

~~ED-1-66~~

20,1952

No. 8 of 1952.

In the Privy Council.

ON APPEAL

FROM THE HIGH COURT OF AUSTRALIA IN ITS APPELLATE JURISDICTION

UNIVERSITY OF LONDON
W.C.1.
21 JUL 1953
INSTITUTE OF ADVANCED
LEGAL STUDIES

IN THE MATTER of "The Companies Acts 1931 to 1942"

and

IN THE MATTER of The Queensland National Bank Limited (In Voluntary Liquidation)

and

IN THE MATTER of an application by Fred Pace as Liquidator of The Queensland National Bank Limited (In Voluntary Liquidation) for an order under Section 258 of the said Acts to determine questions arising in the winding up of the said The Queensland National Bank Limited.

BETWEEN

THE NATIONAL BANK OF AUSTRALASIA LIMITED *Appellant*

AND

THE SCOTTISH UNION AND NATIONAL INSURANCE COMPANY LIMITED and

THE NATIONAL MUTUAL LIFE ASSOCIATION OF AUSTRALASIA LIMITED and

EDWARD ROBERT CROUCH and

FRED PACE as Liquidator of the said The Queensland National Bank Limited . *Respondents.*

RECORD OF PROCEEDINGS

VOLUME 2.

(PAGES 131—355)

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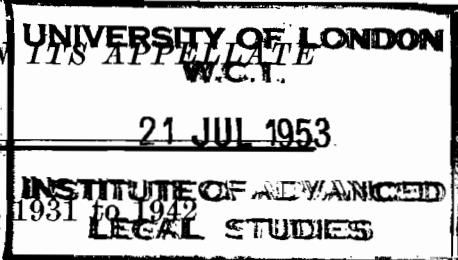
MARKBY STEWART & WADESONS,
5 Bishopsgate,
London, E.C.2,
Solicitors for the Appellant.

PARKER GARRETT & CO.,
St. Michaels Rectory, Cornhill,
London, E.C.3,
Solicitors for the Respondents.

In the Privy Council.

31487

ON APPEAL
FROM THE HIGH COURT OF AUSTRALIA IN ITS APPELLATE JURISDICTION.



IN THE MATTER of The Companies Acts
and

IN THE MATTER of THE QUEENSLAND NATIONAL BANK
LIMITED (in Voluntary Liquidation)

10

and

IN THE MATTER of an application by FRED PACE as Liquidator
of The Queensland National Bank Limited (in Voluntary
Liquidation) for an order under Section 258 of the said
Acts to determine questions arising in the winding up of
the said The Queensland National Bank Limited.

BETWEEN

THE NATIONAL BANK OF AUSTRALASIA LIMITED. *Appellant*

AND

20 THE SCOTTISH UNION AND NATIONAL INSURANCE
COMPANY LIMITED on behalf of and for the benefit
of all holders of Interminable Inscribed Deposit Stock
of the Queensland National Bank Limited whose stock
was at the date of the commencement of the winding
up of the said Bank and was at all times prior thereto
registered on the register of stock kept by the said
Bank in London

AND

30 THE NATIONAL MUTUAL LIFE ASSOCIATION OF
AUSTRALASIA LIMITED on behalf of and for the
benefit of all holders of such stock whose stock was at
the date of the commencement of the winding up of
the said Bank registered on the London Register and
was at the date of issue thereof registered on the said
London register but had been at an intermediate
period registered on a register of stock kept by the
said Bank in Australia

AND

EDWARD ROBERT CROUCH on behalf of and for the benefit of all holders of such stock whose stock was at the date of issue thereof registered on the register of stock kept by the said Bank in London but the registration whereof was subsequently transferred to a register of stock kept by the said Bank in Australia

AND

FRED PACE as Liquidator of the said The Queensland National Bank Limited Respondents.

RECORD OF PROCEEDINGS 10

VOLUME 2.

Exhibits.

EXHIBITS

to Affidavit of Fred Pace, sworn on 11th August 1949

“ A ”

Memorandum and Articles of Association of The Queensland National Bank Limited (separate document).

“ B ”

Memorandum and Articles of Association of The Queensland National Bank Limited as at the date of the passing of the special resolution to wind up the said The Queensland National Bank Limited (separate document). 20

“ C ”

Copy of Deed of Grant by the Q.N. Bank of Powers to the Local Board in London and Power of Attorney to the Chairman or Acting Chairman for the time being thereof, 2nd February 1881.

Copy of Deed of Grant by the Q.N. Bank of Powers to the Local Board in London and Power of Attorney to the Chairman or Acting Chairman for the time being thereof, 2nd February 1881.

To ALL TO WHOM these presents shall come The Queensland National Bank Limited being a Company duly incorporated and registered under the provisions of an act in force in the Colony of Queensland intituled “ The Companies Act 1863 ” SEND GREETING WHEREAS the said Company is carrying on the business of Banking in various parts of the said Colony of Queensland its head office being situate in the City of Brisbane in the said Colony AND WHEREAS by the articles of association of the Company 30 it is provided that the Directors of the Company (who are hereinafter for the sake of distinction called “ The Board of Directors ”) may from time to time establish any Branch offices or Agencies at such place or places in the Colony of Queensland or in any other part of the World as the Directors may from time to time determine and may from time to

time appoint such Local Committees Local Directors or Agents as the Directors may think fit for carrying on the business of any such branch office or agency and may delegate under the seal of the Company or by writing not under seal to any Local Committee Local Directors or Agents and other Officers appointed by them for carrying on the business of any such branch office or agency either in the Colony of Queensland or elsewhere any of the powers which the Directors may themselves either together or separately exercise and which in the discretion of the Directors may be deemed expedient for the due conduct management and regulation of the business or any of the affairs of the Company AND WHEREAS the said Company have established a branch office or agency in the City of London in England AND WHEREAS the Board of Directors has appointed Archibald Berdmore Buchanan Jacob Levi Montefiore and Alexander Lang Elder all of the City of London aforesaid Esquires a local Board of Directors for the purpose of carrying on the business of the said branch office or agency in London aforesaid AND the Board of Directors are desirous of delegating to them the powers and authorities hereinafter set forth AND WHEREAS the Company have under and by virtue of the provisions of an Act passed by the legislature of the Colony of Queensland in the fortieth year of the reign of Her present Majesty Queen Victoria intituled “ An act to authorise The Queensland National Bank Limited to open and keep registers of shareholders in places beyond this Colony ” caused to be prepared a duplicate seal to be used for the purpose of all dealings relating to shares the proprietor whereof is registered at the said branch office or Agency in London NOW THESE PRESENTS WITNESS that in pursuance of the provisions of the said articles of association the Board of Directors Do by this Instrument under the Common Seal of the Company hereby constitute and appoint the said Archibald Berdmore Buchanan Jacob Levi Montefiore and Alexander Lang Elder and any other person or persons from time to time appointed Local Directors in England by the Board of Directors and any one or more of them to be a Local Board to carry on the business of the said branch office or Agency in London aforesaid and do hereby delegate to the said Local Board the powers and authorities hereinafter set forth that is to say

1. THE Local Board may appoint and remove such officers clerks and servants as may be requisite for carrying on the business of the said branch office or agency in London aforesaid and such officers clerks and servants shall perform such duties as may be prescribed by the Local Board by whom their remuneration shall be fixed PROVIDED that all such appointments shall be made and the rates of remuneration payable from time to time in respect thereof shall be subject to confirmation by the Board of Directors.

2. THE business of the said branch office or agency in London shall be managed by the Local Board subject to the control of the Board of Directors.

3. THE Local Board is hereby invested with general power and authority to receive money on loan or deposit or otherwise and either with or without giving any security of the Company or upon any property of the Company for any such money To negotiate loans of all descriptions upon any terms as to profit or remuneration and to lend money on the

Exhibits.

“ C ”

Copy of Deed of Grant by the Q.N. Bank of Powers to the Local Board in London and Power of Attorney to the Chairman or Acting Chairman for the time being thereof, 2nd February 1881, *continued.*

Exhibits.

" C "

Copy of
Deed of
Grant by
the Q.N.
Bank of
Powers to
the Local
Board in
London
and Power
of Attorney
to the
Chairman
or Acting
Chairman
for the
time being
thereof,
2nd
February
1881,
continued.

security of any description of property real or personal including stocks and shares and other choses in action or on bonds or other obligations or any other kind of personal security or without taking security To issue Bank Bills and to buy sell exchange or otherwise deal in all kinds of negotiable securities and also in gold and other precious metals and money and to grant Letters of Credit on agents or connections of the Company or other persons To undertake as agents for a commission or any other kind of remuneration the collection and receipt of rents dividends interest or other income the investment of money the purchase and sale of all kinds of real and personal property including choses in action and of all kinds of securities To transact any other banking or agency or financial business of any description To give any guarantee or any security of the Company that may be required or agreed upon for the performance of any business undertaking by the said branch office or agency in London and To do all such other things as are or may be incidental or conducive to the attainment of the above objects SUBJECT NEVERTHELESS in all the matters and things aforesaid to the regulations of the Company and to such special instructions as may from time to time be given to the Local Board by resolution of the Board of Directors but so that no person dealing with the said Branch Office or Agency in London aforesaid or the Local Board thereof shall be bound to inquire whether the general powers and authorities hereby conferred on any of them have been modified or limited by such instructions. 10 20

4. THE Local Board may meet together for the despatch of business adjourn and otherwise regulate their meetings as they think fit and determine from time to time the quorum necessary for the transaction of business ALL acts done and resolutions passed at any such meeting shall be considered as the acts and resolutions of the Local Board Questions arising at any meeting shall be decided by a majority of votes in case of an equality of votes the Chairman in addition to his original vote shall have a casting vote Any two Local Directors may at any time summon a meeting of the Local Board. 30

5. THE Local Directors may elect a Chairman of their meetings and determine the period for which he is to hold office but if no such Chairman is elected or if at any meeting such Chairman is not present at the time appointed for holding the same the Local Directors present shall choose some one of their number to be Chairman.

6. THE Local Board shall cause minutes to be made in books provided for the purpose

1. Of all appointments of Officers made by the Local Board
2. Of the names of the Local Directors present at each meeting of the Local Board
3. Of all orders made by the Local Board and of all resolutions and proceedings of meetings of the Local Board

and every such minute as aforesaid shall be signed by the Chairman of a meeting of the Local Board.

7. THE said duplicate seal prepared by the Company as aforesaid for the purpose of dealings relating to shares the proprietor whereof is registered at the said branch office or agency in London shall not be affixed to any document except by order of the Local Board or a resolution of the 50

Board of Directors and subject to the foregoing provisions the Company do hereby empower the said Local Board to affix the said duplicate seal to any share certificate scrip transfer or other document or instrument relating to any shares the proprietor whereof is registered at the said branch office or agency in London or to use the said duplicate seal for any of the purposes for which the Company is authorised to use the same.

Exhibits.
" C "
Copy of Deed of Grant by the Q.N. Bank of Powers to the Local Board in London and Power of Attorney to the Chairman or Acting Chairman for the time being thereof,
2nd February 1881,
continued.

8. THE Local Board may appoint from time to time local agents in such places in the United Kingdom of Great Britain and Ireland as they may deem expedient and remove the same at pleasure

10 AND these presents further witness that for the more fully and perfectly effectuating and carrying out all or any of the purposes objects powers and authorities aforesaid the said Company have under and by virtue of the provisions of the said " Companies Act 1863 " and of all other powers in that behalf enabling them nominated constituted and appointed and do by this instrument in writing under the Common Seal of the Company nominate constitute and appoint the Chairman or acting Chairman for the time being of the said Local Board in London to be the true and lawful Attorney and Agent of the said Company in the said United Kingdom for them in their name and on their behalf and as the act and deed of the
20 said Company or in the name and as the act and deed of the said Attorney or otherwise to sign seal deliver and execute transcribe and endorse all such agreements undertakings contracts notices leases transfers of lease instruments deeds documents writings and assurances of every description as may be necessary or proper to be signed sealed delivered and executed transcribed or endorsed to enable the said Local Board fully and effectually to do execute and perform the several acts matters and things powers and authorities hereinbefore expressed and confided to them And all and whatsoever the said Attorney shall lawfully do or cause to be done in or about the premises by virtue of these presents the said Company do hereby
30 for themselves and their successors covenant and agree to allow ratify and confirm including in such confirmation whatsoever shall be done between the time of the revocation by any means of these presents or any of the powers hereinbefore contained and expressed and the time of such revocation becoming known to the said Attorney IN WITNESS whereof these presents were executed by Frederic Hamilton Hart, Boyd Dunlop Morehead and Arthur Hunter Palmer and Edward Robert Drury three of the Directors and the General Manager of the said Company subscribing their names hereto and impressing hereon the Common Seal of the said Company the day and year hereunder written.

40 GIVEN under the Common Seal of the said Company the second day of February one thousand eight hundred and eightyone By order of the Board of the second day of February one thousand eight hundred and eightyone }



(Signed) A. H. PALMER
F. H. HART
BOYD D. MOREHEAD } *Directors.*
E. R. DRURY *General Manager.*

Exhibits.
 " C "
 Copy of
 Deed of
 Grant by
 the Q.N.
 Bank of
 Powers to
 the Local
 Board in
 London
 and Power
 of Attorney
 to the
 Chairman
 or Acting
 Chairman
 for the
 time being
 thereof,
 2nd
 February
 1881,
continued.

To ALL TO WHOM these presents shall come I GRAHAM LLOYD HART Notary Public duly authorised admitted and sworn residing and practising in the City of Brisbane in the Colony of Queensland Do hereby certify and attest that upon the second day of February one thousand eight hundred and eighty-one I was present at the Head Office in Brisbane aforesaid of The Queensland National Bank Limited (a Company duly registered and incorporated under the provisions of an act in force in the Colony of Queensland intituled the Companies Act 1863) and did see Frederic Hamilton Hart the Chairman of the Board of Directors of the said Queensland National Bank Limited and Boyd Dunlop Morehead and Arthur 10
 Hunter Palmer two of the members of the said Board of Directors and Edward Robert Drury the General Manager of the said Bank duly sign and subscribe their names to the within written Deed Poll or Deed of Grant and Power of Attorney and impress thereon the Common Seal of the said Bank and that the signatures " F. H. Hart " " Boyd D. Morehead " " A. H. Palmer " and " E. R. Drury " above subscribed are in the respective proper handwriting of the said Frederic Hamilton Hart, Boyd Dunlop Morehead, Arthur Hunter Palmer and Edward Robert Drury and the Seal affixed to the said Deed Poll or Deed of Grant and Power of Attorney is the Common Seal of the said Bank. 20

AND I further attest that full faith and credit may and ought to be given to the said Deed Poll or Deed of Grant and Power of Attorney in Courts of Indicature and thereout the same having been duly sealed signed and executed in conformity with the requirements of the law relating to such companies.

IN FAITH and testimony whereof I have hereunto set my hand and seal of office.
 DATED at Brisbane in the Colony aforesaid this fourth day of February in the year of our Lord one thousand eight hundred 30
 and eighty-one.

(Signed) GRAHAM L. HART,
 Notary Public.

" HH "

Exhibits.

Copy petition of the Q.N. Bank to sanction Scheme of Arrangement.

" HH "

IN THE SUPREME COURT OF QUEENSLAND.

The Chief Justice.

IN THE MATTER of " The Companies Acts 1868 to 1892 " and

IN THE MATTER of The Queensland National Bank Limited.

Copy
petition of
the Q.N.
Bank to
sanction
Scheme of
Arrange-
ment,
27th
July 1893.

10 To THE HONOURABLE SIR SAMUEL WALKER GRIFFITH Knight
Commander of the Most Distinguished Order of Saint Michael and
Saint George the Chief Justice of Queensland THE HONOURABLE
GEORGE ROGERS HARDING Esquire and THE HONOURABLE
PATRICK REAL Esquire Justices of Her Majesty's Supreme Court
of Queensland.

THE HUMBLE PETITION of EDWARD ROBERT DRURY
of Brisbane in the Colony of Queensland the Provisional
Official Liquidator of the above-named Bank

SHEWETH as follows :—

1. The object of this Petition is to obtain the sanction of the Court to a scheme of arrangement between the said Bank and its creditors.
- 20 2. The said Bank was on the thirtieth day of March 1872 duly incorporated under the Companies Act of 1863 as a Company limited by shares. The nominal capital of the said Bank as registered and as subsequently increased is £2,000,000 divided into 200,000 shares of £10 each of which shares but 160,000 and no more have been allotted and the sum of £5 per share and no more has been called up and paid up upon the said 160,000 shares so allotted as aforesaid.
3. The said Bank was established for the following objects :—
 - 30 (A) To receive money on loan or deposit or otherwise and either with or without giving any security of the Company or upon any property of the Company for any such money.
 - (B) To negotiate loans of all descriptions upon any terms as to profit or remuneration and to lend money on the security of any description of property real or personal including stock and shares and other choses in action or on bonds or other obligations or any other kind of personal security or without taking security.
 - (C) To issue bank bills and bank notes and to buy sell exchange or otherwise deal in all kinds of negotiable securities and also in gold and other precious metals and money and to grant letters of credit on agents or connections of the Company or other persons.
 - 40 (D) To undertake as agents for a commission or any other kind of remuneration the collection and receipt of rents dividends interest or other income the investment of money the purchase and

Exhibits.

“ HH ”

Copy
petition of
the Q.N.
Bank to
sanction
Scheme of
Arrange-
ment,
27th
July 1893,
continued.

sale of all kinds of real and personal property including choses in action and of all kinds of securities and the general or partial management of the estates or property of any persons.

(E) To transact any other banking or agency or financial business of any description.

(F) To give any guarantee or any security of the Company or upon any property of the Company that may be required or agreed upon for the performance of any business undertaken by the Company.

(G) To do all or any of the abovementioned things in any part of the world where the same may lawfully be done respectively and either singly or in connection with any other corporations companies firms or persons. 10

(H) To issue any of the unissued or new capital of the Company with a preferential or fixed dividend or such other special advantage over the capital already issued as may be deemed advisable.

(J) To do all such other things as are or may be incidental or conducive to the attainment of the above objects.

4. The said Bank commenced business on or about the third day of June 1872 and continued to carry on its business up to the fifteenth day of May last past when owing to a large and continuous withdrawal of deposits it was compelled to suspend payment. 20

5. At the time of such suspension of payment as aforesaid the said Bank was carrying on business in the Colony of Queensland with its Head Office in Brisbane and numerous branches throughout the said Colony. And at such time as aforesaid the said Bank also had branches for the purposes of its business in Sydney in the Colony of New South Wales and in London England respectively.

6. On the said fifteenth day of May 1893 a Petition was presented to this Honourable Court by one Robert Porter a creditor of the said Bank to have the said Bank wound up by this Honourable Court and by an Order of this Honourable Court dated the seventeenth day of May 1893 your Petitioner was appointed Provisional Official Liquidator of the said Bank. 30

7. On the said fifteenth day of May 1893 a Petition was also presented to the Supreme Court of New South Wales by one C W Little a creditor of the said Bank in New South Wales to have the said Bank wound up there and on the same day one Lewis Alexander Johnstone was appointed by the said Court of New South Wales Provisional Official Liquidator of the said Bank in New South Wales. 40

8. On the said fifteenth day of May 1893 a creditor's Petition was also presented to the High Court of Justice in England to have the said Bank wound up there and Charles John Stewart the Official Receiver was appointed Provisional Liquidator of the said Bank in England.

9. At the time of such suspension as aforesaid the total liabilities of the said Bank (other than the liabilities to shareholders in respect of

capital so paid up as aforesaid) amounted to £8,730,221 : 19 : 0 or thereabouts of which the sum of £2,360,000 or thereabouts is due and owing to Her Majesty's Government and the total assets of the said Bank on the same date amounted to £9,489,365 : 19 : 6 or thereabouts.

10. Of the said liabilities £4,669,701 : 11 : 6 or thereabouts are due and owing to creditors in Australia and £4,060,520 : 7 : 6 or thereabouts are due and owing to creditors in the United Kingdom.

11. A large number of the creditors and of the contributories of the said Bank being strongly of opinion that the difficulties of the said Bank are only temporary and being most anxious that the business of the said Bank should be carried on your Petitioner caused a Scheme of Arrangement between the said Bank and its creditors to be prepared.

