowed to vote on any application for credit on cash account or on bills offered for discount or otherwise where he is himself a party or principal or surety or where his father or father-in-law son or son-in-law brother or brother-in-law or nephew is a party or on any other proposition in which it shall appear to the Board that he has a pecuniary or personal interest. And if any Director shall so vote contrary to this prohibition he shall forfeit to the Company the sum of One Hundred Pounds as for a breach of covenant with his co-proprietors and the shares standing in his name shall be liable for the payment of such penalty. Provided that it shall be competent to the Board or any meeting of Proprietors to remit the whole or any part of such penalty if they shall think fit.

56. That the Board shall cause correct Minutes of their proceedings to be entered in a Book to be kept for that purpose and called the Minute Book and such minutes shall be signed by the person presiding at each meeting or by such person as the said Board shall specially appoint and such minutes shall be full and conclusive evidence that the proceedings therein recorded took place at a meeting of a Board regularly called and that the person whose name is subscribed to such minutes did sign and was duly authorised by the Board to sign the same and such minutes shall be held to be sufficient authority for every act deed matter or thing that may be lawfully done in pursuance thereof. Provided however that the minutes of any such meeting shall be read over at the opening of the next meeting of Directors and shall be subject to correction if any error be detected therein and that if at any time after the formal entry thereof in the Minute Book any such error be detected and pointed out by any Director and established to the satisfaction of a meeting of the Directors an entry thereof shall be made in the Minute Book and shall be referred to and read in connection with such original minute or entry.

57. That the Board shall subject to the powers herein conferred on general meetings of the Proprietors and to the specific directions and restrictions hereby given or imposed to and upon them have the entire management of the business of the Company and of the application investment and disposal of its funds and shall and may in all matters not specially provided for by these presents act as to them shall appear best calculated to promote the interests of the Company. And it is hereby expressly declared that the powers specially herein conferred shall not be deemed to abridge in matters not distinctly provided for the general powers above granted.

58. The Board of Directors may establish a Local Board or Local Boards of Directors at such place or places in New Zealand and elsewhere as they may think fit the members of which being Proprietors shall be appointed by the Board of Directors and the Board of Directors may depute to such local Directors such powers as they may think expedient.

59. The Board may by instrument in writing under the Seal of the Company empower any person or persons either generally or in respect of any specified matters as the attorney or attorneys of the Company to execute deeds on its behalf in any place whatsoever and to do perform and execute any matter or thing or matters or things whatsoever in relation to the business of the Company which the Board is itself capable of doing. And the Board may if they think fit make it a condition that any deed to be executed by any such attorney or attorneys shall be first approved by such of the Local Board of Directors as may be specified in the instrument creating the power. And in the event of any such condition being made if a memorandum is written upon any such deed to the following effect namely:—"Approved by the Local Board of Directors established at _____" and signed by some person purporting to sign as the Chairman of such last mentioned Board any person or persons body or bodies corporate accepting any deed or deeds executed by such attorney or attorneys shall not be bound to enquire whether or not such deed or deeds had been approved by the Local Board of Directors nor whether the person so signing as Chairman was in fact the Chairman thereof. Every

Majority of directors to decide questions but President or other chairman to have casting vote. Director not to vote where himself or certain relations interested.

Minutes to be kept of proceedings at meetings of directors.

General powers of boards of directors.

Directors may appoint local boards of directors.

Power to appoint attorneys.

deed signed by such attorney or attorneys as aforesaid (and purporting to be approved as aforesaid in any case where such approval is necessary) shall be binding on the Company and have the same effect as if such deed or deeds were under the Common Seal of the Company.

Power of board of directors to make by-laws.

60. That it shall be lawful for the Board from time to time to make such bye-laws and regulations for their guidance in any matter not herein specially provided for as to them shall seem meet and also from time to time to repeal alter and vary such bye-laws and regulations and to make others in their stead Provided always that such bye-laws and regulations shall not be repugnant to these presents or to any laws rules or regulations made and passed at any general meeting of Proprietors and the same shall only be in force until the next ensuing ordinary general meeting unless then approved of and confirmed by the said ordinary general meeting.

Establishment of branches.

61. That it shall be competent to the Board to establish any such Branch Bank or Banks at any place within New Zealand or elsewhere whether in the British Dominions or otherwise and such Banking Agency or Agencies or Connexions as the Board shall determine and specially from time to time to empower any one or more of their own number or any other person or persons to carry on the business of Exchange with such Branch Banks or Banking Agencies and to bind the Company by such contracts as it may be necessary or proper to enter into for that purpose by signing drawing endorsing accepting or negotiating Bills of Exchange Promissory Notes Letters of Credit or other negotiable instruments and also to inspect and report on the arrangements and proceedings of such Branch Banks or Banking Agencies.

Directors to regulate form and signature of bank-notes.

62. That the Board shall determine on and regulate the form and amount of the Promissory Notes of the Company payable to the Bearer on demand and all such Promissory Notes shall be signed by such person or persons as may be authorized by the Board in that behalf.

Power to purchase or lease property for offices, &c., or build for such purposes.

63. That it shall be lawful for the Board to purchase in fee simple or for any less estate and in such name or names as they shall think proper or to take upon lease a suitable house and premises in Auckland and London for the transaction of the business of the Company or to build a suitable Banking-house on land purchased for that purpose and also to purchase or rent or build a suitable house and premises of business for every Branch Bank that may hereafter be established and also at any time or times thereafter to sell let demise exchange or otherwise dispose of such land house houses and premises in such manner as they may think most advisable and to cause the same to be assured and conveyed accordingly.

Power to take lands &c. in payment &c. of debts.