12. The said Scheme was submitted to His Honor the Chief Justice on Friday the thirtieth day of June 1893 and by an Order of His Honor made on the said thirtieth day of June 1893 in the above matters it was ordered that meetings of the creditors of the said Bank should be held in London on the thirteenth day of July 1893 and in Brisbane aforesaid on the twentieth day of July 1893 for the purpose of considering and if thought fit agreeing to a scheme of arrangement proposed between the said Bank and its creditors and that at least seven days before the day appointed for such meeting in London as aforesaid an advertisement convening the same and specifying the day hour and place of meeting to be fixed by the Official Receiver and Provisional Liquidator in England should be inserted once in the Times Newspaper published in London once in the Scotsman published in Scotland and once in the Freemans Journal published in Ireland and also that a circular letter should be sent at least seven days previous to the said meeting in London to such creditors in the United Kingdom whose addresses were known to the said Official Receiver and Provisional Liquidator in England and that in the event of the said Official Receiver and Provisional Liquidator in England not undertaking these duties such duties should be performed by Edwyn Sandys Dawes of London aforesaid and that such meeting in London should be presided over by the said Official Receiver and Provisional Liquidator in England or in his absence by the said Edwyn Sandys Dawes or in the absence of the said Edwyn Sandys Dawes by a person elected by the said meeting and that at least fourteen days before the day appointed for the said meeting of creditors in Brisbane aforesaid an advertisement convening the same and specifying the day hour and place of meeting to be fixed by the said Provisional Official Liquidator should be inserted once in two Brisbane daily and weekly newspapers once in the Sydney Morning Herald published in Sydney in the Colony of New South Wales and also once in the newspaper circulating in each town in Queensland in which the said Bank had a branch and also that a circular letter should be sent at least fourteen days previous to the said meeting in Brisbane to such creditors whose addresses were known to the said Provisional Official Liquidator and that such meeting in Brisbane should be presided over by the said Provisional Official Liquidator or in his absence by a person elected by the said meeting in Brisbane and that the said advertisements and circular letters in addition to the day and time and place of meeting

Exhibits.

“ HH ”

Copy
petition of
the Q.N.
Bank to
sanction
Scheme of
Arrange-
ment,
27th
July 1893,
continued.

Exhibits.
 "HH"
 Copy
 petition of
 the Q.N.
 Bank to
 sanction
 Scheme of
 Arrange-
 ment,
 27th
 July 1893,
continued.

should state that the said Scheme of arrangement could be seen at any of the offices of the said Bank and that at such meetings the creditors should be at liberty to vote in person or by proxy such proxy to be deposited at the offices of the said Bank in London or Brisbane as the case might be not later than two clear days before the respective meetings and that statements to that effect should be inserted in the said advertisements and circular letters and that a report of the said meeting in London stating the number of creditors present at such meeting the amount of their debts and the number of creditors assenting to the said scheme and the amount of their debts together with a copy of the advertisement convening the said meeting in London should be transmitted to the Registrar of this Honourable Court by telegraph and that the Chairman of the said meeting in Brisbane should report the result thereof to the Court and that the said Provisional Official Liquidator should send by telegraph a copy of the said scheme of arrangement and the Order calling the said meetings to the said Official Receiver and Provisional Liquidator in England. 10

13. By an Order of His Honor the Chief Justice made on the eighth day of July 1893 in the above matters it was ordered that the meeting of creditors of the said Bank in London which by the said Order of the thirtieth day of June 1893 was directed to be held on the thirteenth day of July 1893 should be held on Monday the twenty-fourth day of July 1893 and it was further ordered that the Chairman of the meeting of the creditors of the said Bank to be held in Brisbane aforesaid on the twentieth day of July 1893 in pursuance of the said Order of the thirtieth day of June 1893 should be authorised in the event of its being considered necessary and advisable so to do to adjourn such meeting until such subsequent date as might to him appear to be desirable not later than the thirty-first day of July 1893 and it was further ordered that the advertisements notices and circulars notifying the date and place of such meeting in Brisbane which had already been inserted posted and sent in compliance with the requirements of the said Order of the thirtieth day of June 1893 and the proxies which might be received for use at such meeting on the twentieth day of July 1893 should be valid effective and sufficient for any adjourned meeting and that it should not be necessary to insert fresh advertisements or send out fresh circulars or procure fresh proxies for such adjourned meeting. 30

14. On the twenty-fourth day of July 1893 a meeting of the creditors of the said Bank in the United Kingdom duly convened in accordance with the said Orders in that behalf was held at the Cannon Street Hotel Cannon Street London at twelve o'clock noon and in the absence of the said Official Receiver and Provisional Liquidator of the said Bank in London the said Edwyn Sandys Dawes took the chair at such meeting pursuant to the said Order of the thirtieth day of June 1893. 40

15. The said meeting in London was attended either personally or by proxy by twelve hundred and thirty-eight creditors of the said Bank in the United Kingdom to whom £857,302 is due and upon the said scheme of arrangement having been amended in certain particulars it was unanimously resolved by the creditors so present either personally or by proxy that they agreed to the said scheme of arrangement so amended as aforesaid and wished the same to be adopted and carried into effect. 50

16. The said scheme of arrangement so amended as aforesaid was in the following terms :—

Exhibits.

“ HH ”

1. General meetings of the Bank shall be called forthwith for the purpose of sanctioning by special resolution alterations in and additions to its Articles of Association so as to provide for the following matters, namely—

Copy
petition of
the Q.N.
Bank to
sanction
Scheme of
Arrange-
ment,
27th
July 1893,
continued.

10

(1) That no person who if the Bank had been ordered to be wound up by the Court on the 15th day of May 1893 would have been liable to be placed on the list of contributories in respect of any share or shares in the Bank shall be permitted to transfer such share or shares so long as any moneys remain unpaid upon such share or shares in respect of any of the calls mentioned in clause 2 hereof unless he first enter into an agreement with the Bank making himself personally liable for the due payment of such moneys by the holder or holders for the time being of such share or shares.

20

(2) That the Directors of the Bank shall retire from office at the first ordinary general meeting held in the year 1894 but shall be eligible for re-election and that at the first general meeting in every subsequent year one of the directors shall if their number does not exceed four retire from office but if their number exceeds four then two directors shall retire from office each retiring director being eligible for re-election.

That the Directors shall in the year 1895 be determined by lot and in every subsequent year shall be those who have been longest in office since their last election. That as between two or more who have been in office an equal length of time the directors to retire shall in default of agreement between them be determined by lot and

30

(3) That the Bank may at any time reduce its capital in any manner permitted by law.

(4) That the holders of the substituted deposit receipts hereinafter mentioned may appoint one (1) member of the London Board of Directors until all the instalments of the deposit receipts shall have been paid with interest, such director need not be a shareholder in the Bank.

40

(5) That no dividend in excess of five per cent. shall be paid on the ordinary shares until all the instalments of the substituted deposit receipts shall have been paid with interest and until such payment any divisible surplus profits after payment of the [sic] on any preference shares for the time being issued and a five per cent. dividend on the ordinary shares shall be carried to the reserve fund until such payment the reserve fund shall not be applicable to payment of dividends on ordinary shares but after such payment the amount of such surplus profits which may in the meantime have been carried to the reserve fund as aforesaid or any part thereof may if the Directors see fit be distributed ratably among the holders for the time being of the ordinary shares or otherwise dealt with according to the regulations of the Bank for the time being in force.

50

Exhibits.
 " HH "
 Copy
 petition of
 the Q.N.
 Bank to
 sanction
 Scheme of
 Arrange-
 ment,
 27th
 July 1893,
continued.

2. The Directors of the Bank shall as soon as possible call up in accordance with the terms of the Articles of Association £3 per share in respect of the moneys uncalled upon the shares of the Bank such calls to be payable as to the sum of 10s. per share (part of the said sum of £3) as soon as possible after this scheme is sanctioned by the Supreme Court and as to the sum of 10s. per share further part of the said sum of £3 at the expiration of six calendar months from the date when the first call of 10s. per share is payable and as to the sum of £2 per share (balance of the said sum of £3) in eight quarterly instalments of 5s. each payable at the expiration of 6, 9, 12, 15, 18, 21, 24 and 27 calendar months respectively from the date when the last call of 10s. per share is payable. 10

3. As speedily as possible after provision has been made in the Articles of Association of the Bank in that behalf the nominal capital of the Bank shall with a view to meet losses consequent upon any depreciation in value of the Bank's securities be reduced from £2,000,000 divided into 200,000 shares of £10 each to £1,600,000 divided into 200,000 shares of £8 each.

The reduction shall be effected by cancelling paid up capital to the extent of £2 per share upon each of the 160,000 shares which have been issued and by reducing the nominal amount of all the present shares in the Bank's capital from £10 to £8 per share. But shall not involve the diminution of any liability in respect of unpaid capital or the payment to any member of the Bank of any paid up capital. 20

4. That the capital of the Bank so reduced as aforesaid shall be thereafter increased to £3,000,000 by the creation of 175,000 new shares of £8 each such new shares to be disposed of at such times to such persons and on such terms as the directors of the Bank may deem advisable. 30

5. Debts owing by the Bank to Her Majesty's Government at the date of the suspension of the Bank shall be paid by the Bank in terms of an agreement whereby it has been agreed by the said Government that the said Government (without prejudice to any preferential rights which the said Government may possess in respect of such debts in the event of the Bank being wound up at any time hereafter) as to £2,000,000 part of such debts will accept twelve deposit receipts of the Bank each for one-twelfth of the said sum of £2,000,000 payable at intervals of six calendar months commencing six years from the time when this scheme is sanctioned by the Supreme Court and bearing interest from the same date at the rate of $4\frac{1}{2}$ per cent. per annum payable half yearly. And as to £360,000 balance of such debts as aforesaid will not during any one period of six consecutive calendar months withdraw any sum or sums exceeding in the whole the amount of £100,000 and will not make any such withdrawals without giving the Bank six calendar months' notice of their intention to make the same respectively. Provided that from and after the time when this scheme is sanctioned by the Supreme Court interest at a rate not 40 50

exceeding $4\frac{1}{2}$ per centum per annum shall be payable by the Bank half yearly in respect of so much of the said sum of £360,000 as for the time being remains due and owing.

Exhibits.

“ HH ”

Copy
petition of
the Q.N.
Bank to
sanction
Scheme of
Arrange-
ment,
27th
July 1893,
continued.

10 6. Save as herein otherwise provided and excepting Her Majesty's Government (for whom provision is made by the last preceding clause) and the holders of the Bank notes of the Bank and preference creditors not hereinbefore mentioned (who shall be paid in full as early as is practicable) every creditor of the Bank shall for such of his claims and demands against the Bank as are not represented by negotiable deposit receipts or inscribed deposit stock as hereinafter provided accept twelve deposit receipts of the Bank each for one twelfth of the balance of principal moneys now due to him by the Bank the first of which deposit receipts shall become payable at the expiration of six years from the time when this scheme is sanctioned by the Supreme Court and the remaining eleven at intervals of six calendar months; and each of such deposit receipts as represents debts now bearing interest shall bear interest up to the time when the existing deposits are now payable at the rate of interest now payable in respect thereof and thereafter at the rate of $4\frac{1}{2}$ per cent. per annum payable half yearly on the same days as the interest is now payable under the existing debts and each of such deposit receipts as represents debts not now bearing interest shall bear interest from the time when this scheme is sanctioned by the Supreme Court at the rate of $4\frac{1}{2}$ per cent. per annum payable half yearly.

20

30 The interest now due and accruing due on deposits of the Bank now bearing interest shall be paid as regards interest which has accrued or shall accrue due on or before the time when this scheme is sanctioned by the Supreme Court on the day after the Bank recommences business and as regards interest which shall accrue after that date on such day as the same would have become due under the existing deposits and all payments of principal and interest shall be made at the places where the same are now payable.

40 7. If any of the creditors of the Bank shall so desire the Bank shall be at liberty to issue to such creditors either in lieu of or in exchange for the deposit receipts to be issued pursuant to the last preceding clause negotiable deposit receipts payable to bearer with interest coupons attached payable to bearer, and representing a similar amount and payable in the same manner and at the same times as such deposit receipts or inscribed deposit stock repayable only at the option of the Bank on six calendar months' notice after all the instalments of the substituted deposit receipts shall have been paid and bearing interest at the rate of $4\frac{1}{2}$ per cent. per annum payable half-yearly.

All such negotiable deposit receipts and inscribed deposit stock shall be issued subject to such conditions as may be imposed by the Directors of the Bank.

8. The Directors of the Bank shall as soon as practicable pay satisfy and discharge all the costs charges and expenses of and

Exhibits.

“ HH ”

Copy
petition of
the Q.N.
Bank to
sanction
Scheme of
Arrange-
ment,
27th
July 1893,
continued.

incident to the suspension of the Bank including the costs of the respective liquidators thereof and of and incident to the preparation and carrying into effect of this scheme.

9. Save as herein otherwise provided the creditors of the Bank except as aforesaid shall accept the provisions made for them in this scheme in satisfaction and discharge of all claims and demands against the Bank and shall at the time of their application for new deposit receipts negotiable deposit receipts or inscribed deposit stock as aforesaid deliver up to the Bank all deposit receipts and drafts or other similar documents issued to them by the Bank 10 to be cancelled.

10. The Directors of the Bank shall have a discretionary power of granting advances to any depositor of the Bank who had a balance to the credit of his current account with or held a deposit receipt of the Bank at the time of its suspension and who shall give the Bank security over all or any of his deposit receipts negotiable deposit receipts or inscribed deposit stock issued to such depositor in pursuance of this scheme and they shall also have power to do any of the following things namely :—

(1) To pay a sum not exceeding £50 to any creditor of the 20 Bank in respect of any current account now owing by the Bank to such creditor.

(2) To pay in full the amount of any Bank draft or acceptance issued by the Bank and current at the time of its suspension.

17. On the twentieth day of July 1893 a meeting of the creditors of the said Bank duly convened in accordance with the said Order of the thirtieth day of June 1893 was held at the Centennial Hall Brisbane and your Petitioner took the Chair at such meeting and adjourned the same until eleven o'clock in the forenoon of the twenty seventh day of July 1893 in accordance with the said Order of the eighth day of July 1893. 30

18. On the twenty seventh day of July 1893 the said adjourned meeting was held at the Centennial Hall Brisbane aforesaid at eleven o'clock of the forenoon and your Petitioner again took the chair at such adjourned meeting.

19. The said adjourned meeting was attended either personally or by proxy by 4,949 creditors to whom £954,978 : 10 : 0 is due and upon the said scheme of arrangement having been amended in the same manner as the same had been amended at the said meeting in London it was unanimously resolved by the creditors so present either personally or by proxy at the said adjourned meeting that they agreed to the said scheme of arrangement so amended as aforesaid and wished the same to be adopted and carried into effect. 40

20. No objection has been made to the said scheme of arrangement so agreed to as aforesaid.

21. It will in the opinion of your Petitioner be much to the benefit of all concerned that the said scheme of arrangement so agreed to as aforesaid should be sanctioned by this Honourable Court.

Exhibits.
 "HH"
 Copy
 petition of
 the Q.N.
 Bank to
 sanction
 Scheme of
 Arrange-
 ment,
 27th
 July 1893,
continued.

YOUR PETITIONER therefore humbly prays as follows.

1. That the said scheme of arrangement so agreed to as aforesaid may be sanctioned by this Honourable Court so as to be binding on all the creditors and contributories of the said Bank and on your Petitioner as Provisional Liquidator thereof.

10

2. Or that such other order may be made in the premises as to this Honourable Court may seem meet.

AND your Petitioner will ever pray &c.

SIGNED by the said Edward Robert Drury this twenty seventh day of July 1893 } E. R. DRURY

In the presence of
 M. P. HALLEY
 Solr.
 Brisbane.

20 It is intended to serve this Petition on the Queensland National Bank Limited.

Exhibits.

" I "
 Copy Old
 Scheme of
 Arrange-
 ment as
 sanctioned
 by the
 Court.

Copy Old Scheme of Arrangement as sanctioned by the Court.

THE QUEENSLAND NATIONAL BANK LIMITED
 SCHEME OF ARRANGEMENT

The following " Scheme of Arrangement " submitted by the Directors of The Queensland National Bank Limited, has been approved of by the Government and is now published for the information of depositors and shareholders generally :—

1. General meetings of the Bank shall be called forthwith for the purpose of sanctioning by special resolution alterations and additions to its Articles of Association so as to provide for the following matters, namely :—

(1) That no person who, if the Bank had been ordered to be wound up by the Court on the 15th day of May, 1893, would have been liable to be placed on the list of contributories in respect of any share or shares in the Bank, shall be permitted to transfer such share or shares so long as any moneys remain unpaid upon such share or shares, in respect of any of the calls mentioned in clause 2 hereof, unless he first enter into an agreement with the Bank making himself personally liable for the due payment of such moneys by the holder or holders for the time being of such share or shares.

(2) That the Directors of the Bank shall retire from office at the first ordinary general meeting held in the year 1894, but shall be eligible for re-election, and that at the first general meeting in every subsequent year one of the Directors shall, if their number does not exceed four, retire from office ; but if their number exceeds four then two Directors shall retire from office, each retiring Director being eligible for re-election.

That the Directors to retire shall in the year 1895 be determined by lot, and in every subsequent year shall be those who have been longest in office since their last election. That as between two or more who have been in office an equal length of time the Directors to retire shall in default of agreement between them be determined by lot ; and

(3) That the Bank may at any time reduce its capital in any manner permitted by law.

(4) That the holders of the substituted deposit receipts hereinafter mentioned may appoint one (1) member of the London Board of Directors until all the instalments of the deposit receipts shall have been paid with interest ; such Director need not be a shareholder in the bank.

(5) That no dividend in excess of five per cent. shall be paid on the Ordinary Shares until all the instalments of the substituted deposit receipts shall have been paid with interest, and until such payment any divisible surplus profits, after payment of the dividend on any Preference Shares for the time being issued and a five per

cent. dividend on the Ordinary Shares, shall be carried to the Reserve Fund; until such payment the Reserve Fund shall not be applicable to payment of dividends on Ordinary Shares, but after such payment the amount of such surplus profits which may in the meantime have been carried to the Reserve Fund as aforesaid, or any part thereof, may, if the Directors see fit, be distributed ratably among the holders for the time being of the Ordinary Shares or otherwise dealt with according to the regulations of the Bank for the time being in force.

Exhibits.

“ I ”
 Copy Old
 Scheme of
 Arrange-
 ment as
 sanctioned
 by the
 Court,
continued.

10 2. The Directors of the Bank shall as soon as possible call up in accordance with the terms of the Articles of Association £3 per share in respect of the moneys uncalled upon the shares of the Bank, such calls to be payable as to the sum of 10s. per share (part of the said sum of £3) as soon as possible after this scheme is sanctioned by the Supreme Court and as to the sum of 10s. per share further part of the said sum of £3 at the expiration of six calendar months from the date when the first call of 10s. per share is payable and as to the sum of £2 per share (balance of the said sum of £3) in eight quarterly instalments of 5s. each payable at the expiration of 6, 9, 12, 15, 18, 21, 24 and 27 calendar months
 20 respectively from the date when the last call of 10s. per share is payable.

3. As speedily as possible after provision has been made in the Articles of Association of the Bank in that behalf the nominal capital of the Bank shall, with a view to meet losses consequent upon any depreciation in value of the Bank's securities, be reduced from £2,000,000 divided into 200,000 shares of £10 each to £1,600,000 divided into 200,000 of £8 each.

The reduction shall be effected by cancelling paid-up capital to the extent of £2 per share upon each of the 160,000 shares which have been issued, and by reducing the nominal amount of all the present shares in the Bank's capital from £10 to £8 per share. But shall not involve the
 30 diminution of any liability in respect of unpaid capital or the payment to any member of the Bank of any paid-up capital.

4. That the capital of the Bank so reduced as aforesaid shall be hereafter increased to £3,000,000 by the creation of 175,000 new shares of £8 each, such new shares to be disposed of at such times to such persons and on such terms as the Directors of the Bank may deem advisable.

5. Debts owing by the Bank to Her Majesty's Government at the date of the suspension of the Bank shall be paid by the Bank in terms of an agreement whereby it has been agreed by the said Government (without prejudice to any preferential rights which the said Government
 40 may possess in respect of such debts in the event of the Bank being wound up at any time hereafter) as to £2,000,000 part of such debts will accept twelve deposit receipts of the Bank, each for one-twelfth of the said sum of £2,000,000 payable at intervals of six calendar months, commencing six years from the time when this scheme is sanctioned by the Supreme Court, and bearing interest from the same date at the rate of 4½ per cent. per annum, payable half-yearly. And as to £360,000 balance of such debts as aforesaid will not during any one period of six consecutive calendar

Exhibits.
 " I "
 Copy Old
 Scheme of
 Arrange-
 ment as
 sanctioned
 by the
 Court,
continued.

months withdraw any sum or sums exceeding in the whole the amount of £100,000 and will not make any such withdrawals without giving the Bank six calendar months' notice of their intention to make the same respectively. Provided, that from and after the time when this scheme is sanctioned by the Supreme Court, interest at a rate not exceeding $4\frac{1}{2}$ per centum per annum shall be payable by the Bank half-yearly in respect of so much of the said sum of £360,000 as for the time being remains due and owing.

6. Save as herein otherwise provided, and excepting Her Majesty's Government (for whom provision is made by the last preceding clause), 10 and the holders of the bank notes of the Bank, and preference creditors not hereinbefore mentioned (who shall be paid in full as early as is practicable), every creditor of the Bank shall, for such of his claims and demands against the Bank as are not represented by negotiable deposit receipts or inscribed deposit stock as hereinafter provided, accept twelve deposit receipts of the Bank, each for one-twelfth of the balance of principal moneys now due to him by the Bank; the first of which deposit receipts shall become payable at the expiration of six years from the time when this scheme is sanctioned by the Supreme Court, and the remaining eleven at intervals of six calendar months; and each of such deposit receipts as 20 represents debts now bearing interest shall bear interest up to the time when the existing deposits are now payable, at the rate of interest now payable in respect thereof; and thereafter at the rate of $4\frac{1}{2}$ per cent. per annum, payable half-yearly, on the same days as the interest is now payable under the existing debts; and each of such deposit receipts as represents debts not now bearing interest shall bear interest from the time when this scheme is sanctioned by the Supreme Court at the rate of $4\frac{1}{2}$ per cent. per annum, payable half-yearly.