64. That it shall be competent to the Board to take and accept absolutely in satisfaction liquidation or discharge of any debt previously due to the Company any lands houses merchandise ships and any other real or personal property and to cause the same to be conveyed or assigned and delivered to the company or such person or persons as they may direct as trustees for the said Company Provided however that the Board shall as soon as conveniently may be having reference to the risk and cost of keeping such property and to the prospect of realizing in the then state of the market the amount of the debts for which the same respectively were taken or so much thereof as they may reasonably expect to realize thereafter cause the same to be sold and disposed of for the benefit of the Company and to be conveyed or assigned to the purchasers thereof respectively.

Power to take lands &c. in security for debts previously incurred.

65. That it shall be competent to the Board to take lands houses merchandise ships and any other real or personal estate in security for the payment of any debts which shall have previously become due or of any liability to come due to the Company which shall have been permitted to be incurred in the regular and legitimate course of banking business but which shall afterwards appear to the Board not to be sufficiently secured Provided nevertheless that it shall be the duty of the Board to realize upon such securities as soon as conveniently may be having reference as in the last preceding clause and to cause the same to be sold or disposed of for the benefit of the Company and to be conveyed or assigned to the purchasers thereof or else to foreclose such security and thereafter to sell convey or assign as herein provided.

Power to take liens on wool and mortgages on stock.

66. That it shall be competent to the Board to advance the moneys of the Company upon liens of wool and upon mortgages of sheep cattle horses and stations for the use of any holder of such stock within the said colony Provided that in no case such lien on wool shall be taken except upon the next ensuing clip and that no such mortgage on sheep cattle horses and stations shall be taken for a period of more than twelve months.

Regular and distinct books to be kept.

67. That the Board shall cause regular and distinct books of account to be kept at the Banking-house of the Company in which the Company's whole affairs and transactions shall be duly entered.

68. That it shall be lawful for the Board from time to time as occasion shall arise for raising money for the purpose of carrying on the business of the Company to negotiate such of the Bills or Promissory Notes for the time being held under discount as they may consider advisable or to assign or sell any security belonging to the Company and the endorsement of such Bills or Promissory Notes by any two or more Directors for or on behalf of the Company shall be binding against every member thereof.

Directors empowered to raise money by negotiating securities of bank &c.

69. That it shall be lawful for the Board by a minute to be entered on their proceedings to appoint any one or more of their number from time to time to transact any particular business relating to the Company either as to its principal establishment or in respect to its Branch Banks or Banking Agency or Agencies.

Delegation to one or more of directors of power to transact particular business.

70. That the Directors shall elect from time to time from amongst their own body a President of the Bank and such President shall continue in such office till the expiration of his then term of office as Director and the President so elected or in his absence the Director who shall be elected Chairman by the Directors present at any meeting of the Board shall preside at all meetings of the Board.

Election of president.

71. That it shall be lawful for the Board from time to time to appoint a Cashier Secretary Solicitor and such other officers clerks and servants as the business of the Company and of its Branch Banks may require and from time to time to remove any such Cashiers Secretary Solicitor and other officers clerks and servants at their discretion And also from time to time to fix alter and vary the duties to be performed and the amount of remuneration to be given to each of such officers clerks and servants and to pay and discharge the same out of the funds and property of the Company and also for and on behalf of the Company to delegate to such officers as may be appointed such powers as the said Board may consider necessary or expedient for the transaction of the business of the Company.

Directors to appoint officers clerks &c. and to regulate salaries and fix duties.

72. That such cashiers secretary and other officers clerks and servants respectively shall give such security as the Board shall from time to time fix and determine for the due application of and accounting for all moneys bills and other securities received by them on behalf of the Company and for their good and faithful conduct in their respective offices or situations And that all shares in the capital of the Company held by any such cashier secretary or other officer clerk or servant may be retained by the Board as a security for the good and faithful conduct of such cashier secretary or other officer clerk or servant in such respective offices or situations.

Officers &c. to give security.

73. That when Branch Banks shall be established the Board shall appoint fit and proper persons to be the Managers of such Branches and shall also associate with such Managers respectively if they shall think fit such and so many local Directors being Proprietors as they shall think expedient for the conduct and management of the business of the Company at such Branch Banks respectively such local Directors to be elected according to regulations to be made by the Board in that behalf and shall depute to such Manager and local Directors or to such Manager alone such powers as they may think safe and expedient and shall make and impose such regulations, restrictions, and checks in respect to the nature and extent of the dealings of such Branch Banks and the principles and mode of transacting the business thereof as may be necessary or expedient. And such Manager and local Directors respectively shall accordingly have and exercise such powers as may be so deputed to them and shall be subject to such regulations restrictions and checks as may be so made and imposed and shall be subject also to the general control and direction of the Board and also to all the provisions as to local Directors herein contained or which may hereafter be established by any rule or regulation of any general meeting.

Appointment and power of branch managers and local directors.

74. That every Manager of a Branch Bank shall before he shall enter on the duties of his office give such security for the diligent and faithful discharge of the duties of his office as the Board shall require.

Branch managers to give security.

75. That the Board shall from time to time fix alter and determine the amount of remuneration to be paid to every such Branch Manager and local Director and shall pay and discharge the same out of the funds and profits of the Company.

Remuneration of branch managers and local directors.

76. That the Board shall have full power at any time to suspend and remove from office any Manager of any such Branch Bank or any local Director whenever it shall appear to them conducive to the interests of the Company so to do and either to appoint some other Manager or Director in his place or leave the office vacant as they shall in their discretion think expedient.

Suspension and removal of branch managers and local directors.

77. That twice in each year namely in the months of February and August general meetings of the Proprietors shall be held at the Banking-house of the Company in London or at some other convenient place in London to be notified in the advertisement of such meeting And it shall be the duty of the Secretary of the Company or other officer authorized by the Board in that behalf to cause an advertisement of the time and place

Half-yearly general meetings of proprietors to be held in London.

of holding such meetings to be inserted in one or more of the principal newspapers published in London for the space of ten days at least before the appointed time. The meetings to be held in the month of August in each year shall be called ordinary general meetings and the meetings to be held in the month of February in each year shall be called half-year general meetings. All other meetings of the Proprietors shall be called special general meetings.