The interest now due, and accruing due, on deposits of the Bank now bearing interest, shall be paid as regards interest which has accrued, 30 or shall accrue due on or before the time when this scheme is sanctioned by the Supreme Court, on the day after the Bank recommences business; and, as regards interest which shall accrue after that date, on such day as the same would have become due under the existing deposits; and all payments of principal and interest shall be made at the places where the same are now payable.

7. If any of the creditors of the Bank shall so desire, the Bank shall be at liberty to issue to such creditors, either in lieu of or in exchange for the deposit receipts to be issued pursuant to the last preceding clause: (A) negotiable deposit receipts payable to bearer, with interest coupons 40 attached payable to bearer, and representing a similar amount and payable in the same manner, and at the same times as such deposit receipts; or (B) inscribed deposit stock repayable only at the option of the Bank, on six calendar months' notice after all the instalments of the substituted deposit receipts shall have been paid, and bearing interest at the rate of $4\frac{1}{2}$ per cent. per annum payable half yearly.

All such negotiable deposit receipts and inscribed deposit stock shall be issued subject to such conditions as may be imposed by the Directors of the Bank.

8. The Directors of the Bank shall, as soon as practicable, pay, satisfy and discharge all the costs, charges, and expenses of and incident to the suspension of the Bank, including the costs of the respective liquidators thereof, and of and incident to the preparation and carrying into effect of this scheme.

Exhibits.
 " I "
 Copy Old
 Scheme of
 Arrangement as
 sanctioned
 by the
 Court,
continued.

9. Save as herein otherwise provided, the creditors of the Bank, except as aforesaid, shall accept the provisions made for them in this scheme in satisfaction and discharge of all claims and demands against the Bank and shall at the time of their application for new deposit receipts, 10 negotiable deposit receipts, or inscribed deposit stock as aforesaid, deliver up to the Bank all deposit receipts and drafts or other similar documents issued to them by the Bank to be cancelled.

10. The Directors of the Bank shall have a discretionary power of granting advances to any depositor of the Bank who had a balance to the credit of his current account with, or held a deposit receipt of the Bank at the time of its suspension, and who shall give the Bank security over all or any of his deposit receipts, negotiable deposit receipts, or inscribed deposit stock, issued to such depositor in pursuance of this scheme, and they shall also have power to do any of the following things, namely :—

20 (1) To pay a sum not exceeding £50 to any creditor of the Bank in respect of any current account now owing by the Bank to such creditor.

(2) To pay in full the amount of any Bank draft or acceptance issued by the Bank and current at the time of its suspension.

ON REVERSE.]

The paper writing contained on this and the three preceding sheets numbered 146 to 148 is a copy of the Old Scheme of Arrangement marked " I " mentioned and referred to in the affidavit of FRED PACE and produced and shown to him at the time of swearing such affidavit at Brisbane in the 30 State of Queensland this eleventh day of August, 1949, before me :

F. PACE
 Deponent.

A. L. RAFF, J.P.
 A Justice of the Peace.

Exhibits.

" J "

Copies of the petitions and orders on the files of the Supreme Court of New South Wales in relation to the Old Scheme of Arrangement.

Copies of the Petitions and Orders on the files of the Supreme Court of New South Wales in relation to the Old Scheme of Arrangement.

IN THE SUPREME COURT OF NEW SOUTH WALES IN EQUITY.

IN THE MATTER of the Companies Act

and

IN THE MATTER of The Queensland National Bank Limited.

To the HONOURABLE WILLIAM OWEN Esquire Chief Judge in Equity.

THE HUMBLE PETITION of CHARLES WILLIAM LITTLE
of Fullerton Street near Sydney in the Colony of New South Wales
Grazier 10

SHEWETH as follows :—

The abovenamed Company hereinbefore called the Company was in the month of July One thousand eight hundred and seventy-two incorporated under the laws then in force in the Colony of Queensland with reference to Companies as a Company limited by shares.

2. The registered Office of the Company is situate at Brisbane in the Colony of Queensland.

3. The objects for which the Company was established are as follows :— 20

(A) to receive money on loan or deposit or otherwise and either with or without giving any security of the Company or upon any property of the Company for any such money ;

(B) to transact any other banking or agency or financial business of any description and other objects set forth in the Memorandum of Association thereof.

4. The nominal capital of the Company is Two million Pounds divided into two hundred thousand shares of Ten pounds each of which One hundred and sixty thousand shares have been issued and upon which Five pounds per share has been paid up. 30

5. The said Bank has been carrying on the business of banking at No. 99 Pitt Street Sydney in the Colony of New South Wales for the period of twelve years or thereabouts

6. I am a creditor of the said Bank in respect of Twenty pounds standing to my credit at current account in the said Bank Pitt Street Sydney aforesaid.

7. I have this day presented a cheque for the sum of Twenty pounds for payment at the said Bank when payment thereof was refused and I was informed by the Manager that the said Bank had suspended payment temporarily pending reconstruction and the said cheque was marked to that effect. 40

8. The said Bank is unable to pay its debts.

9. In the circumstances it is just and equitable that the said Bank should be wound up.

10. It is desirable in the interest of the creditors of the said Bank that a Provisional Liquidator should be appointed to protect the assets of the Bank in New South Wales.

11. Lewis Alexander Johnstone is a fit and proper person to be appointed Provisional Liquidator.

YOUR PETITIONER therefore humbly prays as follows:—

- 10
1. That the Queensland National Bank Limited may be wound up under the provisions of the Companies Acts 1874–1891.
 2. That a Provisional Liquidator may be forthwith appointed.
 3. Or that such other order may be made in the premises as to the Court shall seem meet.

Dated this Fifteenth day of May in the year One thousand eight hundred and ninety-three.

20

ADRIAN KNOX,
of Counsel for the Petitioner.

NOTE.—It is intended to serve this Petition on the Queensland National Bank Limited.

This Petition is filed by HAROLD THOMAS MORGAN of No. 88 King Str., Sydney, Solicitor for CHARLES WILLIAM LITTLE of Fullerton Street aforesaid Grazier the above-named Petitioner.

Exhibits.

“ J ”
Copies of the petitions and orders on the files of the Supreme Court of New South Wales in relation to the Old Scheme of Arrangement,
continued.

Exhibits. IN THE SUPREME COURT OF NEW SOUTH WALES IN EQUITY.

“ J ”

Copies of
the
petitions
and orders
on the
files of
the
Supreme
Court of
New South
Wales in
relation to
the Old
Scheme of
Arrange-
ment,
continued.

IN THE MATTER of the Companies Act

and

IN THE MATTER of The Queensland National Bank Limited.

The Fifteenth day of May in the year One thousand eight hundred and ninety-three.

LET all parties concerned in the matter of the within Petition attend before the Honourable William Owen Chief Judge in Equity of this Honourable Court on the day of at eleven o'clock in the forenoon and hereof let all parties have due notice. 10

Chief Clerk in Equity.

IN THE SUPREME COURT OF NEW SOUTH WALES IN EQUITY.

IN THE MATTER of the Companies Act

and

IN THE MATTER of The Queensland National Bank Limited.

Monday the Fifteenth day of May in the year of Our Lord One thousand eight hundred and ninety-three.

UPON MOTION this day made unto the Honourable William Owen Chief Judge in Equity by Mr. Adrian Knox of Counsel for Charles William Little the Petitioner herein AND UPON READING the Petition of the said Charles William Little filed herein this day the Affidavit of the said Petitioner sworn and filed this day and the affidavit of P. A. Trebeck sworn and filed this day THIS COURT DOTH HEREBY APPOINT Lewis Alexander Johnstone of Sydney in the Colony of New South Wales Bank Manager provisionally to be Official Liquidator of the above-named Queensland National Bank Limited without security AND DOTH hereby limit and restrict the powers of the said Lewis Alexander Johnstone as such Provisional Official Liquidator to the acts hereinafter mentioned AND THIS COURT DOTH FURTHER ORDER that the said Provisional Official Liquidator is to have power to collect protect and get in the assets of the said Bank pending the hearing of the said Petition but that he is not to distribute or part with the assets of the said Bank save as hereinafter mentioned without the further consent of this Court AND THIS COURT DOTH FURTHER ORDER that pending the hearing of the said Petition the said Provisional Official Liquidator is to have power to accept payment of all debts due to the said Bank and upon such payment to discharge and release all securities held by the said Bank for payment of such debts respectively and to complete and carry out all contracts entered into by the said Bank prior to this day AND THIS COURT DOTH FURTHER ORDER that pending the hearing of the said Petition the said Provisional

Official Liquidator and William Sewell the Accountant of the said Bank at its Office in Sydney are to have power to endorse all drafts bills notes and cheques held by the said Bank for the purpose of obtaining payment of the said drafts bills notes and cheques respectively AND THIS COURT DOTH FURTHER ORDER that pending the hearing of the said Petition the said Provisional Official Liquidator is to have power to endorse and sign all bills of lading of gold consigned or to be consigned to the said Bank for the purpose of obtaining delivery of the said gold AND THIS COURT DOTH FURTHER ORDER that pending the hearing of the said Petition the said Provisional Official Liquidator is to have power to employ all clerks officers and servants of the said Bank for the purpose of collecting the assets of the said Bank and to pay the salaries and wages of such clerks officers and servants as the same shall accrue due out of the assets of the said Bank now in the hands of the said Provisional Official Liquidator or to come to his hands as such Provisional Official Liquidator AND THIS COURT DOTH FURTHER ORDER that the said Provisional Official Liquidator is to pay out of the assets of the said Bank the costs of this Motion and all necessary and proper costs charges and expenses incurred by the said Provisional Official Liquidator in the performance of his duties as such Provisional Official Liquidator AND THIS COURT DOTH LASTLY ORDER that the said Provisional Official Liquidator and the said Petitioners are to be at liberty to apply in Chambers as they may be advised.

Exhibits.
 " J "
 Copies of the petitions and orders on the files of the Supreme Court of New South Wales in relation to the Old Scheme of Arrangement, continued.

Settled.

M. H. HARGRAVES,

Dep. Regr.

6/5/93.

IN THE SUPREME COURT OF NEW SOUTH WALES IN EQUITY.

IN THE MATTER of the Companies Act

and

IN THE MATTER of the Joint Stock Companies Arrangement Act

and

IN THE MATTER of The Queensland National Bank Limited.

Friday the Fourth day of August in the year One thousand eight hundred and ninety-three.

UPON MOTION made this day to the Honourable William Owen Chief Judge in Equity by Mr. Adrian Knox of Counsel for Mr. Lewis Alexander Johnstone the Provisional Official Liquidator of The Queensland National Bank Limited AND UPON READING the Notice of Motion

Exhibits.
 " J "
 Copies of
 the
 petitions
 and orders
 on the
 files of
 the
 Supreme
 Court of
 New South
 Wales in
 relation to
 the Old
 Scheme of
 Arrange-
 ment,
continued.

dated this day and the Affidavit of the said Lewis Alexander Johnstone sworn this day and the Annexure thereto AND UPON HEARING what was alleged by the said Counsel IT IS ORDERED that the said Lewis Alexander Johnstone as such Provisional Official Liquidator of the Queensland National Bank Limited had convened a meeting of the creditors of the said Bank for the purpose of considering and if thought fit agreeing to (subject to confirmation or variation by this Court) the scheme of compromise and arrangement to be made between such creditors and the said Bank a copy whereof was attached to the said Notice of Motion and marked " A " AND IT IS FURTHER ORDERED that the meeting to be 10 held in Sydney on Thursday the Tenth day of August instant at eleven o'clock in the forenoon at the Exchange Sydney AND IT IS FURTHER ORDERED that Alexander Brand Webster one of the Directors of the said Bank be Chairman of such meeting or failing him some other Director of the said Bank or the said Lewis Alexander Johnstone and that the said Chairman to report the result of such meeting to this Court AND IT IS FURTHER ORDERED that Notice of the said meeting with copies of 20 the said scheme and proxy forms be sent by post prepaid to each of the said creditors at the address of such creditors respectively appearing in the books of the said Company AND IT IS FURTHER ORDERED that notice of the said meeting be advertised twice in the Sydney Morning Herald, Daily Telegraph and Evening News newspapers published in Sydney and that Notice be sent to the said creditors and given at the said meeting that application will be made to this Court on Friday the Eleventh day of August instant for the sanction of the Court to the resolutions agreed to by the said meeting AND IT IS FURTHER ORDERED that the costs of and incidental to this Motion be costs in the Petition and be paid as between Solicitor and client by the said Provisional Official Liquidator out of the assets of the said Bank.

Settled.

30

M. H. HARGRAVES.

8/8/93.

IN THE SUPREME COURT OF NEW SOUTH WALES IN EQUITY.

IN THE MATTER of the Companies Act

and

IN THE MATTER of the Queensland National Bank Limited.

Friday the Eleventh day of August One thousand eight hundred and ninety-three.

UPON the Petition of Charles William Little presented herein on the Fifteenth day of May last past coming on for hearing this day before the 40 Honourable William Owen Chief Judge in Equity of this Court in the

presence of Mr. Lamb of Counsel for the said Petitioner and of Mr. Adrian Knox of Counsel for the abovenamed Queensland National Bank Limited AND UPON READING the order made herein on the said Fifteenth day of May last past whereby Lewis Alexander Johnstone therein named was appointed provisionally to be the Official Liquidator of the said Bank and the order made this day in a matter entitled " In the matter of the Companies Act And in the matter of the Joint Stock Companies Arrangement Act And in the matter of The Queensland National Bank Limited " whereby a certain scheme of arrangement between the said Bank and its creditors was sanctioned by this Honourable Court This Court doth by consent order that the said Petition do stand dismissed out of this Court And that the said Lewis Alexander Johnstone be and he is hereby discharged as such Provisional Official Liquidator as aforesaid without filing any account AND THIS COURT DOTH FURTHER ORDER that the costs as between Solicitor and client of all parties of and incidental to this Petition be paid by the said Provisional Official Liquidator out of the assets of the said Bank.

Exhibits.
 " J "
 Copies of the petitions and orders on the files of the Supreme Court of New South Wales in relation to the Old Scheme of Arrangement, *continued.*

Settled.

M. H. HARGRAVES.

20

7/9/93.

IN THE SUPREME COURT OF NEW SOUTH WALES IN EQUITY.

IN THE MATTER of the Companies Act and of the Joint Stock Companies Arrangement Act

and

IN THE MATTER of the Queensland National Bank Limited.

To the HONOURABLE WILLIAM OWEN Chief Judge in Equity.

THE HUMBLE PETITION of the QUEENSLAND NATIONAL BANK LIMITED,

SHEWETH as follows :—

30 1. The Queensland National Bank Limited (hereinafter called the said Bank) was duly incorporated as a Company Limited by shares in the Colony of Queensland on the third day of June One thousand eight hundred and seventy two under the Act of Parliament of the Colony of Queensland intituled the Companies Act one thousand eight hundred and sixty three the Registered Office of the Bank is situated at Brisbane in the said Colony of Queensland and the said Bank carried on business at Number ninety nine Pitt Street in the City of Sydney in the Colony of New South Wales.

40 2. The nominal capital of the said Bank was stated in the Memorandum of Association thereof to be Two million pounds divided into Two hundred and sixty thousand shares of Ten pounds each and of the said capital of Two million pounds, One million six hundred thousand pounds is subscribed and eight hundred thousand pounds is paid up.

Exhibits.
 “ J ”
 Copies of
 the
 petitions
 and orders
 on the
 files of
 the
 Supreme
 Court of
 New South
 Wales in
 relation to
 the Old
 Scheme of
 Arrange-
 ment,
continued.

3. The said Bank has since its incorporation carried on the usual business of a Banking Company or Corporation in Queensland and has also since the year One thousand eight hundred and eighty one carried on the usual business of a Banking Company in Sydney in the Colony of New South Wales.

4. That on the fifteenth day of May last owing to a large number of persons who had deposited money with the said Bank declining to renew their deposits with the said Bank and withdrawing the same the Board of management of the said Bank in order to protect the creditors and with the view of preserving the assets of the said Bank for equitable distribution 10 amongst the creditors thereof in the event of the said Bank being wound up and also with a view of making some arrangement with its creditors in order that it might be able to carry on its business passed a resolution to suspend payment and that since the close of business on the said Fifteenth day of May last such suspension as aforesaid has continued.

5. On the Fifteenth day of May last past a petition was presented to this Honourable Court by Charles William Little of Sydney aforesaid a creditor of the said Bank praying that the said Bank might be wound up under the provisions of the Companies Act and on the same day Lewis Alexander Johnstone the manager of the said Bank in Sydney was appointed 20 Provisional Official Liquidator thereto.

6. That at meetings held in London and Brisbane a scheme of Arrangement has been agreed to by the Creditors of the said Bank and that such scheme has been approved by the Supreme Court of Queensland.

7. The said scheme of Arrangement is in the words and figures following :—

“ The Queensland National Bank Limited
 “ Scheme of Arrangement ”

“ The following ‘ Scheme of Arrangement ’ submitted by the Directors of the Queensland National Bank Limited has been approved of by the 30 government and is now published for the information of depositors and shareholders generally :—

1. General meetings of the Bank shall be held forthwith for the purpose of sanctioning by special resolution alterations in and additions to its Articles of Association so as to provide for the following matters, namely—

(1) That no person who if the Bank had been ordered to be wound up by the Court on the Fifteenth day of May One thousand eight hundred and ninety three would have been liable to be placed on the list of contributories in respect of any share or shares 40 in the Bank shall be permitted to transfer such share or shares so long as any monies remain unpaid upon such share or shares in respect of any of the calls mentioned in clause two hereof unless he first enter into an agreement with the Bank making himself personally liable for the due payment of such moneys by the holder or holders for the time being of such share or shares.

(2) That the Directors of the Bank shall retire from office at the first ordinary general meeting held in the year One thousand eight hundred and ninety four but shall be eligible for re-election and that at the first general meeting in every subsequent year one of the Directors shall if their number does not exceed four retire from office ; but if their number exceeds four then two Directors shall retire from office each retiring Director being eligible for re-election.

10 That the Directors to retire shall in the year One thousand eight hundred and ninety five be determined by lot and in every subsequent year shall be those who have been longest in office since their last election. That as between two or more who have been in office an equal length of time the Directors to retire shall in default of agreement between them be determined by lot ; and

(3) That the Bank may at any time reduce its Company [*sic* capital] in any manner permitted by law.

20 (4) That the holders of the substituted deposit receipts hereinafter mentioned may appoint (1) number [*sic* member] of the London board of Directors until all the instalments of the deposit receipt shall have been paid with interest ; such Director need not be as hareholder in the Bank.

30 (5) That no dividend in excess of five per cent. shall be paid on the ordinary shares until all the instalments of the substitute deposit receipts shall have been paid with interest and until such payment any divisible surplus profits after payment of the dividend on any preference shares for the time being issued and a five per cent. dividend on the ordinary shares shall be carried to the reserve fund ; until such payment the reserve fund shall not be applicable to payment of dividends on Ordinary Shares but after such payment the amount of such surplus profits which may in the meantime have been carried to the reserve fund as aforesaid or in part thereof may if the Directors see fit be distributed ratably among the holders for the time being of the Ordinary Shares or otherwise dealt with according to the regulations of the Bank for the time being in force.

40 2. The Directors of the Bank shall as soon as possible call up in accordance with the terms of the Articles of Association three pounds per share in respect of the moneys uncalled upon the shares of the Bank calls to be payable as to the sum of 10s. per share (part of the said sum of £3) as soon as possible after this scheme is sanctioned by the Supreme Court and as to the sum of 10s. per share further part of the said sum of £3 at the expiration of six calendar months from the date when the first call of 10s. per share is payable and as to the sum of £2 per share (balance of the said sum of £3) in eight quarterly instalments of 5s. each payable at the expiration of 6, 9, 12, 15, 18, 21, 24, 27, calendar months respectively from the date when the last call of 10s. per share is payable.

Exhibits.

“ J ”

Copies of the petitions and orders on the files of the Supreme Court of New South Wales in relation to the Old Scheme of Arrangement, *continued.*

Exhibits.
 ———
 " J " 10
 Copies of
 the
 petitions
 and orders
 on the
 files of
 the
 Supreme
 Court of
 New South
 Wales in
 relation to
 the Old
 Scheme of
 Arrange-
 ment,
continued.

3. As speedily as possible after provisions has been made in the Articles of Association of the Bank in that behalf the nominal capital of the Bank shall with a view to meet losses consequent upon any depreciation in value of the Bank's securities be reduced from Two million pounds divided into Two hundred thousand shares of Ten shillings each to One million six hundred thousand divided into Two hundred thousand shares of Eight pounds each.