Business of ordinary
and half-yearly
general meetings.

78. That the business of every ordinary general meeting and half-year general meetings shall be to fill up the vacancies which shall then exist or take place in the Board and to do such other matters and things as are herein particularly required or allowed to be done thereat and also to consider any report of the Directors which may be then made and to consider and decide on such other matters and things as may then be brought forward by the Board relating to the affairs of the Company or which may be brought forward by any Proprietor who shall have given to the Board seven days' previous notice at the least of his intention to bring such matters and things forward at such meeting. And also if the majority of the Proprietors then present shall think fit to consider any proposal or resolution which may notwithstanding the absence of such notice thereof to the Board be made by any proprietor then present. Provided however that the said meeting shall not then proceed to determine upon any such matter or thing then first brought forward or any resolution or motion then first made otherwise than by negating any proposal or motion made if three Proprietors then present and holding thirty votes in their own right shall require that the said meeting be adjourned for the purpose of further considering the same in which case such adjournment shall be made and notice thereof shall be given as hereinafter provided with respect to special general meetings.

Calling of special
general meetings.

79. That subject to such notice as is hereinafter required special general meetings of the Proprietors shall be held at such times and places as the Board may determine. And also if any number of Proprietors holding not less than Three Thousand Shares in the capital of the Company shall at any time by writing under their hands require the Board to call a special general meeting for any purpose relating to the Company it shall be incumbent on the Board to call the same provided that in every such requisition the object for which such special general meeting is required shall be distinctly expressed. And if such requisition shall not be complied with within ten days after the same shall have been left at the Banking-house it shall be lawful for the Proprietors signing such requisition of their own authority to call a special general meeting to be held at the Banking-house or some other convenient place in London for the consideration of the same matters relating to the Company as were set forth in such requisition.

Notice of special
general meetings.

80. That except as hereinafter provided 30 days' notice at the least shall be given of all such special general meetings of the Proprietors either by advertisement in one or more of the London newspapers or by circular letters addressed to the several Proprietors as hereinafter provided. And that in such notice there shall be distinctly expressed the objects for which the meeting is convened. And the business of such special general meeting shall be to consider and dispose of all such matters and things relating to the business of the Company as may then be brought forward in accordance with the notice given as aforesaid and no other.

Special general
meetings in cases
of emergency.

81. That in case of emergency and urgency in which it shall appear to the Board essential or of much importance to the interests of the Company that certain matters should be brought under the consideration of a meeting of Proprietors with greater promptitude than the notice hereinbefore required could admit of it shall be competent to the Board to convene a special general meeting by advertisement or circular letters to be holden within not less than five days of the publication of such advertisement or the posting of such notices. And such meeting shall possess all the same powers as a special general meeting held in the ordinary course herein prescribed.

Notices by circular
letters of meetings
in certain cases.

82. That when and so often as it shall appear to the Board or to the Proprietors who shall call any special general meeting upon default of the Directors to comply with a requisition for that purpose to be desirable to give notice of any meeting of Proprietors or of any adjournment thereof or of the object of any such meeting or to give any other notice required by these presents or which may be required by any future rule or regulations by circular letters instead of public advertisement thereof it shall be competent for the Board or for such Proprietors to address such circular letters and send the same by post to the several Proprietors at their respective residences or at the last place of residence which shall have been notified to the Secretary of the Company or to address such notice (if the Board or the Secretary shall so think fit) to any executor or administrator of a deceased Proprietor or the committee of a lunatic Proprietor or the guardian of an infant Proprietor or next of kin to an intestate Proprietor or the trustee or assignee of an insolvent or bankrupt Proprietor or to the agent of any Proprietor absent from

London in case such executor administrator committee guardian trustee or assignee and agent respectively shall have certified their respective titles or representative positions to the Secretary to the Company and have communicated their names and addresses and in case any Proprietor whosever shall not have communicated his address to the Secretary and in respect of shares which by death or operation of law shall have ceased to be vested in the proprietor in whose name the shares shall stand in the books of the Company and shall not have become vested in any new Proprietor according to the provisions herein contained it shall be unnecessary for any such letter to be written or addressed to any person whomsoever but the Proprietor or party entitled shall nevertheless be bound by all the acts of any such meeting of Proprietors in the same manner as if he had received notice thereof.

83. That the testimony of the Secretary of the Company that the said letters were to the best of his knowledge and belief written and addressed in conformity with the provision hereinbefore contained and the evidence of the person appointed to despatch the said letters or of any other credible person that the same were respectively put into the post office at or before the times respectively herein required for the giving of the notices conveyed by such letters shall be conclusive evidence of the due service of the said notices and such notices shall be deemed to have been served on the day on which the letters containing the same shall have been posted.

Proof of notice by circular letters.

84. That a resolution of the Proprietors shall be deemed to be special whenever a resolution has been passed by a majority of not less than three-fourths of such of the Proprietors for the time being entitled to vote as may be present in person or by proxy at any general meeting of which notice specifying the intention to propose such resolution has been duly given and such resolution has been confirmed by a majority of such Proprietors for the time being entitled to vote as may be present in person or by proxy at a subsequent general meeting of which not less than ten days' notice by circular letter has been duly given and held at an interval of not less than fourteen days from the date of the meeting at which such resolution was first passed. A resolution of Proprietors shall be deemed to be extraordinary which is framed in such manner as would if it had been confirmed by a subsequent meeting have constituted a special resolution as hereinbefore defined.

Definition of "special" and "extraordinary" resolution.

85. That it shall be lawful for the Proprietors by a special resolution to make new laws regulations and provisions for the Company and to amend alter and repeal all or any of the existing laws regulations and provisions of the Company. Provided such new amended or altered laws regulations and provisions do not extend to amend alter or repeal all or any part of the laws regulations and provisions established and settled by these presents for limiting the individual responsibility of the respective Proprietors of the Company as between themselves.

Proprietors may make new laws and regulations and amend alter and repeal existing ones.

86. That no law resolution or proceeding passed at any general meeting shall be impeached or invalidated on the ground that any person voting at any such meeting was not entitled to vote thereat.

Defective votes not to invalidate proceedings of general meetings. Number of votes and mode of voting at general meetings.

87. That at every meeting of the Proprietors every Proprietor shall have one vote for every share held by him at the date of such meeting and for the space of three calendar months at the least next before such meeting. Provided always that no Proprietor shall be entitled to more than 200 votes in respect of his holding. Any Proprietor absent from any such meeting may vote by proxy provided that the person appointed to act as proxy shall be a Proprietor. All questions to be submitted to any meetings of the Proprietors shall be decided by the majority of votes except in such cases as herein otherwise provided. And every Proprietor present at any such meeting shall be entitled to demand a ballot either before or after a vote on any question has been taken by assessment of votes.

Votes by proxy.

88. That every proxy shall be in writing under the hand of the Proprietor of the share or shares in respect of which such proxy shall be given or in the case of a Proprietor absent from London under the hand of his agent duly authorised by power of attorney to receive dividends or to make sale of his share or shares and such proxies respectively together with the power of attorney in the case of a proxy by agent shall be left at the Banking-house at least 24 hours before the time fixed for the holding of the meeting at which such proxies are to be used.

Proxy to be in writing and to be deposited.

89. That every Proprietor who shall have appointed such proxy as aforesaid shall for all the purposes of the general meeting and of every adjourned general meeting and ballot to which such proxy shall be applicable but not for the purpose of composing the number of Proprietors whose personal presence is requisite to prevent adjournments be considered as present by such proxy. And all the votes and acts of the proxy in that capacity shall be as valid and effectual subject to the qualifications and provisions herein contained as the votes and acts of the Proprietor appointing him would have been if

Effect of proxy.

such Proprietor had been present and had voted at any such general meeting or ballot.

90. That no Proprietor who shall be a paid officer of the Company other than the Directors Auditors and Solicitors shall be qualified to vote at any general meeting of Proprietors either as a Proprietor or as the proxy of another Proprietor.

91. That the President elected by the Board as hereinbefore provided or in his absence the senior Director present shall preside at all ordinary and half-year general meetings of the Proprietors Provided that until the order of seniority shall be established by the death retirement or removal from office of the first Directors appointed by virtue of these presents the Proprietors present at such ordinary general meetings shall in the absence of the President elect their own chairman from the Directors then present And at all special general meetings the Proprietors present shall elect their own chairman And on all questions submitted to any such ordinary or special general meeting the President or chairman presiding shall have the votes to which he shall be entitled as a Proprietor and also a casting vote in the case of an equality of votes except only in the case of the election of Directors hereinbefore provided for.

92. That if two or more Proprietors present at any general meeting shall object to the vote of any other Proprietor and shall prove to the satisfaction of the majority in value of Proprietors then present that the person whose vote has been objected to has an interest in the question on which the vote is to be taken beyond that which he may have therein in common with the other Proprietors then and in every such case the Proprietor whose vote has been objected to shall not be allowed to vote on the question and shall be incapacitated from voting on such question as the proxy of any absent Proprietor.

93. That every general meeting shall adjourn to a future day if ten Proprietors holding in the aggregate not less than one thousand shares shall not assemble within one hour after the time fixed for such meeting and unless the said number of Proprietors shall be present the meeting shall not be competent to transact any other business than fixing the time for holding an adjournment of such meeting and no such adjourned meeting shall proceed to any other business than fixing the time for a further adjournment unless the said number of Proprietors shall be present at the same.

94. That every such adjournment as aforesaid shall be notified to the Proprietors either by circular letters or by public advertisement in one or more of the London newspapers.

95. That the reports made by the Board at any ordinary meeting of Proprietors and the balance-sheet exhibited at the ordinary general meetings and all reports of auditors and also the minutes of proceedings at all such meetings shall be printed and circulated amongst the Proprietors as soon as conveniently may be by letters addressed as hereinbefore provided with respect to notices of special general meetings.

96. That minutes of all proceedings of every general meeting shall be entered and kept in the Minute Book of the Company and shall be signed by the person presiding at such meeting and such minute shall be full and conclusive evidence that the proceedings therein recorded took place at a general meeting duly called and held pursuant to these presents and that the person whose name shall be subscribed thereto was the chairman at the general meeting at which such proceedings took place and that he signed such minutes And such minutes shall be binding and conclusive on all the Proprietors of the Company and all other persons claiming any interest in respect of any share or shares in the capital of the said Company.

97. That at the ordinary general meeting in each year one or more Chartered Accountants shall be elected by the Proprietors to act as auditors during the year then next ensuing and such auditors shall be fully authorised at all reasonable times to inspect the books of the Company and to examine the accounts and affairs of the Company generally and to call for the production to them at the head Banking-house of the Company of all books vouchers writings and documents concerning the same and all coin securities and other assets of the Company and to call in the aid of the officers clerks and servants of the Company or any other person competent to give information as to the Company's affairs And at the expiration of such term of office as aforesaid such auditors shall be eligible for re-election as auditors for the year then next ensuing.

98. That in the event of the death resignation or disqualification of any such auditor during such term of office it shall be lawful for the Board to appoint any other Chartered Accountant to act as auditor until the next ensuing special half-year or ordinary general meeting when the vacancy shall be filled up by election.