The reduction shall be effected by cancelling paid up capital to the extent of £2 per share upon each of the One hundred and sixty thousand shares which have been issued and by reducing the nominal amount of all the present shares in the Bank's capital from £10 to £8 per share. But shall not involve the diminution of any liability in respect of unpaid capital or the payment to any member of the Bank of any paid up capital. 10

4. That the capital of the Bank was reduced as aforesaid shall be thereafter increased to Three million pounds by the creation of One hundred and seventy five thousand new shares of £8 each such new shares to be disposed of at such times to such persons and at such terms as the Directors of the Bank may deem advisable.

5. Debts owing by the Bank to Her Majesty's Government at the date of the suspension of the Bank shall be paid by the Bank in terms of an agreement whereby it has been agreed by the said Government that the said Government (without prejudice to any preference which the said Government may possess in respect of such debts in the event of the Bank being wound up at any time hereafter) as to Two million pounds part of such debts will accept twelve deposit receipts of the Bank each for one twelfth of the said sum of Two million pounds payable at intervals on six calendar months commencing six years from the time when this scheme is sanctioned by the Supreme Court and bearing interest from the same date at the rate of $4\frac{1}{2}$ per cent. per annum payable half yearly. And as to Three hundred and sixty thousand pounds balance of such debts as aforesaid will not during any one period of six consecutive calendar months withdraw any sum or sums exceeding in the whole the amount of One hundred thousand pounds and will not make any such withdrawals without giving the Bank six calendar months notice of their intention to make the same respectively. Provided that over and after the time when this scheme is sanctioned by the Supreme Court interest at a rate not exceeding $4\frac{1}{2}$ per cent. per annum shall be payable by the Bank half yearly in respect of so much of the said sum of Three hundred and sixty thousand pounds as for the time being remains due and owing. 30

6. Save as herein otherwise provided and excepting Her Majesty's Government (for whom provision is made by the last presiding) and the holders of the bank notes of the Bank and preference creditors not hereinbefore mentioned (who shall be paid in full as early as is practicable) every creditor of the Bank shall for such of his claims and demands against the Bank as are not represented by negotiable deposit receipts or inscribed deposit 40
50

stock as hereinafter provided accept twelve deposit receipts of the Bank each for one-twelfth of the balance of principal moneys now due to him by the Bank; the first of such deposit receipts shall become payable at the expiration of six years from the time when this scheme is sanctioned by the Supreme Court and the remaining eleven at intervals of six calendar months; and each of such deposit receipts as representing debts now bearing interest shall bear interest up to the time when the existing deposits are now payable at the rate of interest now payable in respect thereto; and thereafter at the rate of $4\frac{1}{2}$ per cent. per annum payable half yearly on the same days as the interest is now payable under the existing debts; and each of such deposit receipts as representing debts not now bearing interest shall bear interest from the time when this scheme is sanctioned by the Supreme Court at the rate of $4\frac{1}{2}$ per cent. per annum payable half yearly.

10

The interest now due and accruing due on deposits of the Bank now bearing interest shall be paid as regards interest which is accrued or shall accrue due on or before the time when this scheme is sanctioned by the Supreme Court on the day after the Bank recommences business; and as regards interest which shall accrue after that date on such day as the same would have become due under the existing deposits; and all payments to principal and interest shall be made at the places where the same are now payable.

20

7. If any of the creditors of the Bank shall so desire the Bank shall be at liberty to issue to such creditors either in lieu of or in exchange for the deposit receipts to be issued pursuant to the last preceding calls

30

(A) Negotiable deposit receipts payable to bearer with interest coupons attached payable to bearer and representing a similar amount and payable in the same manner and at the same times as such deposit receipts; or

(B) Inscribed deposit stock repayable only at the option of the Bank on six calendar months' notice after all the instalments of the substitute deposit receipts shall have been paid and bearing interest at the rate of $4\frac{1}{2}$ per cent. per annum payable half yearly of such negotiable deposit receipts and inscribed deposit stock shall be issued subject to such conditions as may be imposed by the Directors of the Bank.

40

8. The Directors of the Bank shall as soon as practicable pay satisfy and discharge all the costs charges and expenses of and incident to the suspension of the Bank including the costs of the respective Liquidators thereof and of and incident to the preparation and carrying into effect of this scheme.

9. Save as herein otherwise provided the creditors of the Bank except as aforesaid shall accept the provisions made for them in this scheme in satisfaction and discharge of all claims and demands against the Bank and shall at the time of their application for new deposit receipts negotiable deposit receipts

Exhibits.

" J "

Copies of the petitions and orders on the files of the Supreme Court of New South Wales in relation to the Old Scheme of Arrangement, continued.

Exhibits.
 “ J ”
 Copies of
 the
 petitions
 and orders
 on the
 files of
 the
 Supreme
 Court of
 New South
 Wales in
 relation to
 the Old
 Scheme of
 Arrange-
 ment,
continued.

or inscribed deposit stock as aforesaid deliver up to the Bank all deposit receipts and drafts or other similar documents issued to them by the Bank to be cancelled.

10. The Directors of the Bank shall have a discretionary power of granting advances to any depositor of the Bank who have a balance to the credit of his Current Account with or held a deposit of the Bank at the time of its suspension and who shall give the Bank security over all or any of his deposit receipts negotiable deposit receipts or inscribed deposit stock issued to such depositors in pursuance of this scheme and they shall also have power to do 10
 any of the following things, namely :—

(1) To pay a sum not exceeding Fifty pounds to any creditor of the Bank in respect of any current account now owing by the Bank to such creditor.

(2) To pay in full the amount of any Bank Draft or acceptance issued by the Bank and current at the time of its suspension.”

8. On the fourth day of August instant an order was made by this Honourable Court upon the application of the said Lewis Alexander Johnstone Provisional Official Liquidator of the said Bank directing 20
 that a meeting of the creditors of the said Bank should be held at Sydney at eleven o'clock on Thursday the Tenth day of August instant for the purpose of considering and if thought fit approving of the said scheme of Arrangement and any amendments thereto that might be proposed AND IT WAS FURTHER ORDERED that notice of the said meeting should be advertised twice in the Sydney Morning Herald the Daily Telegraph and the Evening News newspapers respectively published in Sydney and IT WAS FURTHER ORDERED that the Chairman of the said Meeting should report to this Honourable Court the result thereof.

9. That notice of the said meeting directed to be held in Sydney 30
 was duly advertised in the Sydney Morning Herald the Daily Telegraph, on the Fifth and Seventh days of August instant and in the Evening News on the Seventh and Eighth days of August instant.

10. The said notice as advertised in the Sydney Morning Herald Daily Telegraph and the Evening News at Sydney aforesaid is in the words and figures following :—

IN THE SUPREME COURT OF NEW SOUTH WALES IN EQUITY.

IN THE MATTER of the Companies Act and of the Joint Stock
 Companies Arrangement Act
 and

IN THE MATTER of the Queensland National Bank Limited. 40

NOTICE is hereby given that a meeting of the creditors of the above-mentioned Bank will be held at the Sydney Exchange on Thursday the Tenth day of August instant at eleven o'clock in the forenoon to consider the scheme of Arrangement already adopted by the shareholders and creditors of the said Bank in Great Britain and Queensland.

“ ABBOTT & DODDS,”
 “ Solicitors for the said Bank ”

24 Castlereagh Street,
 Sydney. 50

11. That a circular letter was posted to each of the creditors resident in New South Wales in the words and figures following :—

THE QUEENSLAND NATIONAL BANK LIMITED,
SYDNEY.
4th August, 1893.

TO THE CREDITORS OF
THE QUEENSLAND NATIONAL BANK LIMITED.

LADIES AND GENTLEMEN :

10 You will doubtless have learned that the "Scheme of Arrangement" of this Bank has been accepted and adopted in London and Brisbane by the Shareholders and creditors of the Bank and that such scheme with certain modifications has been approved of by the Supreme Court of Queensland.

20 To effectually carry out that scheme it is necessary that the same should be adopted by a separate statutory meeting of the creditors in this Colony and for that purpose the Chief Judge in Equity has by an Order dated the Fourth day of August instant directed that a meeting of creditors be held at the Sydney Exchange on Thursday the Tenth day of August instant at eleven o'clock in the forenoon and that such meeting be presided by Alexander Brand Webster Esquire one of the Directors of the said Bank or in his absence by a Chairman to be appointed by the meeting for the purpose of considering and if thought fit agreeing to (subject to confirmation or valuation by the Court) the scheme as accepted and adopted as aforesaid and confirmed by Supreme Court of Queensland.

It is also proposed to move the Supreme Court at Sydney on the Eleventh day of August instant for confirmation of scheme to be passed at such statutory meeting as aforesaid.

30 I herewith enclose for your perusal and consideration the scheme so approved and would ask you to attend the meeting on the date above-mentioned personally or by attorney to sign and forward to me the enclosed form of Proxy.

Yours truly,
L. A. JOHNSTONE,
Provisional Official Liquidator.

12. That the meeting so directed to be held at Sydney was held on the Tenth day of August instant at eleven o'clock in the forenoon and that there were present eighty-three creditors in person and by Proxy representing Twenty thousand four hundred and twenty-one pounds fifteen shillings and tenpence.

40 13. That Mr. Alexander Brand Webster was Chairman of the said meeting.

14. That each of the creditors of the said Bank present at the said meeting had a copy of the said scheme of Arrangement and that the same having been explained by the Chairman it was agreed to by the whole of the creditors present either in person or by Proxy or Attorney at the said meeting.

Exhibits.

" J "

Copies of the petitions and orders on the files of the Supreme Court of New South Wales in relation to the Old Scheme of Arrangement, *continued.*

Exhibits.
 " J "
 Copies of
 the
 petitions
 and orders
 on the
 files of
 the
 Supreme
 Court of
 New South
 Wales in
 relation to
 the Old
 Scheme of
 Arrange-
 ment,
continued.

15. Eighty-three creditors representing Twenty thousand four hundred and twenty-one pounds fifteen shillings and tenpence voted for and agreed to the said scheme of Arrangement.

YOUR PETITIONERS therefore humbly pray as follows :—

1. That the said scheme of Arrangement set out in the eighth paragraph hereof may be sanctioned by this Honourable Court so as to be binding upon the creditors of the said Bank and upon the said Bank.

2. That the costs of and incidental to this petition and the orders of this Honourable Court made herein 10 on the Fourth day of August instant may be provided for.

3. That such further or other Order may be made herein as to this Honourable Court shall seem meet.

AND your Petitioners will ever pray and etc.

Dated this Eleventh day of August in the year of our Lord One thousand eight hundred and ninety-three.

L. A. JOHNSTONE,
 Provisional Official Liquidator.

NOTE.—This petition is filed by Abbott & Dodds of Number Twenty-four Castlereagh Street, Sydney, Solicitors for the above-named 20 petitioner the Queensland National Bank Limited.

It is not intended to serve this petition on anyone.

IN THE SUPREME COURT OF NEW SOUTH WALES IN EQUITY.

IN THE MATTER of the Companies Act

and

IN THE MATTER of the Joint Stock Companies Arrangement Act

and

IN THE MATTER of The Queensland National Bank Limited.

Friday the Eleventh day of August A.D. One thousand eight hundred and 30 ninety-three.

UPON the Petition of the abovenamed Bank presented to this Honourable Court this day coming on to be heard this day before the Honourable William Owen Chief Judge in Equity AND UPON READING the Order made herein on the Fourth day of August instant the said Petition the Affidavit of Lewis Alexander Johnstone sworn herein this day and the

report of A B Webster mentioned in the said Order dated this day AND UPON HEARING what was alleged by Mr. Adrian Knox of Counsel for the said Bank and for the said Lewis Alexander Johnstone the Provisional Official Liquidator thereof THIS COURT DOTH ORDER that the scheme of arrangement or compromise between the said Bank and its creditors set forth in the said affidavit of the said Lewis Alexander Johnstone which was adopted at a meeting of the creditors of the said Bank in New South Wales duly convened and held under the said Order of the Fourth day of August instant by a majority in number representing three-fourths in value of such creditors present in person or by proxy or attorney at the said meeting be and the same is hereby sanctioned and approved by this Honourable Court AND THIS COURT DOTH FURTHER ORDER that the costs of all parties of and incidental to the said Order and Petition as between Solicitor and client be paid out of the assets of the said Bank by the said Lewis Alexander Johnstone as such Provisional Official Liquidator as aforesaid.

Exhibits.
 " J "
 Copies of
 the
 petitions
 and orders
 on the
 files of
 the
 Supreme
 Court of
 New South
 Wales in
 relation to
 the Old
 Scheme of
 Arrange-
 ment,
continued.

Settled.

M. H. HARGRAVE,
 Dep. Registrar.

20

7/9/93.

Exhibits.

“ K ”
Copies of the documents now on the file of the High Court of Justice in England (Companies Winding up) in relation to the Old Scheme of Arrangement.

Copies of the Documents now on the file of the High Court of Justice in England (Companies Winding up) in relation to the Old Scheme of Arrangement.

PUBLIC RECORD OFFICE COPY 545
(pursuant to Statute 1 and 2 Victoria, c. 94).

Companies Winding Up Proceedings. (Supreme Court of Judicature.)
File No. 638.

IN THE HIGH COURT OF JUSTICE. Companies Winding-Up. Mr. Justice Vaughan Williams.	Companies (Winding up) Filed 13 Sep. 93. No. 00138 of 1893. 10 No. 00141 of 1893.
Filed _____ _____	1893.

Public Records Stamp Duty £2.14.0.

IN THE MATTER of the Companies Acts 1862 to 1890.
(L.S.) IN THE MATTER of The Joint Stock Companies Arrangement Act 1870.
IN THE MATTER of The Queensland National Bank Limited.

I JAMES WATSON DICKINSON of Princes Street in the City of London the London Manager of the above named Bank make oath and say as follows :—

1. On the 11th August last His Lordship Mr. Justice Vaughan Williams sanctioned the scheme of arrangement of the above named Bank, and made an Order directing the Official Receiver to hand over the assets subject to being satisfied by telegram that the special resolutions altering the Articles of Association in accordance with the scheme had been duly confirmed and that the London Directors of the Bank were authorised to give a receipt for the assets. 20

J.C.C.F.

2. Accordingly on the same 11th August a telegram was despatched from the London Office of the Bank to the Head Office at Brisbane of which the following is a copy :—

Referring to your telegram of 27 July telegraph whether second meeting has been duly held confirming alterations in Articles of Association. 30

Judge requires information before finally authorising scheme Telegraph authority Official Receiver hand over to London Board assets Telegraph immediate reply Eastern Telegraph Company.

3. On the 12th August last a telegram was received by the London Office of the Bank from the Head Office at Brisbane in reply as follows :
Second meeting not yet held.

4. On the 12th August the matter was again brought before his Lordship Mr. Justice Vaughan Williams who declined to dispense with evidence by telegram of the confirmation of the special resolutions altering the Articles of Association and directed the Official Receiver to hand over the assets on the receipt of the London Directors of the Bank or any two of them provided the London Directors or any two of them were authorised by telegraph to receive them.

Exhibits.
 ———
 " K "
 Copies of the documents now on the file of the High Court of Justice in England (Companies Winding up) in relation to the Old Scheme of Arrangement, continued.

5. On the same 12th August a telegram was despatched from the London Office of the Bank to the Head Office at Brisbane of which the following is a copy :—

Judge declined sanction scheme until resolution confirming alteration in Articles of Association has been duly passed Hold second meeting as soon as possible telegraph the result Telegraph authority at the same time Official Receiver hand over to London Board or any two Directors assets.

6. On the 24th August the following telegram was received by the London Office from the Head Office of the Bank at Brisbane :—

Resolution altering Articles of Association in conformity with sub-clauses one two three in clause 1 scheme confirmed, resolution referring to sub-clauses four five passed today Meeting will be held to confirm Sept. 11th.

7. On the 11th September instant the following telegram was received by the London Office of the Bank from the Head Office at Brisbane :—

Resolution passed 24th August confirmed at a meeting to-day. On the 12th September instant the following telegram was received at the London Office of the Bank from the Head Office at Brisbane :—

This telegram is intended for Official Receiver Please hand over to London Board or any two Directors Assets Queensland National Bank.

Sworn at 26 Austin Friars in the City of London this 12th day of September 1893

J. W. DICKINSON

Before me

J. C. C. FRANCIS.



Exhibits.
 " K "
 Copies of
 the
 documents
 now on the
 file of the
 High Court
 of Justice
 in England
 (Com-
 panies
 Winding
 up) in
 relation to
 the Old
 Scheme of
 Arrange-
 ment,
continued.

IN THE HIGH COURT OF JUSTICE
 Companies Winding Up.
 Mr. Justice Vaughan Williams.

Companies Winding up.
 Filed 11 Aug. 93.

No. 00141 of 1893.

Filed the 11th day of August 1893.

IN THE MATTER of the Companies Acts 1862 to 1890

and

IN THE MATTER of The Queensland National Bank Limited.

I MONTAGU FREDERICK OMMANNEY of Downing Street in the
 City of Westminster K.C.M.G. one of the Crown Agents for the 10
 Colonies make Oath and say as follows :—

Stamp
 Duty
 2/-

1. I am one of the Crown Agents for the Colonies. The Crown
 Agents for the Colonies represent in this Country the Government of
 Hong Kong and as their Agents have authority to conduct and manage in
 this Country (amongst other things) all financial arrangements on the part
 of the Colonial Governments including the said Government of Hong Kong.

2. As one of the said Crown Agents it has been my duty since the
 commencement of the Winding up of the Queensland National Bank
 Limited (hereinafter called the Bank) to acquaint myself with the financial
 dealings between the Government of Hong Kong and the Bank. I am 20
 able to depose to the facts hereinafter stated from information acquired
 by me in the course of such duty and from information transmitted to me
 or my said Department by Her Majesty's Secretary of State for the
 Colonies being information received by him from the Officer of the Crown
 in Hong Kong.

3. On the 25th March 1893 the said Bank at Brisbane drew upon the
 said Bank in London a Bill of Exchange for £400 payable to the order of
 Her Majesty's Postmaster General Hong Kong at three days after sight
 thereof. The said Bill of Exchange is now produced and shewn to me
 marked M.H.F.O.I. 30

4. On or about the 1st day of May 1893 the said Postmaster General
 indorsed the said Bill of Exchange in favor of the Crown Agents for the
 Colonies for collection by them in this Country and the said Bill was duly
 indorsed by one of the said Crown Agents for the Colonies to their credit
 in the Books of the Bank of England.

5. On or about the 14th day of June 1893 the said Bill was duly
 presented to the London Branch of the said Bank situate and being
 29 Lombard Street in the City of London for acceptance by the said Bank
 at its said Branch by Salem Constable Harris a Member of the Firm of
 Harris & Co. Notaries Public and such acceptance was refused the said 40
 Bank having suspended payment before the said 14th day of June 1893

and the paper writing now produced and shewn to me marked M.F.O.2 is the Notarial Certificate and Protest of such non acceptance by the said Bank.

Exhibits.

“ K ”

Copies of the documents now on the file of the High Court of Justice in England (Companies Winding up) in relation to the Old Scheme of Arrangement, *continued.*

6. On or about the 20th day of June 1893 the said Bill was duly presented to the said Branch of the said Bank by the said Salem Constable Harris for payment thereof and the said Bill was thereupon dishonored by the said Bank the said Bank having suspended payment before the said 20th June 1893. The paper writing now produced and shewn to me marked M.F.O.3 is the Notarial Certificate and Protest of such non-payment.

10 The said Bank was at the date of suspension thereof and at the date of the Order to Wind up the Bank and still is truly and justly indebted to the said Government of Hong Kong for the said sum of £400 and interest thereon at the rate of Five per cent. per annum from the date of such protest and non-payment until the date of payment together with the expenses of such protest as aforesaid amounting in all to the sum of £403.16.0 the second and third of the Bill of Exchange not having been paid or satisfied in any manner whatsoever.

The Crown Agents for the Colonies are entitled and authorised to receive the same sum of £403.16.0 for and on behalf of the said Government of Hong Kong.

The whole of the said amount is a Crown debt payable in London.

SWORN at the office of the Crown Agents for the Colonies Downing Street in the City of Westminster the 11th day of August 1893

M. F. OMMANNEY.

Before me,

J. L. GARROD,
A Commissioner for Oaths.

(L.S.)

*Exhibits.*1057
No. 00141 of 1893.

" K "

Copies of
the
documents
now on the
file of the
High Court
of Justice
in England
(Com-
panies
Winding
up) in
relation to
the Old
Scheme of
Arrange-
ment,
continued.

Royal
Courts of
Justice
Stamp
Duty 3/-

(L.S.)

IN THE HIGH COURT OF JUSTICE.

Companies Winding-Up

Mr. Justice Vaughan Williams

IN THE MATTER of the Companies Acts, 1862 to 1890

and

IN THE MATTER (*a*) The Queensland National Bank Limited

LET (*b*) CHARLES JOHN STEWART the Official Receiver in Companies Liquidation, the Liquidator of the above named Company attend at the office of the Registrar at the Bankruptcy Buildings, Carey Street, London (by Special leave) on Saturday the 12 day of August 1893 at 11.30 o'clock in the forenoon, on the hearing of an application of (*c*) The Crown Agents for the Colonies as representing Her Majesty's Government of Hong Kong for an order that (*d*) the Liquidator of the Queensland National Bank Limited may be Ordered or authorized to pay to the Crown Agents for the Colonies as representing Her Majesty's Government of Hong Kong out of the assets of the said Company in England the sum of £403 . 16 . 0 being the amount of the debt due from the said Company to Her Majesty's Government of Hong Kong at the date of the Order to wind up the said Company and now due. 10

AND that the costs of the Applicants of and incident to this application be taxed and paid by the Liquidator out of the said assets of the Company in England.