99. That the remuneration of the auditors for their services shall be fixed by the Company in general meeting.

Proprietors being paid officers except directors auditors and solicitors not to vote at meetings.

Chairmanship of meetings of proprietors and casting vote.

Exclusion of the votes of proprietors specially interested in any question.

Adjournment of meetings for insufficient attendance.

Notification of such adjournment.

Directors' reports and balance-sheets and auditors' reports to be communicated to proprietors by letter.

Minutes of proceedings at meetings and their effect.

Appointment of chartered accountants as auditors and their powers.

Appointment of auditors *ad interim* on death resignation &c.

Remuneration to auditors.

100. That the affairs and transactions of the Company shall be brought to a just and true balance by the Board on or before the 31st day of March in each and every year and a balance sheet shall be prepared containing a true statement of the affairs and transactions of the Company and the net profits of the Bank during the year immediately preceding.

Yearly balance-sheets.

101. The auditors shall be supplied with copies of such balance sheet as soon as completed and it shall be their duty to examine the same with all bills securities vouchers accounts and documents necessary for verifying the same and such auditors shall examine the books of the Company and sign such balance sheet in testimony of their having examined and verified the several entries contained therein and the balance sheet so signed shall be submitted to the ordinary general meeting of the Proprietors.

Audit of balance-sheets.

102. That in making up the balance sheet to be submitted to every ordinary general meeting it shall be the duty of the Directors to deduct from the gross profits of the year immediately preceding or to charge against the Reserve Fund not only all debts due to the Company which shall appear to the Board to be bad debts but also all such as shall appear to them to be of a seriously doubtful character And in case any such debts shall afterwards be recovered the amount thereof shall be again carried to the credit of Profit and Loss.

Bad and doubtful debts to be deducted from profits yearly.

103. That the Board shall together with the balance sheet hereinbefore mentioned cause to be laid before the Proprietors at each ordinary general meeting a report on the Company's affairs previously approved of at a meeting of the Board and bearing the signature of the Director presiding at such meeting and such report shall contain the recommendation of the Board as to the appropriation of the profits.

Directors' yearly report to be laid before proprietors at each ordinary general meeting.

104. That it shall be competent for the Board of Directors from time to time to make out of the net profits such addition to the Reserve Fund as the said Board shall in their discretion think fit.

Payments to reserve fund out of profits.

105. That all premiums on the sale of new shares and the proceeds of all forfeited shares except as herein otherwise provided and all dividends remaining unclaimed for the period of seven years after the same shall be declared and also all damages which may be recovered from time to time under the covenants articles stipulations and agreements herein contained or under any laws or regulations which may be hereafter established shall be carried to the credit of Profit and Loss.

Unclaimed dividends &c. to be carried to credit of profit and loss.

106. That the balance of net profit shall be available for the payment of a dividend at such rate as the Company shall declare at the ordinary general meeting and such dividend shall become payable to the Proprietors accordingly at a time to be then fixed by the Board and the balance of net profit remaining if any after providing for the payment of such dividend shall be carried forward to the Profit and Loss account of the ensuing year for the purpose of equalizing future dividends Provided always that no larger dividend shall be declared than is recommended by the Directors.

Declaration of dividends.

107. The Board may from time to time pay to the Proprietors on account of the next forthcoming dividend such interim dividend as in their judgment the position of the Company justifies.

Interim dividends may be paid.

108. That no dividend shall be paid in respect of any share upon which any instalment or instalments shall be in arrear until such instalment or instalments shall have been duly paid and satisfied But it shall be lawful for the Board unless they shall declare a forfeiture of such shares to retain such dividends on account of such instalments until the same shall have been paid and the Proprietor entitled thereto shall not be entitled to claim interest on the amount of such dividends during the time they have been so retained by the Company And upon a forfeiture of such shares being declared such dividends shall be appropriated to the uses of the Company and applied in augmentation of the reserve fund.

As to dividends upon shares on which calls are in arrear.

109. That the Directors Auditors and all the officers and clerks of the Company shall be bound to observe secrecy except in the course and performance of their respective duties towards the Company or under compulsion or obligation of law with respect to all transactions of the Company with its customers and as to the state of the account of any individual or the extent of his liabilities And every such Director Auditor Officer and Clerk shall previously to entering upon the duties of his office or employment sign a declaration in a book to be kept for that purpose that he will not reveal or make known any of the matters affairs or concerns which may come to his knowledge as a Director Auditor Officer or Clerk to any person or persons whomsoever except in the course and in the performance of his duties or under compulsion or obligation of law or when officially required so to do by the Board or by the Auditors for the time being or by any general meeting of the Proprietors of the Company.

Obligation of secrecy imposed on directors auditors officers and clerks.

110. That every Proprietor who may be indebted to the Company or any other person on behalf of the Company shall upon demand pay to the person duly authorised

Proprietors to pay their individual

debts to the company without requiring account to be taken of the partnership.

Power to commence and defend actions &c.

To abandon compromise or refer to arbitration.

To compound give time &c.

To prosecute criminally.

Partnership not to be set up as a bar to any action or suit being sustainable.

Board of directors to produce this deed on trial of action.

Effect of the provisions herein contained.

Forfeiture by party acting in contravention of this article.

Mode of service of notice &c. on the company.

by the Board in that behalf all or such part of his debt as may at the time be due and payable and shall be so demanded and shall not adopt or institute any proceedings in a court of equity or otherwise for procuring any accounts to be taken in relation to the partnership existing by virtue of this Deed of Settlement And in case any such Proprietor shall make default in payment of the debt which may be so due and demanded of him then the amount of such debt may under the order of the Board be recovered from such Proprietor his heirs executors or administrators as liquidated damages And every party to these presents hereby agrees that any debts which may be so due by him and demanded and in payment thereof there shall be such default shall and may be so recovered as liquidated damages.

111. That it shall be lawful for the Board on behalf of the Company to commence and prosecute in the name of the Company any action suit or proceeding at law in equity bankruptcy or insolvency against any person or persons whomsoever whether a member or members of the Company or not to enforce any claims due by such person or persons to the Company And to defend any such action suit or proceeding that may be instituted against the Company and also to compromise or abandon any such action suit or proceeding and also to submit any matter in dispute to arbitration and abide by such reference and submission and every award to be made pursuant thereto and also to compound any debt or debts due to the Company and to join in any instrument of composition or any conveyance or assignment of the estate of any person indebted to the Company or in any letter of license granting time to such debtor for the payment of his debts and also to take proceedings for procuring the sequestration of the estate of any debtor to the Company as insolvent or to cause him to be declared a bankrupt or insolvent according to the laws for the time being and to do all such matters and things in relation to the estate of such insolvent or bankrupt and to the claim of the Company against the same and to the proceedings in insolvency and bankruptcy as might be done by an ordinary creditor and also to prefer and prosecute charges for the stealing or embezzlement of the moneys or property belonging to or deposited with the Company or for any fraud forgery crime or offence committed against or with intent to defraud the Company and to prosecute or abandon the same.

112. That in all and every action or suit at law or in equity wherein a Proprietor or Proprietors shall be plaintiffs and the Company or any trustees or other persons acting on behalf of the Company shall be defendants and *vice versa* it shall not be competent for either of the parties in or to such action or suit to set up the partnership created by this Deed or by or in respect of this Association as a bar to such action or suit being sustainable and such parties respectively shall upon the trial or hearing of any such action or suit and in all or any proceedings which shall be had in or in relation to any such action or suit be obliged to waive and forego the objection to any such action being tried at law or to any such suit being instituted or prosecuted in equity by reason of the plaintiffs and defendants being partners in the Company and no objection shall at any time be taken on the ground that all the Proprietors are not made parties to any such action or suit And upon any trial of any such action or any hearing in any such suit it shall be imperative on the Board to produce or cause to be produced these presents or a duplicate thereof or any memorandum such as is mentioned in clause 23 and also the powers of attorney (if any) under which these presents or a duplicate thereof or any such memorandum shall have been executed by any of the parties thereto or such of the same instruments respectively as shall be in the custody or power of the Board and the same respectively shall be read and used on or in any such trial hearing action or suit without any proof of the due execution of the same respectively and the matters and things in this present clause stated shall and may be used in evidence on or in the same trial hearing action or suit and shall have the same force and effect as and by way of admission from the parties respectively as if the same matters and things had been reduced to writing previously to such trial or hearing as admissions in the cause in the usual form and had been signed by such parties or their respective attorneys irrevocably and either of the parties shall if required by the other of them consent to the Court or any Judge of the Court in which such action shall be brought or suit commenced making an order wherein shall be embodied the matters and things last aforesaid as admissions from the party against whom such order shall be sought to be read and used in evidence on or in any such trial hearing action or suit by the party obtaining such order and if any Proprietor shall act in contravention of this article and shall thereby succeed in defeating the claim of the Company against him his shares in the capital of the Company shall upon such forfeiture being declared by the Board (which they are hereby authorised to do as to all or any of such shares as they may think fit) be absolutely forfeited to the Company.

113. That in all cases where it may be necessary for any person to serve any notice writ or other proceeding at law or in equity or otherwise upon the Company service

thereof respectively upon the Secretary or any Director for the time being by leaving the same at the office of the Company in London or at any Branch Bank if the same shall relate to any transaction at such Branch Bank or if the Company shall have suspended or discontinued business by serving the same personally on such Secretary or Director or on some person who was such Secretary or Director at the time of such suspension or discontinuance of business or by leaving the same in such last mentioned case with some inmate at the usual abode of such Secretary or Director or late Secretary or Director shall be deemed good service of the same on the Company.

114. That each and every printed copy of these presents which shall bear the signature of the Secretary of the Company attesting that the same is a true and correct copy of the original shall in all proceedings at law or in equity between the Company and individual Proprietors thereof or between several Proprietors and in all proceedings by parties other than Proprietors against the said Company wherein notice to produce these presents shall have been given and the same shall not be produced be received as sufficient evidence of this Deed and of every clause article stipulation and agreement herein.

Printed copies of this deed verified by signature of the secretary to be evidence.

115. That if any execution shall issue against any individual Proprietor or Proprietors or former Proprietor or Proprietors or his or their property and effects upon a judgment decree or order obtained against the Company every such Proprietor or Proprietors shall be reimbursed out of the property and effects of the Company for all moneys paid and for all damages costs and expenses incurred by him by reason of such execution or of the action or suit in which the same shall have issued or in default of such reimbursement by contribution from the other Proprietors of the Company as and subject to the limitations hereinafter provided.

Reimbursement to individual proprietors in respect of execution upon judgment against the company.