Dated the 11th day of August 1893.

THIS SUMMONS was taken out by Sutton Ommanney & Rendall of 3 & 4 Great Winchester Street in the City of London Solicitors for the Crown Agents for the Colonies representing Her Majesty's Government of Hong Kong.

NOTE.—If you do not attend, either in person or by your solicitor, at the time and place above-mentioned, such order will be made, and proceedings taken as the Judge (or Registrar) may think just and expedient. 30

No. 00138 of 1893

Exhibits.

No. 00141 of 1893

“ K ”

IN THE HIGH COURT OF JUSTICE
Companies Winding Up
Mr. Justice Vaughan Williams

Companies (Winding up)
Filed 11 Aug. 93.

Copies of the documents now on the file of the High Court of Justice in England (Companies Winding up) in relation to the Old Scheme of Arrangement, *continued.*

IN THE MATTER of the Companies Acts 1862 to 1890

IN THE MATTER of the Joint Stock Companies Arrangement Act 1870

IN THE MATTER of the Queensland National Bank Limited

10 I HUGH STIRLING a member of the firm of Murray Hutchins Stirling and Murray of 11 Birchin Lane London Solicitors for the Petitioners in this matter make oath and say as follows :

1. On the 9 day of August instant my said firm caused an advertisement of the hearing of the petition in this matter to be inserted in “ The Times ” “ The Scotsman ” and the “ Freemans Journal ” of the 10 day of August instant.

Stamp Duty 2/-

2. The three newspapers now produced to me and marked respectively HS1 HS2 and HS3 are “ The Times ” “ The Scotsman ” and “ The Freemans Journal ” of the 10 day of August instant each containing the said advertisement.
20

SWORN at the Royal Courts of Justice Strand London this 11 day August of ~~July~~ 1893

H. STIRLING

W.H.P.

Before me

W. H. PHELAN

A Commissioner for Oaths.

(L.S.)

Exhibits.
 " K "
 Copies of
 the
 documents
 now on the
 file of the
 High Court
 of Justice
 in England
 (Com-
 panies
 Winding
 up) in
 relation to
 the Old
 Scheme of
 Arrange-
 ment,
continued.

Stamp
 Duty
 2/-

IN THE HIGH COURT OF JUSTICE.
 COMPANIES (WINDING UP).
 Mr. JUSTICE VAUGHAN WILLIAMS.

Companies (Winding up)
 Filed 10 Aug. 93.
 No. 00138 of 1893.
 No. 00141 of 1893.
 Filed 1893.

IN THE MATTER of the Companies Acts 1862 to 1890.
 IN THE MATTER of the Joint Stock Companies Arrangement
 Act 1870.
 IN THE MATTER of the Queensland National Bank Limited.

I, CHARLES JOHN STEWART of 33 Carey Street in the County of 10
 London Official Receiver and Provisional Liquidator of the above
 named Bank (hereinafter called " the Bank ") make oath and say
 as follows :—

1. Referring to paragraph 29 of the Petition presented in these
 matters on the 9th day of August 1893 I say that pursuant to the Order
 of 31st July 1893 therein set forth I caused an advertisement convening
 the meetings directed by the said Order to be inserted in the London
 Gazette of 1st August 1893 and in The Times, The Scotsman and The
 Freemans Journal of 2nd and 3rd August 1893 Copies of the London
 Gazette and the said Newspapers containing the said advertisement are 20
 now produced to me and collectively marked " S4 ".

2. I also caused a circular letter to the like effect as the advertisement
 together with a proper form of proxy and a copy of the scheme of arrange-
 ment set forth in the schedule to the said Order to be sent to each of the
 persons appearing upon the Bank's Books in the London Office to be a
 Creditor of the Bank (other than as stated in the said Order) and also to
 each of the persons appearing from the said Books to be a contributory
 of the Bank and respectively having an address within the United Kingdom
 or on the Continent of Europe so far as such addresses were known to me.
 Copies of the circular letter and form of proxy sent to the Creditors are 30
 now produced to me and marked respectively S5 and S6. Copies of the
 Circular letter and form of proxy sent to the Contributories are now
 produced to me and marked respectively S7, S8.

3. The proxies used at the said meetings referred to in the above
 paragraph were deposited at the office in London of the Bank before
 10 a.m. on Monday 7th August. I presided at the said meetings.

4. The document now produced to me and marked S9 is a copy of
 the Report made by me to the Judge of the result of the meetings of creditors
 and contributories of the above named Bank held under the Joint Stock
 Companies Arrangement Act 1870 on the 8th August 1893. The said 40
 Report is correct.

SWORN at 33 Carey Street Lincoln's Inn
 in the County of London this 9th day }
 of August 1893

C. J. STEWART.

Before me,

C. H. CRANE,
 A Commissioner for Oaths.

(L.S.)

No. 00138 of 1893.
No. 00141 of 1893.

Exhibits.

“ K ”

IN THE HIGH COURT OF JUSTICE.
COMPANIES WINDING UP.
MR. JUSTICE VAUGHAN WILLIAMS.

Companies (Winding Up).
Filed 10 Aug. 93.

Copies of the documents now on the file of the High Court of Justice in England (Companies Winding up) in relation to the Old Scheme of Arrangement, *continued.*

IN THE MATTER of the Joint Stock Companies Arrangement Act 1870

and

IN THE MATTER of the Companies Acts 1862 to 1890

10

and

IN THE MATTER of The Queensland National Bank Limited.

I, CHARLES JOHN STEWART the Senior Official Receiver of the Court and Chairman of the Meetings of Creditors and Contributories held on the 8th day of August 1893 convened and held under the provisions of the Joint Stock Companies Arrangement Act 1870 and in pursuance of an Order of the Court dated the 31st day of July 1893 hereby Report to the Court :—

1. That the following Resolution was moved and seconded and duly submitted at the Meetings of Creditors and Contributories over which I presided namely :—

“ That this Meeting having considered the scheme of arrangement proposed between the Queensland National Bank Limited and its Creditors set forth in the Schedule to the Order of the Court of 31st July 1893 hereby approves of the said Scheme subject to the amendment of Clause 7 by inserting the letter (a) between the words ‘ clause ’ and ‘ negotiable ’, and the letter (b) between the words ‘ or ’ and ‘ inscribed ’ in that clause.”

2. That the said Meeting was attended personally by 30 Creditors, whose Claims against the said Bank amount to £32,808.14.9 and the Scheme of Reconstruction referred to in the said Resolution was assented to and approved by all the said Creditors present in person—The total result of the Voting for or against the Scheme of Reconstruction is shewn by the following Table :—

Creditors	For Scheme		Against Scheme		Total	
	No. of Creditors	Amount	No. of Creditors	Amount	No. of Creditors	Amount
Creditors present in person ..	30	32,808 : 14 : 9	—	—	30	32,808 : 14 : 9
Creditors represented by proxy	1,257	796,363 : 3 : 0	1	300	1,258	796,663 : 3 : 0
Total ..	1,287	829,171 : 17 : 9	1	300	1,288	829,471 : 17 : 9

Exhibits.
 ———
 " K "
 Copies of the documents now on the file of the High Court of Justice in England (Companies Winding up) in relation to the Old Scheme of Arrangement, *continued.*

3. That the amount of Assents required under the provisions of the Joint Stock Companies Arrangement Act to justify the presentation of a Petition to confirm the said Scheme is £622,103.18.4 and as shewn by the above Table, a majority in number were in favour of the Scheme, and the actual amount required was exceeded by the sum of £207,067.19.5.

4. That there were present at the said Meeting of Contributories in person 19 Contributories. The result of the voting for or against the Scheme of Reconstruction was as follows :—

Contributories	For Scheme			Against Scheme			Total		
	No. of Contribut's.	No. of Shares	No. of Votes	No. of Contribut's.	No. of Shares	No. of Votes	No. of Contribut's.	No. of Shares	No. of Votes
Contributories present in person	19	1,710	48	—	—	—	19	1,710	48
Contributories represented by proxy	443	31,953	823	—	—	—	443	31,953	823
Total ..	462	33,663	871	—	—	—	462	33,663	871

10

5. And I hereby further report that the whole of the Contributories present either in person or by proxy at the said Meeting agreed to the 20 Scheme of Reconstruction proposed.

Dated this 8th day of August 1893.

(L.S.)

C. J. STEWART,
 Chairman.

IN THE HIGH COURT OF JUSTICE.
 Companies Winding Up.
 Mr. JUSTICE VAUGHAN WILLIAMS.

No. 00138 of 1893.
 No. 00141 of 1893.
 Companies (Winding up).
 Filed 9 Aug. 93.

Filed 9 August 1893.

30

Stamp
 Duty
 2/-

(L.S.)

IN THE MATTER of the Companies Acts 1862 to 1890.
 IN THE MATTER of the Joint Stock Companies Arrangement Act 1870.

IN THE MATTER of the Queensland National Bank Limited.

I, JAMES WATSON DICKINSON of Princes Street Marmion House in the City of London the London Manager of the above named Queensland National Bank Limited (hereinafter called the Bank) make oath and say as follows :—

1. I have read a Copy of the Petition presented in these matters on this 9th day of August 1893.

40

2. The statements contained in paragraphs 2 and 3 are true. The Book now produced to me and marked J.W.D1 contains a copy of the Memorandum and Articles of Association of the Bank and of the Resolutions which from time to time previously to the commencement of the liquidation had been passed amending same and of the Act of Parliament of the Queensland Legislature passed on 4th October 1876 mentioned in paragraph 7 of the said Petition.

3. The statements contained in paragraph 4 are true.

10 4. The statements contained in paragraphs 5, 6 and 7 are true. The document now produced to me and marked J.W.D2, is the Deed Poll mentioned in paragraph 6.

5. The statements contained in paragraphs 8, 9 and 10 are true. The figures contained in paragraphs 9 and 10 are based partly upon the books of the Bank kept at the London Office and partly upon telegrams which have been received from the Head Office since the suspension. After payment of the sum of £360,000 out of the English assets as mentioned in paragraph 14 of the Petition there is still a sum of upwards of £100,000 Cash in hand besides sundry other assets not exceeding with the said sum of Cash £200,000 in England.

20 6. The statements contained in paragraphs 11 to 22 are true. I refer also to the following Affidavits and the telegrams therein set forth and the Exhibits therein referred to, namely :—

(1)	Affidavit of myself	sworn and filed 6 June
(2)	” ” ”	” ” ” 6 ”
(3)	” ” C. J. Stewart	” ” ” 8 July
(4)	” ” E. S. Dawes	” ” ” 31 ”

30 A copy of the Queensland Act of Parliament referred to in paragraph 15 and a copy of the Supplement to the Queensland Government Gazette containing the Governor's Assent to the said Act were received by Mail yesterday 8th August at the London Office and are now produced to me and marked J.W.D.3, J.W.D.4.

7. The statements contained in paragraph 23 are true. On 13th July 1893 the London Office received from the Head Office of the Bank a telegram from which the following is an extract :—

“ Queensland Government consents omit words ‘ full subject however to the ’ Clause 5.”

8. The statement contained in paragraph 24 is true. I refer also to the Affidavit of Sir James Francis Garrick, sworn and filed 31st July 1893 and the Exhibit therein referred to.

40 9. The statements contained in paragraphs 25, 26, 27 and 28 are true. On the 4th August instant the London Office received from the Head Office of the Bank a telegram of which the following is a copy :—

“ This telegram is intended for Official Receiver. Court verbally amended Scheme inserting letter A between words ‘ clause ’ and ‘ negotiable ’ and letter B between words ‘ or ’ and ‘ inscribed ’ Clause 7.”

Exhibits.
“ K ”
Copies of the documents now on the file of the High Court of Justice in England (Companies Winding up) in relation to the Old Scheme of Arrangement,
continued.

Exhibits. I refer also the said Affidavit of the said Edwyn Sandys Dawes sworn and filed 31st July.

“ K ”

Copies of the documents now on the file of the High Court of Justice in England (Companies Winding up) in relation to the Old Scheme of Arrangement, *continued.*

10. On 7th August instant the London Office received from the Head Office a telegram of which a copy is now produced to me and marked J.W.D.5.

11. The Members of the London Board of Directors of the Bank are :—

Edwyn Sandys Dawes, 13 Austin Friars London E.C. Merchant and Shipowner.

Charles Edward Burnett, Edge Grove, Watford, Herts, Esquire. 10

Vicary Gibbs, 15 Bishopsgate Street Within London, E.C., Esquire, M.P.

Robert Müter Stewart, 51 Milton Street, London, E.C., Merchant.

12. I am able to make this Affidavit partly from my own knowledge and partly from information received by me as London Manager of the Bank including the telegrams in this Affidavit or in the before mentioned Affidavits referred to.

SWORN at 26 Austin Friars in the City of London this 9th day of August 1893 } J. W. DICKINSON. 20

Before me,

H. HEMING JOHNSON,
A Commissioner for Oaths.

IN THE HIGH COURT OF JUSTICE. Companies Winding Up. No. 00138 of 1893. No. 00141 of 1893. Companies (Winding up). Filed 9 Aug. 93.

Mr. JUSTICE VAUGHAN WILLIAMS.

IN THE MATTER of the Companies Acts 1862 to 1890

and

IN THE MATTER of the Joint Stock Companies Arrangement Act 1870

and

IN THE MATTER of the Queensland National Bank Limited. 30

NOTICE OF MOTION.

TAKE NOTICE that this Court will be moved on Friday the 11th day of August 1893 at 10.30 of the clock in the forenoon or as soon thereafter as Counsel can be heard by Counsel on behalf of Sir Charles Nicholson, Baronet, and Major General Sir William Henry Rhodes Green, C.B..

K.C.S.I. Creditors of the above-named Bank that all future proceedings in the winding up may be stayed except so far as may be necessary for carrying out the Scheme of Arrangement mentioned in the Petition in the above Matters presented this day and that the Official Receiver and Provisional Liquidator may be at liberty to hand over to Edwyn Sandys Dawes, Charles Edward Burnett, Vicary Gibbs and Robert Muter Stewart the London Directors of the Bank or as they may direct the assets now in the possession or under the control of the said Official Receiver and Provisional Liquidator or such part thereof as this Court may think fit.

Exhibits.
 " K "
 Copies of the documents now on the file of the High Court of Justice in England (Companies Winding up) in relation to the Old Scheme of Arrangement, *continued.*

10 AND FURTHER TAKE NOTICE that special leave to serve you with this Notice of Motion for the day aforesaid has this day been obtained from His Lordship Mr. Justice Vaughan Williams.

Yours &c.

MURRAY HUTCHINS STIRLING & MURRAY,
 11 Birchin Lane, London,
 Solicitors for the above-named Creditors.
 9th August 1893.

20 To the Queensland National Bank Limited
 and to Charles John Stewart the Official
 Receiver and Provisional Liquidator
 thereof.

No. 00138 of 1893.
 No. 00141 of 1893.

IN THE HIGH COURT OF JUSTICE.
 Companies Winding Up.
 Mr. JUSTICE VAUGHAN WILLIAMS.

Filed _____ 1893.

IN THE MATTER of the Companies Acts 1862 to 1890.

30 IN THE MATTER of the Joint Stock Companies Arrangement
 Act 1870.

Stamp
 Duty 2/-
 (L.S.)

IN THE MATTER of the Queensland National Bank Limited.

I EDWYN SANDYS DAWES of 13 Austin Friars in the City of London Merchant and Shipowner make oath and say as follows :—

1. I was the Chairman of the London Board of Directors of the abovenamed Bank (hereinafter called the Company) prior to the commencement of the liquidation.

2. Referring to the Affidavit of Charles John Stewart the Official Receiver and Provisional Liquidator of the Company sworn and filed

Exhibits.

—
“ K ”

Copies of
the
documents
now on the
file of the
High Court
of Justice
in England
(Com-
panies
Winding
up) in
relation to
the Old
Scheme of
Arrange-
ment,
continued.

on the 8th July instant I say that on the said 8th July the following telegram was received at the London Office of the Bank from the Head Office in Brisbane :—

“ This telegram is intended for Official Receiver Court have altered date of meeting in London to 24th July.”

3. In pursuance of the Order made by the Supreme Court of Queensland dated the 30th June 1893 (a copy of which Order is Exhibit S 2 to the said Affidavit of the said Charles John Stewart) I undertook the duties specified in the said Order (the said Charles John Stewart not having undertaken the same) and I caused an advertisement convening a meeting 10 of the creditors of the Company in the United Kingdom on the 24th July instant to be inserted in “ The Times ” “ The Scotsman ” and “ Freemans Journal ” of 15th July instant. The three Newspapers now produced to me and marked respectively D 1 D 2 and D 3 are “ The Times ” “ The Scotsman ” and the “ Freemans Journal ” of that date each containing the said advertisement I also sent a Circular letter dated 11th July instant with copy Scheme of Arrangement annexed to each of the Creditors of the Company in the United Kingdom in terms of the said Order of the 30th June 1893. The printed paper now produced to me and marked D 4 is the said Circular letter dated 11th July instant with copy Scheme of 20 Arrangement annexed.

4. The Meeting of Creditors of the Company was held on the 24th July instant in London and I presided thereat. The number of Creditors present at such meeting in person or by proxy was 1238 the amount of their debts was £857,302 and they unanimously agreed to the said scheme of arrangement with certain amendments which are shewn in red ink on the printed copy of the scheme which is now produced to me and marked D 5. The first page of the said print contains a copy of the Resolution which was passed unanimously by the said Meeting.

5. On the 3rd July instant the London Office of the Bank had 30 received a telegram from the Head Office from which the following is an extract :—

“ Winding Order will not be made here Court has ordered
“ no meeting of shareholders considered unnecessary Directors
“ propose to call meeting of shareholders here consider scheme
“ suggest that you should act similarly.”

Acting on such suggestion I also caused to be sent a circular letter dated 11th July instant with copy scheme of arrangement annexed to each of the shareholders of the Company in the United Kingdom. The printed paper now produced to me and marked D 6 is the said circular 40 letter dated 11th July instant with copy scheme of arrangement annexed.

6. On the said 24th July instant I presided at the meeting of the shareholders of the Company so convened in London. The number of shareholders present at such meeting in person or by proxy was 474. The number of shares held by them was 34751 and they unanimously assented to the amended scheme of arrangement mentioned in the last preceding

paragraph of this Affidavit. The printed paper now produced to me and marked D 7 contains a copy of the Resolution which was passed unanimously by the said meeting of shareholders.

Exhibits.

“ K ”

7. In terms of the said Order of the 30th June 1893 I reported the result of the said Meeting of Creditors to the Registrar of the Supreme Court of Queensland by telegraph on the 24th July instant and in such telegram I gave the text of the amendments to the scheme. A copy of the telegram containing my said report is now produced to me and marked D 8. On the 27th July instant (being the date of the meeting of creditors of the Company in Brisbane) I received a telegram from the Head Office of the Company at Brisbane from which the following is an extract :—

Copies of the documents now on the file of the High Court of Justice in England (Companies Winding up) in relation to the Old Scheme of Arrangement, *continued.*

“ This telegram is intended for E. S. Dawes Amended scheme
“ was carried unanimously at the meeting Creditors applying Court
“ sanction scheme 31st July.”

On the same 27th July 1893 I received a further telegram from the Head Office of the Company at Brisbane of which the following is a copy :—

This telegram is intended for E. S. Dawes. Shareholders meeting today—scheme carried unanimously. Resolutions altering Articles of Association passed.

8. I have this day received the following telegram from the Head Office of the Company.

“ Scheme sanctioned by Court today business will be resumed Wednesday morning.”

Sworn at Number 15 Austin Friars in
the City of London this 31st day of
July 1893

EDWYN S. DAWES

Before me

H. HEMING JOHNSON,
A Commissioner for Oaths.

Exhibits.

" K "

Copies of
the
documents
now on the
file of the
High Court
of Justice
in England
(Com-
panies
Winding
up) in
relation to
the Old
Scheme of
Arrange-
ment,
continued.

Stamp
Duty 2/-

No. 00138 of 1893

No. 00141 of 1893

Filed 1893

IN THE HIGH COURT OF JUSTICE.

Companies Winding Up

Mr. JUSTICE VAUGHAN WILLIAMS

Companies (Winding Up)

Filed 31 Jul. 93

IN THE MATTER of the Companies Acts 1862 to 1890

IN THE MATTER of the Joint Stock Companies Arrangement
Act 1870

IN THE MATTER of the Queensland National Bank Limited 10

I, JAMES FRANCIS GARRICK of No. 1 Victoria Street Westminster
Q.C. K.C.M.G. make oath and say as follows :—

1. I am the Agent General of the Government of the Colony of
Queensland.

2. On the 25th July instant I received a telegram from the Government
of Queensland a copy of which is now produced to me and marked G1.

SWORN at No. 2 Old Brand St in the }
City of London this 31st day of July } JAMES F. GARRICK
1893 }

Before me

20

SIDNEY S. J. STEADMAN

A Commissioner to administer Oaths in the
Supreme Court of Judicature.

(L.S.)

No. 00138 of 1893

No. 00141 of 1893

Exhibits.

" K "

Filed 1893

IN THE HIGH COURT OF JUSTICE.

Companies Winding Up

Mr. JUSTICE VAUGHAN WILLIAMS

Companies (Winding up)

Filed 31 Jul. 93.

Copies of the documents now on the file of the High Court of Justice in England (Companies Winding up) in relation to the Old Scheme of Arrangement, continued.

IN THE MATTER of the Companies Acts 1862 to 1890

IN THE MATTER of the Joint Stock Companies Arrangement Act 1870

10

IN THE MATTER of the Queensland National Bank Limited

I JAMES WATSON DICKINSON of Princes Street in the City of London the London Manager of the abovenamed Bank make oath and say as follows :—

1. Sir Charles Nicholson of The Grange Totteridge Herts Baronet one of the applicants named in the originating summons herein is a creditor of the above named Bank for £6,000 being the amount of a deposit standing in his name in the books of the Bank.

Stamp
Duty 2/-

20 Major General Sir William Henry Rhodes Green C.B., K.C.S.I. of 93 Belgrave Road London S.W. the other applicant named in the originating summons herein is a Creditor of the above named Bank for £1,200 being the amount of a deposit standing in his name in the Books of the Bank.

3. I am able to make this affidavit of my own personal knowledge.

SWORN at Princes Street in the City }
of London this 31st day of July 1893 } J. W. DICKINSON

Before me

H. HEMING JOHNSON

A Commissioner for Oaths.

(L.S.)

Exhibits.

" K "

Copies of
the
documents
now on the
file of the
High Court
of Justice
in England
(Com-
panies
Winding
up) in
relation to
the Old
Scheme of
Arrange-
ment,
continued.

Royal
Courts of
Justice
Stamp

Duty 10/-
31.7.93

By Special
Leave

1012
No. 00138 of 1893
No. 00141 of 1893

IN THE HIGH COURT OF JUSTICE.

Companies Winding Up

Mr. JUSTICE VAUGHAN WILLIAMS

IN THE MATTER of the Companies Acts 1862 to 1890

and

IN THE MATTER of the Joint Stock Companies Arrangement
Act 1870

10

IN THE MATTER of the Queensland National Bank Limited

LET the Official Receiver and Provisional Liquidator of the above named Company attend at the office of the Registrar at the Bankruptcy Buildings, Carey Street, London, on Monday the 31 day of July 1893 at 3.30 o'clock in the afternoon, on the hearing of an application of Sir Charles Nicholson Bart and Major General Sir William Henry Rhodes Green C.B., K.C.S.I. creditors of the above named Company for an order in terms of the annexed minutes or such other order as the Court may think fit.

Dated the 31 day of July 1893.

THIS SUMMONS was taken out by Murray Hutchins Stirling & Murray 20
of 11 Birchin Lane London Solicitors for the Applicants.

NOTE.—If you do not attend, either in person or by your Solicitor, at the time and place above-mentioned, such order will be made, and proceedings taken as the Judge (or Registrar) may think just and expedient.

(L.S.)

No. 00138 of 1893.
No. 00141 of 1893.

Exhibits.

IN THE HIGH COURT OF JUSTICE.
Companies (Winding Up).
Mr. JUSTICE VAUGHAN WILLIAMS.

IN THE MATTER of the Companies Acts 1862 to 1890
and

IN THE MATTER of The Queensland National Bank Limited.

“ K ”
Copies of the documents now on the file of the High Court of Justice in England (Companies Winding up) in relation to the Old Scheme of Arrangement, *continued.*

No. C. 87
Memorandum of Advertisement or Gazetting

Companies (Winding up)
Filed
29 Jul 93

Name of Paper	Date of Issue	Date of Filing	Nature of Order, &c.
10 The London Gazette	July 18	July 20	Winding Up Order
	(L.S.)		

(Signed) J. C. DIXON.

Exhibits.

No. 00138 of 1893.

No. 00141 of 1893.

" K "

Copies of the documents now on the file of the High Court of Justice in England (Companies Winding up) in relation to the Old Scheme of Arrangement, continued.

Stamp
Duty 2/-

IN THE HIGH COURT OF JUSTICE. Companies (Winding up).
Companies Winding up. Filed 8 Jul 93.

Mr. JUSTICE VAUGHAN WILLIAMS.

IN THE MATTER of the Companies Acts 1862 to 1890.

IN THE MATTER of the QUEENSLAND NATIONAL BANK LIMITED.

I CHARLES JOHN STEWART of 33 Carey Street in the County of London the Official Receiver and Provisional Liquidator of the above-named Company make oath and say as follows:— 10

1. I refer to the two Affidavits of James Watson Dickinson both filed the 6th June 1893 copies of which I have perused.

2. On 27th June last the London office received by post from the Head Office of the Company at Brisbane copy of an Order dated 17th May 1893 made in the Supreme Court of Queensland In the Matter of the Companies Acts 1863 to 1892 and In the Matter of the Queensland National Bank Limited appointing Edward Robert Drury Provisional Official Liquidator of the Company in Queensland. A copy of the said Order received by the London Office is now produced to me and marked S1.

3. On 29th June last I received from the Head Office of the Company at Brisbane the following cablegram:— 20

" This telegram is intended for Official Receiver Queensland
" National Bank Agreement bill has passed Parliament—Colonial
" Treasurer after careful investigation reported Parliament
" Queensland National Bank perfectly solvent will telegraph
" completed scheme Friday."

Saturday 1st

C.H.C. 4. On ~~Monday 3rd~~ 1 July instant I received from the Head Office of the Company at Brisbane a cablegram despatched from Brisbane on 1st July a copy of which is as follows:— 30

" This telegram is intended for the Official Receiver. Sent to
" you Reuters Telegraph Company Court Order amended scheme
" form proxy please accept the same as official."

C.H.C. On the ~~Monday~~ 3rd July instant I received through Reuter's Telegram Company Limited two cablegrams both despatched from Brisbane 1st July the one containing a copy of an Order of the Supreme Court of Queensland dated the 30th June 1893 and the other containing a scheme of arrangement between the Company and its creditors referred to in the said Order. Copies of the said Order and the said scheme of arrangement are now produced to me and marked respectively S2 (order) and S3 (scheme). 40
The copy of the scheme is printed partly in black and partly in red the red type shewing the alterations made in the draft scheme originally telegraphed to the London Office (as mentioned in the first Affidavit of the said James Watson Dickinson).

5. The 30th July the date named in the Order (Exhibit S2) being a Sunday I telegraphed on 4th July to the Head Office asking to have the date altered to 31st July. On 5th July I received the following cablegram in reply :—

“ Referring to your telegram of 4th July referring to our telegram of 1st July evidently mutilated in transmission meeting in London 13th July not 30th July Please reply to this telegram and say if it is perfectly understood by you.”

6. It being impracticable to call a meeting in London on 13th July in terms of the order of the Supreme Court of Queensland of 30th June I telegraphed on 5th July to Brisbane in reply asking to have the date for the meeting in London altered to 24th July.

7. On this 7th July instant I received the following cablegram in reply :—

“ This telegram is intended for Official Receiver referring to your telegram of 5th July impossible to get judge before tomorrow you can rely Court altering date of meeting in London 24th July.”

Exhibits.
 “ K ”
 Copies of the documents now on the file of the High Court of Justice in England (Companies Winding up) in relation to the Old Scheme of Arrangement,
continued.

Sworn at 33 Carey Street in the City County
 of London this 8 day of July 1893. }

C. J. STEWART.

C.H.C

20 Before me,
 C. H. CRANE,
 A Commissioner for Oaths.

(L.S.)

Exhibits.

" K "

Copies of the documents now on the file of the High Court of Justice in England (Companies Winding up) in relation to the Old Scheme of Arrangement, *continued.*

IN THE HIGH COURT OF JUSTICE.
Companies Winding Up.

Mr. JUSTICE GORELL BARNES.
Sitting as Vacation Judge at Chambers.

Friday the 26th day of May 1893.

IN THE MATTER of the Companies Acts 1862 to 1890

and

IN THE MATTER of THE QUEENSLAND NATIONAL BANK
LIMITED.

10

Royal
Courts of
Justice
Stamp
Duty 5/-
26.5.93.

Upon the application by Summons dated the 25th May 1893 of the above named Company the Respondents named in the petitions hereinafter referred to and upon hearing the Solicitors for the Applicants and for Reginald Byard Buchanan Clayton the Petitioner named in the petition preferred unto this Court in the above mentioned matter on the 16th May 1893 and for Henry Darley Livingstone the Petitioner named in the petition preferred unto this Court in the matter of the above mentioned Acts and of the above named Company (00138 of 1893) on the 15th May 1893 and upon reading the said petition preferred by the said Reginald Byard Buchanan Clayton the affidavit of the said Reginald Byard Buchanan Clayton filed the 18th May 1893 verifying the said petition the affidavit of Edwyn Sandys Dawes filed the 25 May 1893 and the affidavit of James Watson Dickinson filed this day The Court doth hereby appoint Mr. Charles John Stewart the Official Receiver attached to this Court to be Provisional Liquidator of the above named Company And the Court doth hereby limit and restrict the powers of the said Official Receiver as such Provisional Liquidator to the following acts that is to say To take possession of collect and protect the assets of the said Company but not to distribute or part with the same until further order Liberty to apply as to the appointment of a Special Manager and otherwise as there may be occasion.

20

30

J. E. LINKLATER,
Registrar 27.5.93.

(L.S.)

IN THE HIGH COURT OF JUSTICE.
Companies (Winding Up).

(L.S.)

Mr. JUSTICE VAUGHAN WILLIAMS.

“ K ”
Copies of the documents now on the file of the High Court of Justice in England (Companies Winding up) in relation to the Old Scheme of Arrangement, continued.

IN THE MATTER of the Companies Acts 1862 to 1890

and

IN THE MATTER of THE QUEENSLAND NATIONAL BANK LIMITED.

16 May 1893.

To Her Majesty's High Court of Justice.

10

The Court doth order that all parties concerned do attend hereon on Wednesday the 7 day of June 1893 at the Royal Courts of Justice, Strand, London, and hereof give Notice forthwith.

THE HUMBLE PETITION of REGINALD BYARD BUCHANAN CLAYTON of 88 Bishopsgate Street Within in the City of London, Colonial Agent.

SHEWETH as follows :—

Royal Courts of Justice Stamp Duty £2/-/- 16.5.93

1. The above named Queensland National Bank Limited (hereinafter called the Company) was incorporated in the year 1872 under the Companies Statute of 1863 of the legislature of the Colony of Queensland Australia as a Company limited by Shares. The head Office of the Company is situate in Brisbane in the said Colony of Queensland.

20

2. The registered office of the Company for the purposes of The Companies (Winding up) Act 1890 is situate at No. 29 Lombard Street in the City of London.

3. The objects for which the Company was established are :—

To receive money on Loan or Deposit or otherwise and either with or without giving any security of the Company or upon any property of the Company for any such money.

30

To negotiate loans of all descriptions upon any terms as to profit or remuneration and to lend money on the security of any description of property real or personal including stock or shares and other choses in Action or on bonds or other obligations or any other kind of personal security or without taking security.

To issue Bank Bills and Bank Notes and to buy sell exchange or otherwise deal in all kinds of negociable securities and also in gold and other precious metals and money and to grant Letters of Credit on Agents or connections of the Company or other persons.

To transact any other Banking or Agency or Financial Business of any description and other objects set forth in the Memorandum of Association.

40

4. The nominal capital of the Company is £2,000,000 divided into 200,000 Shares of £10 each of such shares 160,000 of such Shares have been issued on which the sum of £5 per Share has been paid up.

(L.S.)

Exhibits.

“ K ”
Copies of
the
documents
now on the
file of the
High Court
of Justice
in England
(Com-
panies
Winding
up) in
relation to
the Old
Scheme of
Arrange-
ment,
continued.

5. The Office of the Company in London situate at No. 29 Lombard Street aforesaid is its principal place of business in the United Kingdom. The Head Office of the Company is at Brisbane in Queensland and it has numerous branches in Queensland and elsewhere in Australia.

6. Your Petitioner is a Creditor of the Company as the holder for value of a Bill of Exchange for £82.16. payable at the London Office three days after sight, such Bill of Exchange was duly presented for Acceptance but was not accepted by the Company and the whole amount thereof is now due by the Company to your Petitioner.

7. The Company has suspended payment and is unable to pay its 10 debts and it is just and equitable that it should be wound up.

8. The Company possesses valuable assets in the United Kingdom which it is necessary to get in and protect. It is therefore expedient that the Official Receiver should be appointed provisional Liquidator of the Company with liberty to appoint a special Manager.

YOUR PETITIONER therefore humbly prays as follows :—

1. That the Queensland National Bank Limited may be wound up under the provisions of the Companies Acts 1862 to 1890 and that for such purpose all necessary and proper directions may be given, or, 20
2. That such further or other Order may be made in the premises as to the Court shall seem meet.

AND your Petitioner will ever pray, &c.

NOTE.—It is intended to serve this Petition on the Queensland National Bank Limited at 29 Lombard Street in the City of London.

(L.S.)

IN THE HIGH COURT OF JUSTICE.

Companies (Winding Up).

Mr. JUSTICE VAUGHAN WILLIAMS.

IN THE MATTER of the Companies Acts 1862 to 1890

and

IN THE MATTER of THE QUEENSLAND NATIONAL BANK LIMITED.

HER MAJESTY'S HIGH COURT OF JUSTICE.

10

THE HUMBLE PETITION of HENRY DARLEY LIVINGSTONE
of 34 De Vere Gardens in the County of London Justice
of the Peace,

“ K ”
Copies of
the
documents
now on the
file of the
High Court
of Justice
in England
(Com-
panies
Winding
up) in
relation to
the Old
Scheme of
Arrange-
ment,
continued.

SHEWETH as follows :—

1. The Queensland National Bank Limited (hereinafter called the Company) was in 1872 incorporated in Brisbane Queensland as a Company Limited by Shares. The Head Office of the Company is situate in Brisbane in the said Colony of Queensland.

Royal
Courts of
Justice
Stamp
Duty
£2/-/-
15.5.93

2. The registered Office of the Company for the purposes of the Companies (Winding Up) Act 1890 is situate at 29 Lombard Street in the City of London.

3. The objects for which the Company was established are as follows :—

To receive money on loan or deposit or otherwise with power to give Bonds Debentures or other obligations or security for any money received and for interest.

To lend money on the security of any description of property real or personal.

30 To issue Bank Bills of any kind and Bank Notes payable to Bearer, at sight or on demand, and to buy sell exchange or otherwise deal in all kinds of negotiable securities.

To transact any Banking Agency or financial business of any description, and other objects set forth in the Memorandum of Association.

4. The nominal Capital of the Company is £2,000,000 divided into 200,000 Shares of £10 each, 160,000 of such Shares have been issued £5 on each of which shares has been paid up.

5. The Office of the Company in London is situate at 29 Lombard Street aforesaid which is its only place of business in the United Kingdom.

The Court doth order that all parties concerned do attend hereon on Wednesday the 7 day of June 1893 at the Royal Courts of Justice, Strand, London, and hereof give Notice forthwith.

15 May 1893.

Exhibits.

“ K ”

Copies of the documents now on the file of the High Court of Justice in England (Companies Winding up) in relation to the Old Scheme of Arrangement, *continued.*

6. The Company has assets in the United Kingdom consisting it is believed of several thousands of pounds.

7. There is a liability of £5 per share on the above-mentioned 160,000 shares.

8. Your Petitioner is a Creditor of the Company for £2,700 which sum your Petitioner has deposited with the Company and for which your Petitioner holds the Company's receipt.

9. The Company has suspended payment and is unable to pay its debts and it is just and equitable that it should be wound up.

YOUR PETITIONER therefore humbly prays as follows :— 10

(1) That The Queensland National Bank Limited may be wound up under the provisions of the Companies Acts 1862 to 1890 and that for such purpose all necessary and proper directions may be given.

(2) That such further or other Order may be made in the premises as to the Court shall seem meet.

AND your Petitioner will ever pray &c.

NOTE.—It is intended to serve this Petition on the Queensland National Bank Limited at its registered Office 29 Lombard Street in the City of London

20

(L.S.)

Copy of Agreement between the Colonial Treasurer of Queensland and the Q.N. Bank.

" L "

AGREEMENT made and entered into this Twentieth day of September One thousand eight hundred and ninety-three Between The Honourable HUGH MUIR NELSON the Colonial Treasurer of Queensland (hereinafter called " the Treasurer ") for and on behalf of the Government of Queensland (hereinafter called " the Government ") of the one part and THE QUEENSLAND NATIONAL BANK LIMITED (hereinafter called " the Bank ") of the other part Whereas the Bank suspended payment on the 15th day of May one thousand eight hundred and ninety-three And whereas at the date of such suspension of payment as aforesaid the sum of Two million three hundred and sixty thousand pounds was due and owing by the Bank to the Government And whereas by The Queensland National Bank Limited Agreement Act of 1893 it is enacted (inter alia) that it shall be lawful for the Treasurer to enter into an Agreement on behalf of the Government with the Bank whereby the payment of the said sum due to the Government by the Bank may be deferred as in the said Act is provided Now therefore this Agreement witnesseth that the said parties to these presents have agreed and do hereby mutually covenant and agree in manner following that is to say :—

Copy of Agreement between the Colonial Treasurer of Queensland and the Q.N. Bank, 20th September 1893.

1. As to Two million pounds sterling part of the said sum of Two million three hundred and sixty thousand pounds so due and owing by the Bank to the Government as aforesaid that repayment shall be made by twelve equal half-yearly instalments commencing from the first day of July One thousand eight hundred and ninety-nine and that the said sum of Two million pounds or so much thereof as from time to time may remain unpaid shall bear interest at the rate of four and a half per centum per annum commencing from the date of this agreement and payable half-yearly thereafter.

2. As to Three hundred and sixty thousand pounds the balance of the said sum of Two million three hundred and sixty thousand pounds so due and owing by the Bank to the Government as aforesaid that repayment shall be made in such sum or sums as the Treasurer shall from time to time demand upon giving six calendar months' notice, but not exceeding in any one period of six consecutive calendar months the sum of One hundred thousand pounds.

3. That the said sum of Three hundred and sixty thousand pounds or so much thereof as from time to time may remain unpaid shall bear interest at the rate of $4\frac{1}{2}$ per centum per annum commencing from the date of this agreement and payable half-yearly thereafter.

In witness whereof the said Colonial Treasurer has hereunto set his hand and the Common Seal of the said Bank has been hereunto affixed the day and year first above written.

Signed by the said Honourable Hugh Muir Nelson the Colonial Treasurer of Queensland in the presence of } (Sgd.) HUGH M. NELSON.

E. B. CULLEN.

Exhibits.
 " L "
 Copy of Agreement between the Colonial Treasurer of Queensland and the Q.N. Bank, 20th September 1893, continued.

Given under the Common Seal of the Queensland National Bank Limited and the hands of Frederic Hamilton Hart and Boyd Dunlop Morehead two of the Directors thereof this twentieth day of September 1893 by Order of the Board of the twentieth day of September 1893 in the presence of

(Common Seal)
 F. HART
 B. D. MOREHEAD } *Directors.*

E. R. DRURY,
 General Manager.

10

ON REVERSE.]

The paper writing contained on this and the preceding sheet numbered 189 is a copy of the Agreement marked with the letter " L " mentioned and referred to in the affidavit of Fred Pace and produced and shown to him at the time of swearing such affidavit at Brisbane in the State of Queensland this eleventh day of August, 1949, before me :

A. L. RAFF, J.P.,
 A Justice of the Peace.

F. PACE,
 Deponent.

20

" M "
 Copy of Circular Letter sent by the General Manager of the Q.N. Bank to the Managers of its several branches in Australia, 3rd November 1893.

" M "

Copy of Circular Letter sent by the General Manager of the Q.N. Bank to the Managers of its several branches in Australia.

All communications to be addressed to " THE GENERAL MANAGER "

(By Registered Post)
 The Queensland National Bank Limited,
 General Manager's Office,
 Brisbane, 3rd November, 1893.

Circular No. 331.
 To
 The Manager.
 Sir,

30

SCHEME OF ARRANGEMENT.

DEPOSIT RECEIPTS.