116. That if any such Proprietor or former Proprietor his executors or administrators shall not be reimbursed out of the property and effects of the Company it shall be lawful for him his executors or administrators to divide the amount of the moneys to be paid with interest damages costs and expenses or so much thereof as he shall not have been reimbursed into as many equal parts as there shall then be shares in the capital of the Company not including shares then under forfeiture And every Proprietor for the time being of the Company and the executors or administrators of every deceased Proprietor shall in proportion to the number of their shares contribute and pay one or more such parts on demand to the Proprietor against whom such execution shall have issued or to his executors or administrators And upon neglect or refusal to pay such contribution it shall be lawful for such Proprietor his executors or administrators to sue for and recover the same against the Proprietor or the executors or administrators of any Proprietor who shall so neglect or refuse as aforesaid as a debt or demand recoverable at law and distinct from the accounts of the Partnership And if such Proprietor against whom such execution shall have issued his executors or administrators shall by reason of the bankruptcy or insolvency of any Proprietor or from any other cause but without any neglect or wilful default on his own part be prevented from recovering any proportion of the moneys interests costs damages and expenses which he shall have so paid as aforesaid it shall be lawful for him or them again to divide such proportion as shall not have been received by him or them into as many equal parts as there shall then be shares in the capital of the Company not including the shares under forfeiture except the shares in respect of which such default shall have happened And every Proprietor for the time being of the Company except as aforesaid shall rateably according to the number of his shares upon demand pay one or more of such last mentioned parts to the Proprietor against whom such execution shall have issued his executors or administrators and in default of payment he or they shall have the same remedies for the recovery thereof as are hereinbefore given in respect of the original contributions And if any proportion of such money interest cost damages and expenses shall still remain unpaid by reason of any such bankruptcy insolvency or other cause as aforesaid such Proprietor his executors or administrators shall have in like manner from time to time and by way of accumulative remedy the same powers according to the circumstances of the case of again dividing and enforcing payment of such proportion until he or they shall in the end if a former Proprietor be fully reimbursed the whole of the said moneys interests costs damages and expenses and if then a Proprietor the whole excepting the portion appropriated to the shares held by himself Provided however that no such contribution shall be demandable to an extent greater than a sum equalling the original amount of the shares in respect of which the same shall in any case be demanded and that whenever any individual Proprietor shall have paid by calls to meet losses or by contribution a sum equalling the original amount of such shares he shall no longer be liable to pay any further amount either by reason of any call or as contribution at the instance of any other Proprietor against whom an execution upon a judgment against the Company shall have issued.

Remedy if not reimbursed out of the property of the company.

Covenant to pay rateably.

Limitation of liability.

Indemnity to officers in respect of their acts.

117. That the President Directors Trustees and other officers of the Company and each and every of them their and each and every of their heirs executors and administrators shall be indemnified and saved harmless out of the funds or property of the Company from and against all costs charges losses damages and expenses which they or any or either of them or their or any or either of their heirs executors and administrators shall or may incur sustain expend or be put unto for or on account of the Company in consequence of any act deed matter or thing which they or any or either of them may do or cause to be done in carrying into effect the objects and purposes of the Company or in or about any indictment information presentment action suit process proceeding or arbitration to be brought commenced carried on prosecuted defended or entered into for or on account thereof or for or by the order or direction of the Board or in anywise relating thereto respectively or otherwise in or about the execution of their respective offices or trusts except such costs charges losses damages and expenses as shall happen by or through the wilful neglect or default of such President Directors Trustees and other officers respectively.

Officers to be chargeable only in respect of their individual receipts and acts.

And not to be responsible except for wilful default or neglect.

118. That the President Directors and Trustees for the time being of the Company and each and every of them and each and every of their heirs executors and administrators shall be charged and chargeable only for so much money as they and each and every of them shall respectively actually receive by virtue of their respective offices or trusts And that any one or more of them shall not be answerable or accountable for the receipt of the others or other of them nor for the acts neglects or defaults of the others or other of them but each of them for his own acts receipts neglects or defaults only nor for the insufficiency or deficiency of title to any estate or property which may from time to time be purchased by or by order of the Board for or on behalf of the Company nor for the insufficiency or deficiency of any security or securities in or upon which the moneys of the Company shall or may be placed out or invested by or by the order of the Board nor for any other loss misfortune or damage which may happen in the execution of their respective offices or in relation thereto except the same shall happen by or through their own wilful neglects or defaults respectively.

General provision for dissolution of company.

119. That it shall be lawful for an ordinary or half-year general meeting of the Proprietors in pursuance of a recommendation from the Board to enter into a resolution to dissolve the Company but such resolution shall only be carried by the votes of Proprietors possessing not less than three-fourths of the actual paid-up capital of the Bank and shall be of no force or effect until confirmed by the votes of Proprietors holding not less than three-fourths of the paid-up capital of the Bank at the ordinary or half-year general meeting next immediately following.

Notwithstanding resolution to dissolve all the powers of the directors and proprietors to be retained until affairs closed.

120. That until the affairs of the Company shall be finally wound up and all claims and demands upon the Company shall be fully paid and satisfied and a final division shall have been made of the residue of the moneys of the Company the several provisions herein contained and all powers privileges rights and duties of the Board and of the Proprietors respectively shall notwithstanding any resolution to dissolve the Company remain and continue in full force so far as the same may be necessary for winding up the concerns of the Company or for enabling the Board to dispose of the funds and property of the Company or to pay and satisfy all claims and demands upon the Company or to make such final division as aforesaid Provided always that all such property and funds as shall not be disposed of within the period of three years from the date of the second general meeting of the Proprietors hereinbefore referred to shall be immediately thereafter sold by public auction without reserve to the highest bidder in such lots as the Board may approve.

Provision for reduction of capital by cancellation.

121. That the Company may from time to time by special resolution reduce its capital by cancelling capital which has been lost or is unrepresented by available assets but no such cancellation shall interfere with or in any way alter the liability of the Proprietors to contribute a further sum of £10 as provided by Clause 122 Provided always that upon any such cancellation the Directors may be empowered by the special resolution affecting the same to receive from Proprietors the amount per share so cancelled as aforesaid to reinstate their shares to the original amount If at any time hereafter it shall appear to the Board that losses have been sustained equal in amount to one-half of the then subscribed capital of the Company it shall be incumbent on the Board to submit a statement of such losses as soon as possible to a special general meeting of the Proprietors And it shall thereupon be referred to the Auditors for the time being and such other special Auditors as such general meeting may appoint to assess the said losses and to examine the whole state of the Company's affairs and to report thereon to a subsequent general meeting of which not less than four months' notice shall be given to be convened for the purpose of receiving and considering such report and if at such subsequent meeting the said Auditors shall confirm the estimate of loss previously

Company to be wound up if losses sustained to extent of half subscribed capital.

submitted by the Board the business of the Company shall from and after the date of such subsequent general meeting be confined to the winding up of its affairs and converting into money all its funds and property and distributing the same. Provided nevertheless that it shall be lawful for such meeting to enter into a resolution by the votes of Proprietors possessing not less than three-fourths of the actual paid-up capital to continue the business of the Company and to write off the losses from the capital of the Company and thereupon such business shall continue.