I enclose, herewith, the following forms of Deposit Receipt for issue in terms of Clause 6 of our Scheme of Arrangement :—

1. . . . Forms, to meet the case of FIXED DEPOSITS which were CURRENT at the date on which our Scheme of Arrangement was

sanctioned by the Supreme Court of Queensland, viz., 31st July, 1893, and exceeding in amount the sum of £200. *Exhibits.*

2. . . . Forms, to meet the case of FIXED DEPOSITS similar to the above, but not exceeding in amount the sum of £200. " M "

3. . . . Forms, to meet the case of FIXED DEPOSITS which MATURED between the date of our suspension of payment, viz., 15th May 1893, and the date on which our Scheme of Arrangement was sanctioned by the Supreme Court of Queensland, viz., 31st July 1893, both days inclusive, and exceeding in amount the sum of £200. These forms also apply to CURRENT ACCOUNTS exceeding in amount the sum of £200. Copy of Circular Letter sent by the General Manager of the Q.N. Bank to the Managers of its several branches in Australia, 3rd November 1893, *continued.*

10

4. . . . Forms, to meet the case of FIXED DEPOSITS similar to the above, but not exceeding in amount the sum of £200. These forms will also apply to CURRENT ACCOUNTS not exceeding in amount the sum of £200.

All Fixed Deposits which matured prior to the date of our suspension of payment may be treated for all purposes as Current Accounts. Before the new Receipts are drawn out, a total sum of £50—or the balance only if it be less than £50—is to be paid to any Depositor who had money at Fixed Deposit coming under this head. If the Depositor has already been paid any sum on account of a Current Account, he will now be paid not more than the difference between the amount already paid and £50. You must at once advise any of your customers whose funds are so released.

20

With these forms a supply of relative Requisition Slips is sent to you. The signature of the Depositor must be obtained to a sufficient number of these to place you in a position to hold one for each Deposit Receipt you issue, and this instruction will equally apply to every subsequent transferee.

In connection with FIXED DEPOSITS which MATURED on or between the date of our suspension of payment, viz., 15th May, 1893, and the date on which our Scheme of Arrangement was sanctioned by the Supreme Court of Queensland, viz., 31st July, 1893, you will have learnt by Clause 6 of the Scheme that interest on such Fixed Deposits is to continue at the rate they then carried, until their due date, and thereafter at $4\frac{1}{2}\%$ per annum. And by the second paragraph of the same clause, you will have observed that such interest required to be paid, to the date of the maturity of the Fixed Deposit, on the day after the Bank re-commenced business.

30

As regards FIXED DEPOSITS which had NOT MATURED by the date the sanction of the Supreme Court was given, Clause 6 of the Scheme will have informed you that the rate of interest on such Fixed Deposits will remain the same until the date of expiry, and be $4\frac{1}{2}\%$ per annum thereafter.

40

Concerning CURRENT ACCOUNTS, Clause 6 of the Scheme will have shown you that interest thereon will be at the rate of $4\frac{1}{2}\%$ per annum from the date on which the Supreme Court sanctioned the Scheme, viz., the 31st July, 1893.

Exhibits.
 “ M ”
 Copy of
 Circular
 Letter sent
 by the
 General
 Manager of
 the Q.N.
 Bank to
 the
 Managers
 of its
 several
 branches in
 Australia,
 3rd
 November
 1893,
continued.

As the interest on the different moneys does not run at a uniform rate from the same date, it has been necessary to prepare two separate forms of Deposit Receipt, viz., one for moneys which were bearing interest at the date of our suspension of payment and one for moneys which did not bear interest at that time. To give you an example as to how the forms should be filled up, I shall take—(1) the case of a Fixed Deposit at 12 months which does not expire until, say, the 1st January, 1894. The Deposit Receipt should read :—“ Received from No. . . . the sum of as a Deposit “ as a Deposit repayable . . . years . . . months ” (whatever time the Deposit has to run) “ from 31st July, 1893, and bearing interest as from 1st of 10
 “ January, 1893, until 1st January, 1894, at the rate of 5% per annum and
 “ thereafter at the rate of 4½% per annum payable half-yearly from
 “ 1st January, 1894, until due date, and subject to the conditions endorsed
 “ hereon.” And (2) the case of a Fixed Deposit which matured, say, on
 the 1st July, 1893. The Deposit Receipt should then read :—“ Received
 “ from No. . . . the sum of . . . as a Deposit repayable . . . years . . . months ”
 (whatever time the Deposit has to run) “ from 31st July, 1893, and bearing
 “ interest at the rate of 4½% per annum payable half-yearly from 1st July,
 “ 1893, until due date and subject to the conditions endorsed hereon.”
 And (3) the case of a Current Account not bearing interest. The Deposit 20
 Receipt should run :—“ Received from No. . . . the sum of as a Deposit
 “ repayable . . . years . . . months ” (whatever time the Deposit has to run)
 “ from 31st July, 1893, and bearing interest at the rate of 4½% per annum
 “ payable half-yearly from 31st July, 1893, until due date, and subject
 “ to the conditions endorsed hereon.”

Although the payments of interest on the Deposits fall due on a diversity of dates, the repayments of the principal sums are fixed at uniform periods beginning on the 31st day of July, 1899, and every six months thereafter, until the full amount due has been discharged, so that every Deposit Receipt must bear date the 31st day of July, 1893, as the 30
 date of issue. Provision for this has, therefore, been made by inserting that date in all the forms.

The wording of forms Nos. 2 and 4 will show that only one form is to be used when the amount is £200 or under.

It has not been thought necessary to furnish you with a special Register in which to record particulars of the Deposit Receipts, as it is considered that the present Fixed Deposit Register can be suitably employed for that purpose. That portion of the Fixed Deposit Register in which these Deposits are recorded will be known as the “ Deposit Register ”.

40

You will set apart a full page of the Register for each Depositor’s account, and record the different Receipts, one below the other, in the order of the due date of the Deposits, commencing, of course, with the Deposit which matures first. The various interest payments are to be shown thereunder, using one line only to particularise each block of the half-yearly payments on the several Deposits so as to economise the available space.

The Deposit Register must be written up and thoroughly checked before writing out the Receipts, which must always be compiled from that book. The book will require to be indexed.

Exhibits.

“ M ”

Copy of
Circular
Letter sent
by the
General
Manager of
the Q.N.
Bank to
the
Managers
of its
several
branches in
Australia,
3rd
November
1893,
continued.

The account entitled “ Deposit Receipts ” now in your books, is to be extinguished, and any sums which may have been passed to the credit of it since the resumption of business must at once be transferred to the credit of the Depositor in the Individual Ledger. Care must, of course, be taken to see that the existing Receipt is obtained before any such sum is paid over.

- 10 The amounts now standing to the credit of “ Suspended Current Accounts ” and “ Suspended Fixed Deposits ” are to be transferred, en bloc, to a new account to be opened and called “ Deposit Receipts ”. This latter account is to be shown in your Assets and Liabilities Book immediately underneath “ Fixed Deposits at 12 months ”.

- 20 When a Deposit, or portion thereof, is transferred, cross entries will have to be passed through the books as a record of the same. Any such transactions must appear in the Weekly Returns under the heading of “ Deposit Receipts ” on page 8. The cancelled Deposit Receipts must be forwarded with the Weekly Return in which the particulars of the transfer appear, and must be impressed “ Cancelled ” across the front. The pen must also be drawn through the signatures of the Manager and Accountant.

- 30 A Return giving full details of the various Deposits current, and showing the date up to which interest on each Deposit has been paid, as also the amount of interest accrued at the date of such Return, will require to be made with each half-yearly Balance Book. At the foot of each Return, a summary must be given showing the total amount of the Deposits falling due at the several periods. These amounts are to be added up, and a grand total shown to agree with the sum appearing under the head of “ Deposit Receipts ” in the Abstract of Balances on page 2 of the Balance Book.

For all interest payments made, you will require to obtain a receipt in duplicate, the original to be kept at the Branch as a voucher in support of the relative debits to your Interest Due on Deposits, and Interest Paid, Accounts, and the duplicate to be sent to this office with the Weekly Return in which the debits to those accounts appear.

If any payment of interest were to fall due on a Sunday, or Bank Holiday, it should be treated as being payable on the first business day thereafter.

- 40 In issuing the 12 Deposit Receipts, you are requested to include in the Deposit maturing on the 31st July, 1899, any odd pounds shillings and pence which may remain over after dividing the pounds of the Depositor’s balance by 12. For instance, let us take a Deposit of say, £586.19.3. Divide the pounds by 12 and it will run out thus :—

£	s.	d.
12)586	19	3

£48 and £10.19.3 over.

Exhibits.

This deposit would, therefore, be divided into :—

“ M ”	1 Receipt of £58.19.3	.. ..	£58 19 3
Copy of Circular Letter sent by the General Manager of the Q.N. Bank to the Managers of its several branches in Australia, 3rd November 1893, <i>continued.</i>	11 Receipts of £48 each	.. ..	528 0 0
			£586 19 3
			£586 19 3

This instruction will also apply in cases where one Receipt only is used. You can only amalgamate the different moneys, if any, at credit of a Depositor if the date of payment of interest thereon runs from the same day.

Before the Receipts are issued they must be most carefully checked by at least two officers, neither of whom—where the number of the staff permits—should take part in the preparation of the Receipts, so as to make the check as perfect as may be. The butt of the Receipt must be signed—not initialled—by the two officers who sign the Receipt itself, and in cases where other officers check a Receipt, they, too, must sign the butt.

Care must be taken to see that the butts contain all the particulars for which space has been provided. The butts of Deposit Receipts used are to be forwarded, by registered post, to the Branch Accountant at the end of each half-year.

The old Fixed Deposit Receipts, as received, are to be sent to the Branch Accountant once in each week accompanied by covering advice. 20

In cases where an advance was made, before the date of our suspension of payment, against a Fixed Deposit, the amount of such advance and interest is to be deducted before preparing the Deposit Receipt/s, thus extinguishing the advance from your books. If, after this operation, the amount due to the customer should be under £12 it may be paid in cash, without interest, and so square accounts.

You can also release any balance either at Fixed Deposit or Current Account which is under £12 allowing no interest thereon.

In the number of forms supplied to you we have endeavoured to gauge your requirements as nearly as possible. If the number be short of what you want, you will, of course, ask for a further supply ; but if it be in excess you will be good enough to return, by registered post, to the Branch Accountant, those forms which you do not require. 30

It would be as well to retain . . . of each form, so as to provide for any transfers which may be made.

In the case of a transfer, a new Deposit Receipt/s must be issued to the transferee, who must sign a Requisition Slip/s before the Receipt/s is are handed over. The signature to the Requisition Slip/s is to be regarded as a matter of the utmost consequence, as it may be a most important factor in identifying the holder of a Deposit. The amount of duty required upon a transfer of a Deposit, in the form endorsed on the Receipts is 2s. 6d., which may be denoted by an adhesive stamp.

You will not wait until you are asked for an instrument in acknowledgment of your holding the funds of any customer, but at once recall all existing Fixed Deposit Receipts, and, on receipt of the same, issue Deposit Receipts in exchange therefor.

It must, of course, be understood that, if an advance has been made to a Depositor since the date of our suspension of payment, it will in no way interfere with a Receipt/s being made out for such Depositor.

20

In connection with any advances made against Deposits, I have to say that if, after computing the interest due by the Bank to the Depositor, the same is found to be greater than the interest due by the Depositor to the Bank, the excess must not be paid over to the Depositor but placed in reduction of the advance made.

It may, perhaps, be as well also, to remind you that the sum not exceeding £50 made available out of each Current Account balance will not, under any circumstances, bear interest, seeing that the amount was absolutely released in terms of our Scheme of Arrangement.

In numbering these Deposit Receipts, you will be good enough to use the initial letters which have been assigned to your Branch, in connection with your Fixed Deposit Receipts, and then number the Receipts from " 1 " upwards.

The Directors do not propose, at least for the present, to issue any other instrument than the form of Deposit Receipt now sent to you.

These new forms will have to be guarded as carefully as your present Fixed Deposit Receipt forms, and you will be required to account for each form. To facilitate this, a record must be kept at the back of the Deposit Register showing the manner in which they are disposed of. Any Receipts which may be spoiled must be forwarded, by registered post, to the Branch Accountant with covering advice. A statement giving particulars of the forms on hand must be rendered with each half-yearly Balance Book.

In conclusion, I have to enjoin your particular attention to the contents of this Circular, and to request you to see that the instructions contained in it are carried out in their entirety. It is hoped that the information

Exhibits.

" M "

Copy of
Circular
Letter sent
by the
General
Manager of
the Q.N.
Bank to
the
Managers
of its
several
branches in
Australia,
3rd
November
1893,
continued.

Exhibits.
 " M "
 Copy of
 Circular
 Letter sent
 by the
 General
 Manager of
 the Q.N.
 Bank to
 the
 Managers
 of its
 several
 branches in
 Australia,
 3rd
 November
 1893,
continued.

now afforded to you, coupled with the wording of the forms of Deposit Receipt, and the conditions, &c., endorsed thereon, will place you in a position to deal with any case which may arise in connection with these new forms. If, however, any point should present itself upon which you have any doubt, you can always refer to me for directions.

I am,
 Sir,
 Your obedient Servant,
 E. R. DRURY,
 General Manager.

10

ON REVERSE.]

The paperwriting contained on this and the six preceding sheets numbered 190 to 195 is the paperwriting marked with the letter " M " mentioned and referred to in the affidavit of FRED PACE and produced and shown to him at the time of swearing the said affidavit at Brisbane in the State of Queensland this eleventh day of August 1949 before me :

F. PACE.
 Deponent.

A. L. RAFF, J.P.,
 A Justice of the Peace.

" N "
 Copy of
 Agreement
 between
 the
 Colonial
 Treasurer
 of
 Queensland
 and the
 Q.N. Bank,
 13th
 December
 1893.

" N "
 Copy of Agreement between the Colonial Treasurer of Queensland and the Q.N. Bank. 20

COPY

MEMORANDUM OF AGREEMENT made and entered into this 13th day of December one thousand eight hundred and ninety-three, BETWEEN THE HONOURABLE HUGH MUIR NELSON, Esquire, the Treasurer of Queensland, hereinafter designated " The Treasurer," for and on behalf of the Government of Queensland, hereinafter designated " The Government," of the one part, and the " QUEENSLAND NATIONAL BANK LIMITED," hereinafter designated " The Bank," of the other part Whereas the said Bank has proposed to do and transact the General Government Banking Business of the Colony, from the Twenty-first day of September, one thousand eight hundred and ninety-three, until the termination of this Agreement, upon the terms and conditions, and at the rates and for the payments and considerations, hereinafter expressed : And Whereas His Excellency the Governor has, with the advice of the Executive Council, approved of the said proposal being accepted by the Government, and the same has been accepted accordingly : Now, therefore, it is hereby agreed by and between the parties hereto in manner following, that is to say :—

30

1. The Bank undertakes to receive from the Bank of England in London without charge all moneys derived from the proceeds of Loans, and to hold the same at the disposal of the Treasurer subject to the conditions hereinafter set forth. 40

2. When the average weekly balance in favour of the Government in London exceeds £100,000, the Bank shall allow interest on such excess at the rate of one pound per cent. below the minimum market rate charged by the principal Joint Stock Banks on three months' bills, rising and falling therewith, provided that the Interests to be allowed by the Bank on such weekly balance in excess of £100,000 shall not at any time exceed the rate of four per cent. per annum. Provided that the Bank in London shall not be obliged to hold at interest at any one time more than £100,000. Provided also that in cases where the amount standing to the credit of the Government exceeds £200,000, special arrangements for interest are to be made, and if no agreement can be come to the Government are to be at liberty to place the amount in excess of £200,000 elsewhere.

3. When the amount standing to the credit of the Government in Brisbane exceeds £100,000 special arrangements for interest are to be made, and if no agreement can be come to the Government are to be at liberty to place the amount in excess of £100,000 elsewhere. Provided that whenever the total amount in the hands of the Bank at Brisbane falls below £100,000 the Government shall make good the deficiency out of the deposits (if any) in other Banks as they mature.

4. The Bank shall conduct the exchange business of the Government with London on such terms as may be mutually agreed upon between the Bank and the Treasurer.

5. The Bank shall, as often as required, make remittances of Government Funds to or from places within the Colony at Par. No extra charge except Telegraphic charge shall be made for forwarding the usual Customs collections to Brisbane, by wire. The Bank shall also arrange to render Government Cheques drawn on Brisbane negotiable at Par at any Bank in the Colony, and shall only charge the Government such rates of exchange as it has to pay in order to make such cheques negotiable at Par.

6. The Bank's charge for payments made in London, and in the other Australian Colonies, on account of the Half-yearly Interest on the Public Debt, shall be one-quarter per cent., including commission and exchange. For such payments to the Bank of England and in Brisbane no charge shall be made.

7. The Bank shall make remittances to or from the neighbouring Colonies at Par; for any special payments in other Australian Colonies, such as the retirement of Treasury Bills, or other payments of magnitude not coming within the definition of ordinary Government Business, the Bank's charges shall be one-eighth per cent., including commission and exchange.

8. For payments in London to the Agent-General of the Colony, or the Postmaster-General of England, no charge shall be made, except for actual expenses incurred when such payments are required to be made by wire; and for other payments in London, involving the receipt of Documents, Bills of Lading, &c., the Bank's charge shall be one-eighth per cent.

Exhibits.

“ N ”

Copy of Agreement between the Colonial Treasurer of Queensland and the Q.N. Bank, 13th December 1893,
continued.

Exhibits.
" N "
Copy of
Agreement
between
the
Colonial
Treasurer
of
Queensland
and the
Q.N. Bank,
13th
December
1893,
continued.

9. This Agreement shall continue in force for one year certain, from the twenty-first day of September, One thousand eight hundred and ninety-three, and may be terminated thereafter by either party giving six months' notice in writing.

As Witness the respective Signatures of The Honourable Hugh Muir Nelson, as such Colonial Treasurer, and of Edward Robert Drury, C.M.G., as General Manager of the Queensland National Bank Limited, on behalf of the said Bank.

Signed by the said Hugh Muir Nelson,
as such Colonial Treasurer as afore-
said, in the presence of

HUGH M. NELSON. 10

T. M. KING.

Signed on behalf of the Company, this
13th day of December One thousand
eight hundred and ninety-three, by
order of the Board of Directors in
that behalf, in the presence of

E. R. DRURY.

G. H. PRITCHARD.

ON REVERSE]

The paperwriting contained on this and the two preceding sheets 20 numbered 196 and 197 is the paperwriting marked with the letter " N " mentioned and referred to in the affidavit of FRED PACE and produced and shown to him at the time of swearing the said affidavit at Brisbane in the State of Queensland this eleventh day of August 1949 before me :

F. PACE,
Deponent.

A. L. RAFF, J.P.,
A Justice of the Peace.

“ O ”

**Copy of Deposit Receipt issued in Queensland by the Q.N. Bank in pursuance of the Old
Scheme of Arrangement.**

“ O ”
Copy of
Deposit
Receipt
issued in
Queensland
by the
Q.N. Bank
in
pursuance
of the
Old
Scheme of
Arrange-
ment,
31st July
1893.

"0"

FORM N^o 2

DEPOSIT RECEIPT.

£ 20 - 0 - 0

REPAYABLE AS ENDORSED



1st No 86

31st July 1893

Received from 1st No 86 the sum of Seventy pounds

as a Deposit repayable at the periods and in the amounts stated on the back hereof
 and bearing interest as from 16th November 1892 until 16th November 1893
 at the rate of Five (5) per cent per annum and thereafter at the rate of 4 1/2 per cent
 Per annum payable half yearly from 16th November 1893 until due date and
 subject to the conditions indicated hereon for The Queensland National Bank Limited.

John A. Cairns, Accountant
 J. Perry, Esq., Manager



CONDITIONS.

- (1) This Deposit Receipt is not negotiable by endorsement or delivery. Only the person whose name is entered in the Bank's Deposit Register Book as the proprietor of the within mentioned Deposit (hereinafter called "the registered proprietor") shall be entitled to the benefit thereof, and the Bank shall not be bound to recognise any right in any person other than the registered proprietor.
- (2) Upon this Receipt being left at the office of the Bank from which it is issued with the form of order hereunder duly completed and signed by the registered proprietor, the Deposit will be transferred in the Deposit Register Book to the credit of the person named in such order, and such person will thenceforth be recognised by the Bank as sole owner of the Deposit subject to these conditions.
- (3) Payment of principal or interest will only be made to the registered proprietor on production of this Receipt.
- (4) Interest will cease at the date of maturity of the Deposit indicated on this Receipt.

ORDER FOR TRANSFER.

To The Queensland National Bank Limited.

Please transfer to the credit of

of _____ the within mentioned Deposit of

now standing to my credit in the Bank's Deposit Register Book.

Dated this _____ day of _____ 18

Witness

[Signature] James Mahoney
Registered Proprietor.

SCHEDULE OF REPAYMENTS OF PRINCIPAL

NO. OF INSTALMENT	DATE PAYABLE	AMOUNT.			DATE PAID.	OFFICER'S SIGNATURE ON PAYMENT.
		£	s.	d.		
First	31st July, 1899	15				
Second	31st Jan., 1900	5				
Third	31st July, 1900	5				
Fourth	31st Jan., 1901	5				
Fifth	31st July, 1901	5				
Sixth	31st Jan., 1902	5				
Seventh	31st July, 1902	5				
Eighth	31st Jan., 1903	5				
Ninth	31st July, 1903	5				
Tenth	31st Jan., 1904	5				
Eleventh	31st July, 1904	5				
Twelfth	31st Jan., 1905	5				

SCHEDULE OF INTEREST PAYMENTS.