122. That notwithstanding anything hereinbefore contained if at any time it shall be certified by the Auditors that the assets of the Company are not sufficient to meet its liabilities or that an emergency has arisen which makes a call or calls expedient it shall be lawful for the Board to make a call or calls upon the Proprietors in proportion to the number of their respective shares for a sufficient amount to make up such deficiency or to meet such emergency as the case may require. And such call or calls shall be payable at such time or times as the Board shall appoint and shall be recoverable against the several parties hereto by action of debt or otherwise in like manner as calls are recoverable for the purpose of raising the amount of the several shares in the subscribed capital of the Company and shall afterwards be wholly or partially returned to the Proprietors making payment thereof if the same or part thereof are found to be no longer necessary to be retained. Provided always that the total calls in respect of any fully paid-up share shall not exceed an additional sum equal to the original nominal amount of such share. Provided further that any sum paid under Clause 116 in respect of such share shall be taken as reducing *pro tanto* the liability under this clause in respect of the same share.

123. That if it shall appear at any one of the ordinary general meetings hereinbefore required to be held that there is no immediate or prospective employment for the full amount of the capital actually paid up and if a diminution of the capital shall have been recommended in the report made by the Board to the Proprietors at such meeting it shall be lawful for such general meeting to enter into a resolution to diminish the capital of the Company in such manner and to such amount as shall be specified in such resolution and in pursuance of such resolution the Board shall cause the same to be paid back to the several Proprietors but the amounts so paid back may again be called for by the Board in the same manner as if the amount had never been brought into the capital stock.

124. That it shall not be lawful for any Proprietor or any number of Proprietors to dissolve the Company otherwise than is herein provided. And notwithstanding the changes which will from time to time take place among the Proprietors by death or retirement or by the accession of new Proprietors and notwithstanding that any Proprietor for the time being may become bankrupt or insolvent or may be convicted of felony or may commit any other act by which a common partnership would be dissolved the partnership hereby formed shall nevertheless subsist and the covenants herein contained shall at all times until such dissolution as aforesaid be in full force and effect as between the Proprietors for the time being.

125. That from and after the expiration of twelve calendar months next after the declaration of the final division of capital as aforesaid and the publication thereof in the *London Gazette* and the *New Zealand Government Gazette* or some other public newspapers in London and Auckland aforesaid no action at law or suit in equity shall be sustainable by any Proprietor against the Company or any other Proprietor thereof or against the Trustees Directors or other officers of the said Company for or in respect of the transactions and affairs of the Company or in anywise relating thereto but the accounts of the Company shall after the expiration of such period as aforesaid be finally and conclusively settled, and shall not be re-opened by any of the Proprietors on any ground or pretence whatsoever.

126. That it shall be lawful for the Board to take the benefit of any Bankrupt Act or Law or any Act or Law for the sequestration of the estate of the Company as insolvent or of any Act or Law for facilitating the winding up of Joint Stock Companies as the case may require and to do and submit to all matters and things on behalf of the Company which may be required to be done or submitted to for the above purposes.

127. That in the construction of these presents the expression "The Company" shall mean the Company hereby established and the word "Directors" shall mean the Directors for the time being of the Company and the expression "Board" shall mean Directors present at any meeting of Directors to be held pursuant to the provisions herein contained and the word "Proprietors" shall mean persons holding shares in the capital for the time being of the Company and the word "Shares" shall mean shares in the capital for the time being of the Company and the words "Banking House" shall mean the Banking House for the time being of the Company in London and the words in the singular number shall be construed to include or apply to several persons or things as well as one person or thing and words in the plural

Provided that proprietors of three-fourths of capital may continue business after writing off losses from capital.

Provision for calls to make up deficiencies in the assets or to meet emergencies.

Limitation of amount of calls.

Reduction and return of surplus capital with power to recall.

Partnership not to be dissolved except as hereby provided.

Affairs of company to be entirely closed in twelve months from final division upon dissolution.

Power to take the benefit of the insolvent law or of any law for the winding up of joint stock companies.

Interpretation clause.

number shall be construed to apply to one person or thing as well as to several persons or things and words importing males shall be construed to include or apply to females as well as males and the words "person" or "persons" shall be construed to include a body or body corporate as well as an individual or individuals unless in any one of the above cases it be otherwise specially provided or there be something in the subject or context repugnant to such meaning or construction and wherever under any of the provisions herein contained a certain number of days or other period is required to elapse in order to ground or give effect to any act deed matter or thing whatsoever or any number of days or other period is fixed for any purpose whatsoever the first of such days or the first day of such period shall be reckoned exclusive and the last of such days or the last of such period shall be reckoned inclusive in the computation of the days or period required and every act matter or thing hereby authorised or directed to be done at one time or at any time or without reference being made to time may with like requisites or formalities as are hereby required be also done at several times or from time to time as often as occasion may require or may be deemed expedient, and in every case where in these presents general expressions are used in connexion with powers directions or things such general expressions shall not be limited or controlled to or by the particular powers directions or things with which the same are connected and that words or expressions denoting authority or permission shall be construed as words or expressions of authority or permission merely and shall not be construed as words or expressions denoting directed or compulsory trust.