DATE PAYABLE	AMOUNT.			DATE PAID.	OFFICER'S SIGNATURE ON PAYMENT.
	£	s.	d.		
16 Oct. 1893	3	10		16 April 1894	John A. Cairnes
16 May 1894	1	11	6	16 June 1894	John A. Cairnes
16 Oct. 1894	1	11	6	16 July 1894	John A. Cairnes
16 May 1895	1	11	6	16 May 1895	John A. Cairnes
16 Nov. 1895	1	11	6	16 Nov 1895	John A. Cairnes
16 May 1896	1	11	6	16 May 1896	John A. Cairnes
16 Nov. 1896	1	11	6	16 Nov 1896	John A. Cairnes
16 Oct. 1897	1	11	6	16 Oct 1897	John A. Cairnes

The paperwriting contained on this and the preceding sheet numbered 200 is the paperwriting marked "O" mentioned and referred to in the affidavit of FRED PACE and produced and shown to him at the time of swearing the said affidavit at Brisbane in the State of Queensland this eleventh day of August 1949, before me:

F. PACE

Deponent

A.L. RAFF J.P.

A Justice of the Peace.

“ P ”

**Copy of Specimen Form of Deposit Receipt issued by the London Branch of the Q.N. Bank
in pursuance of the Old Scheme of Arrangement.**

Exhibits.

“ P ”

Copy of
Specimen
Form of
Deposit
Receipt
issued by
the
London
Branch of
the Q.N.
Bank in
pursuance
of the
Old
Scheme of
Arrange-
ment,
30th
September
1893.

L. [Redacted]

The Queensland National Bank Limited

Rivers, Queensland,
London, E.C.

No 1

30th Sep 1893.

Received from

the sum of £1000 deposited to be accounted for to the Depositor
as a Third Deposit repayable in London on 31st Jan 1902 & bearing
Interest from _____ at the rate of 4 1/2 per cent
per annum payable half yearly on 30th June & 31st December.

For The Queensland National Bank Limited.

Manager.

Accountant.



This receipt cannot be drawn against by cheque or otherwise, and must be delivered to the Bank at maturity with the subjoined receipt, signed by the Depositor before payment.

Interest will cease to be payable as from maturity of the deposit.

Warrants for the interest will be sent by post half yearly to the Depositor at his registered address. Notice of any change of Address should at once be given to the Bank.

Received the amount of the within deposit

Depositor's Signature
in payment.

TO: SIAM

Date

The paperwriting contained on this and the preceding sheet numbered 204 is the paperwriting marked "P" mentioned and referred to in the affidavit of FRED PACE and produced and shown to him at the time of swearing the said affidavit at Brisbane in the State of Queensland this eleventh day of August 1949, before me:

F. PACE

Deponent

A. L. RAFF J.P

A Justice of the Peace

“ Q ”

Copy of Specimen Form of Deposit Receipt to Bearer issued by the London Branch of the Q.N. Bank in pursuance of the Old Scheme of Arrangement.

Exhibits.

“ Q ”

Copy of Specimen Form of Deposit Receipt to Bearer issued by the London Branch of the Q.N. Bank in pursuance of the Old Scheme of Arrangement, 30th September 1893.

OUTSTANDING RECEIPT TO BEARER.

1.7'

£ 100 | 31st July, 1903.
advice

To whom issued

Amount £

Date of deposit receipt

Signed
by

THE OVERSEAS NATIONAL BANK LIMITED

No 1

The Overseas National Bank Limited, hereby acknowledge hereby to

have received from
the sum of
£ 100 deposited in London at the Office of the Bank to the bearer
hereof on 31st July, 1903, and a Year interest from 30th June, 1903, at the rate
of 5% per cent per annum payable half-yearly on 1st January and 1st July.
This deposit receipt is subject to the conditions endorsed hereon

for The Overseas National Bank Limited.

Signed
A. Brown, Bank London 87
30th October, 1903
Manager
Accountant

10	THE OVERSEAS NATIONAL BANK LIMITED, LONDON. DEPOSIT RECEIPT TO BEARER. £100. 31st July, 1903. 5% per cent per annum payable half-yearly on 1st January and 1st July. This deposit receipt is subject to the conditions endorsed hereon for The Overseas National Bank Limited.
11	THE OVERSEAS NATIONAL BANK LIMITED, LONDON. DEPOSIT RECEIPT TO BEARER. £100. 31st July, 1903. 5% per cent per annum payable half-yearly on 1st January and 1st July. This deposit receipt is subject to the conditions endorsed hereon for The Overseas National Bank Limited.
12	THE OVERSEAS NATIONAL BANK LIMITED, LONDON. DEPOSIT RECEIPT TO BEARER. £100. 31st July, 1903. 5% per cent per annum payable half-yearly on 1st January and 1st July. This deposit receipt is subject to the conditions endorsed hereon for The Overseas National Bank Limited.
13	THE OVERSEAS NATIONAL BANK LIMITED, LONDON. DEPOSIT RECEIPT TO BEARER. £100. 31st July, 1903. 5% per cent per annum payable half-yearly on 1st January and 1st July. This deposit receipt is subject to the conditions endorsed hereon for The Overseas National Bank Limited.
14	THE OVERSEAS NATIONAL BANK LIMITED, LONDON. DEPOSIT RECEIPT TO BEARER. £100. 31st July, 1903. 5% per cent per annum payable half-yearly on 1st January and 1st July. This deposit receipt is subject to the conditions endorsed hereon for The Overseas National Bank Limited.
15	THE OVERSEAS NATIONAL BANK LIMITED, LONDON. DEPOSIT RECEIPT TO BEARER. £100. 31st July, 1903. 5% per cent per annum payable half-yearly on 1st January and 1st July. This deposit receipt is subject to the conditions endorsed hereon for The Overseas National Bank Limited.
16	THE OVERSEAS NATIONAL BANK LIMITED, LONDON. DEPOSIT RECEIPT TO BEARER. £100. 31st July, 1903. 5% per cent per annum payable half-yearly on 1st January and 1st July. This deposit receipt is subject to the conditions endorsed hereon for The Overseas National Bank Limited.
17	THE OVERSEAS NATIONAL BANK LIMITED, LONDON. DEPOSIT RECEIPT TO BEARER. £100. 31st July, 1903. 5% per cent per annum payable half-yearly on 1st January and 1st July. This deposit receipt is subject to the conditions endorsed hereon for The Overseas National Bank Limited.
18	THE OVERSEAS NATIONAL BANK LIMITED, LONDON. DEPOSIT RECEIPT TO BEARER. £100. 31st July, 1903. 5% per cent per annum payable half-yearly on 1st January and 1st July. This deposit receipt is subject to the conditions endorsed hereon for The Overseas National Bank Limited.
19	THE OVERSEAS NATIONAL BANK LIMITED, LONDON. DEPOSIT RECEIPT TO BEARER. £100. 31st July, 1903. 5% per cent per annum payable half-yearly on 1st January and 1st July. This deposit receipt is subject to the conditions endorsed hereon for The Overseas National Bank Limited.
20	THE OVERSEAS NATIONAL BANK LIMITED, LONDON. DEPOSIT RECEIPT TO BEARER. £100. 31st July, 1903. 5% per cent per annum payable half-yearly on 1st January and 1st July. This deposit receipt is subject to the conditions endorsed hereon for The Overseas National Bank Limited.

CONDITIONS.

1. The interest on the within mentioned principal sum will be payable as it accrues due only on presentation and delivery of the relative Coupon annexed. Each Coupon must be left for examination at the Office of the Bank in London at least three days before the due date.

2. The principal sum and interest for which this Deposit Receipt is issued will be paid without regard to any equities between the Bank and the original or any intermediate holder hereof and the delivery of this Deposit Receipt or of any of the said Coupons to the Bank by whatsoever made shall be a good discharge for the principal sum and interest therein respectively specified.

3. As between the Bank and all holders of this Deposit Receipt and the Coupons annexed it is declared that the same are and shall be treated as negotiable and transferable by delivery.

The paperwriting contained on this and the preceding sheet numbered 208 is the paperwriting marked "Q" mentioned and referred to in the affidavit of FRED PACE and produced and shown to him at the time of swearing the said affidavit at Brisbane in the State of Queensland this eleventh day of August 1949, before me:

F. PACE

Deponent

A.L. RAFF J.P.

A Justice of the Peace.

Copy of Agreement between the Treasurer of Queensland and the Q.N. Bank.

" R "

Copy of
Agreement
between
the
Treasurer
of
Queensland
and the
Q.N. Bank,
24th
November
1897.

AGREEMENT made and entered into this twenty-fourth day of November 1897, Between The Right Honourable Sir HUGH MUIR NELSON, Treasurer of Queensland, for and on behalf of Her Majesty's Government of Queensland (hereinafter called " the Government,") of the one part, and THE QUEENSLAND NATIONAL BANK, LIMITED (hereinafter called " the Bank ") of the other part : Whereas by an Agreement dated the 20th day of September, 1893, and made between The Honourable Sir Hugh Muir Nelson, the Treasurer of Queensland, of the one part, and the Bank of the other part, and being the Agreement entered into under the authority of " The Queensland National Bank, Limited (Agreement) Act of 1893 " (and hereinafter called " the old Agreement"), it was agreed that a certain principal sum of £2,360,000 which was then owing by the Bank to the Government should be repaid by the instalments and at the dates therein specified, and that the said principal sum or so much thereof as from time to time might remain unpaid should bear interest at the rate of 4½ per centum per annum, payable as therein provided : And whereas since the date of the old Agreement, sums amounting in the aggregate to £526,674 have been paid by the Bank to the Government in reduction of the said principal sum of £2,360,000 and the said principal sum has been thereby reduced to the sum of £1,833,326 which still remains owing by the Bank to the Government, but all interest payable under the terms of the old Agreement has been paid up to the end of the 31st day of March, 1897 : And whereas by " The Queensland National Bank, Limited (Agreement) Act of 1896," it was amongst other things enacted that it should be lawful for the Treasurer to enter into any Agreement or Agreements on behalf of the Government whereby any moneys due and owing or to become due and owing by the Bank to the Government under the terms of " the old Agreement " should be repayable only at such time or times and in such manner and until repayment should bear interest only at such rate or rates as in the said Act provided and that any such Agreement might be made in addition to or in substitution for or as a variation of any of the terms of the old Agreement : And whereas it is desirable that this Agreement should be made in substitution for " the old Agreement " :

Now, therefore, this Agreement witnesseth that the said parties to these presents have agreed, and do hereby mutually covenant and agree in manner following, that is to say :—

1. As to £1,374,994.10s. part of the said sum of £1,833,326 so due and owing by the Bank to the Government as aforesaid, that (unless repayment is sooner made at the option of the Bank as hereinafter provided) repayment shall be made by the Bank, in five equal annual instalments, which shall respectively be due and payable upon the 1st day of July in the years 1917, 1918, 1919, 1920 and 1921.

2. That the said sum of £1,374,994.10s., or so much thereof as for the time being remains unpaid, shall bear interest from the 31st day of March, 1897, at a rate which shall never be less than 3½ (three and a-half) per centum per annum. Provided that the amount for the time being payable for interest upon the said sum of £1,374,994.10s., or so much

Exhibits.
 " R "
 Copy of
 Agreement
 between
 the
 Treasurer
 of
 Queensland
 and the
 Q.N. Bank,
 24th
 November
 1897,
continued.

thereof as for the time being remains unpaid, shall never be less than an amount equal to $2\frac{1}{2}$ per centum per annum upon the whole of the hereinbefore mentioned sum of £1,833,326, or so much thereof as for the time being remains unpaid: all such interest as aforesaid shall be due and payable on the 30th day of June and the 31st day of December in each and every year until the whole of the said sum of £1,374,994.10s. has been repaid.

3. As to £458,331.10s. the balance of the said sum of £1,833,326 so due and owing by the Bank to the Government as aforesaid that repayment thereof shall be made by the Bank from and to the extent of such proportion 10
 of the half-yearly profits as shall not be less than 25 per centum thereof after deducting from the total of such half-yearly profits such sum as the Directors of the Bank may think proper to set aside to meet contingencies.

Provided that if the said balance of £458,331.10s. is not sooner repaid out of such profits as aforesaid, or by repayments made at the option of the Bank as hereinafter provided, the said balance of £458,331.10s. or so much thereof as for the time being remains unpaid shall become due and payable on the first day of July, 1921.

Provided also that no interest shall be payable by the Bank in respect of the said balance of £458,331.10s. 20

4. That the Bank may from time to time, and at any time after the expiration of five years from the 12th day of May, 1897, upon giving the Treasurer six calendar months' notice of its intention so to do, repay the said sum of £1,374,994.10s., or any part thereof, notwithstanding that the time hereinbefore expressed as the time for such repayment has not arrived, together with all interest for the time being due in respect of the moneys so repaid, but no such repayment shall be made unless an equal proportion of the said balance of £458,331.10s., if not previously repaid, is repaid to the Government at the same time so that no repayment of the said sum of £1,374,994.10s. shall be made in a greater proportionate ratio thereto than 30
 the ratio which any repayment of the said sum of £458,331.10s. bears to the said sum of £458,331.10s., and no interest shall thereafter be payable upon so much of the said sum of £1,374,994.10s. as shall have been repaid as aforesaid.

Provided that the Treasurer shall not be bound to accept at any one time any repayment which shall amount in the whole to less than the sum of £25,000.

5. That if, at any time during the currency of this Agreement, the Bank pays to any person in respect of any moneys which on the fifteenth day of May 1893, were owing by the Bank to any person other than the 40
 Government, whether such moneys were or are or become secured or represented by stock or scrip issued by the Bank or in any other manner whatsoever, interest thereupon or any payment of the nature thereof at a higher rate than $3\frac{1}{2}$ per centum per annum, then, and in every such case, notwithstanding anything hereinbefore contained, so long as such higher rate shall continue to be paid to any such other person as aforesaid the Bank shall pay to the Government, in respect of the said sum of £1,374,994.10s., or so much thereof as shall not theretofore have been repaid, interest at a rate not less than the maximum rate paid by the Bank to any such other person as aforesaid. 50

6. That otherwise than from a fund created out of the half-yearly profits of the Bank after deducting from the total of such profits such sum as the Directors of the Bank may think proper to set aside to meet contingencies, the Bank shall not at any time during the currency of this Agreement make any repayments of any principal moneys which were owing by the Bank to any person other than the Government on the 15th day of May, 1893, and that until the said sum of £458,331.10s. has been repaid by the Bank to the Government not more than 50 per cent. of such profits remaining after such reduction as aforesaid shall be available for repayments to any such person other than the Government, and such repayments shall not exceed in the aggregate an amount equal to five shillings in the pound of the principal moneys which were owing by the Bank to persons other than the Government on the 15th day of May, 1893, unless and until the whole of the said sum of £1,833,326 owing to the Government, together with such interest as shall have accrued shall have been repaid.

7. That the Bank shall not in anywise redeem any stock created or that may be created and issued by the Bank to secure or represent the moneys or any part of the moneys owing on the 15th day of May, 1893, to any person other than the Government until and unless the whole of the said sum of £1,833,326, together with such interest as shall have accrued shall have been repaid by the Bank to the Government.

8. That until the whole of the said sum of £1,833,326 and interest shall have been repaid by the Bank to the Government no interest shall be payable upon such sum or any part of such sum as shall be equal to twenty-five per centum of the moneys owing by the Bank on the 15th day of May, 1893, to any person other than the Government.

9. That no dividend shall be payable by the Bank until the said sum of £458,331.10s. has been repaid by the Bank to the Government and that thereafter no larger dividend than a dividend at the rate of $3\frac{1}{2}$ per cent. per annum shall be declared or be payable until all moneys payable to the Government under the terms of this Agreement have been duly paid.

10. That the whole of the said sum of £1,833,326, or so much thereof as shall not have been repaid, shall become and be forthwith payable to the Government in either of the following events :—

(A) If the Bank makes default, for the period of six months, in the payment of any interest due and payable to the Government under the terms of this Agreement,—and the Treasurer after the expiration of such period of six months, gives notice in writing to the Bank, requiring the immediate repayment of the said sum of £1,833,326 or such part thereof as shall not have been repaid ;

(B) If the Supreme Court of Queensland makes an order, or an effective resolution is duly passed under the provisions of “ The Companies Acts, 1863 to 1896 ” for the winding up of the Bank.

11. That, until the whole of the said sum of £1,833,326 has been repaid to the Government, the accounts of the Bank shall be examined by the Auditor-General of Queensland, or some person or persons appointed

Exhibits.

“ R ”

Copy of Agreement between the Treasurer of Queensland and the Q.N. Bank, 24th November 1897, continued.

“ R ”
Copy of
Agreement
between
the
Treasurer
of
Queensland
and the
Q.N. Bank,
24th
November
1897,
continued.

by him, once at least in every half-year, for which purpose the Bank shall deliver to the said Auditor-General a list of all books kept by the Bank ; and the said Auditor-General, or other person or persons so appointed by him as aforesaid shall at all reasonable times have access to all the books and accounts of the Bank, and may, in relation to such books and accounts, examine the Directors or any other officers of the Bank. Provided that, if the Bank has branch offices beyond the limits of Queensland, it shall, with respect to such branch offices, be sufficient compliance by the Bank with the hereinbefore mentioned requirement, if the Bank allows the said Auditor-General, or other person or persons so appointed by him as aforesaid, full access to such copies of, or extracts from, the books and accounts of any such branch office as may have been transmitted to the head office of the Bank in Brisbane. 10

In witness whereof, the said Treasurer has hereunto set his hand, and the common seal of the said Bank has been hereunto affixed, the day and year first above written.

Signed by the said Right Honourable Sir
Hugh Muir Nelson, the Treasurer of
Queensland, in the presence of } HUGH M. NELSON.

HENRY S. DUTTON,
J.P.

20

Given under the common seal of the
Queensland National Bank, Limited
and the hands of James Munro and
George Sylvester Murphy, two of the
Directors thereof, this twenty-fourth
day of November, 1897 by order of the
Board of the twenty-fourth day of
November, 1897 in the presence of } JAS. MUNRO.
G. S. MURPHY.
(L.S.)

W. V. RALSTON,
General Manager and J.P.

30

ON REVERSE]

The paper writing contained on this and the three preceding sheets numbered 211 to 213 is a copy of the Agreement marked “ R ” mentioned and referred to in the affidavit of Fred Pace and produced and shown to him at the time of swearing such affidavit at Brisbane in the State of Queensland this eleventh day of August, 1949, before me :

F. PACE,
Deponent.

A. L. RAFF, J.P.,
A Justice of the Peace.

Copy of Report by the Acting General Manager of the Q.N. Bank to the Chairman of Directors of the Q.N. Bank.

The Queensland National Bank Limited,
General Manager's Office.

Brisbane 6th March, 1896.

The Hon. F. H. Hart,
Chairman of Directors,
The Queensland National Bank, Ltd.,
Brisbane.

10

Sir,

As directed by you, I have now made a careful investigation of the affairs of the Bank so far as it is possible for me to do in the short time I have been here, and I regret to say that I find the position a most serious one, so much so, that in my opinion, without material assistance from the Depositors of the Bank under our Scheme of Arrangement, it will be impossible for the Bank to carry on beyond the date our first deferred payments are due as we shall not be able to meet them without calling in our liquid advances to an extent that would so contract our earnings as to be absolutely ruinous, and from the effects of which the Bank could never recover. Attempting such a course could only result in ultimate liquidation, as our most profitable business would be driven from us.

20

It is quite evident that the Bank cannot continue to pay the high rate of $4\frac{1}{2}\%$ interest on its Deposit Receipts to which it is bound under its Scheme of Arrangement.

At the time of our reconstruction it was clear to anyone who gave the matter serious thought that the arrangement made could only give temporary relief. In the then excited state of the public mind it was probably the best, in fact the only thing we could do short of liquidation. The Scheme of Arrangement was agreed to as the best that could be made at the time, and as you are aware it was hoped that when things became more settled, and the excitement caused by the crisis of 1893 had subsided, we would be able to make more favourable arrangements. It is therefore necessary to approach our Depositors, including the Government, with as little delay as possible with a view to obtaining a reduction of at least 2% on the rate we are now paying, that is a reduction of the rate from $4\frac{1}{2}\%$ to $2\frac{1}{2}\%$ per annum. But to approach our Depositors, particularly our British ones, with that object without being in a position to offer them absolute security, would be to court failure, and end in certain disaster, and absolute security we cannot offer without material aid from the Government. I know that public feeling regarding the future of the Bank is that we will be compelled to seek aid from the Government and that assistance when asked for will not be withheld. The Bank has always been regarded as almost a National Institution, and it is a fact that all parties in the House, from the Ministerial to the Labor Party are agreed that the Government will be called upon and required in the interests of the Colony to assist the Bank—their only difference being the nature and extent of the assistance to be given.

40

" S "

Copy of Report by the Acting General Manager of the Q.N. Bank to the Chairman of Directors of the Q.N. Bank, 6th March 1896.

Exhibits.

“ S ”

Copy of
Report by
the Acting
General
Manager of
the Q.N.
Bank to the
Chairman
of Directors
of the
Q.N. Bank,
6th March
1896,
continued.

Since the crisis of 1893 there has been a general contraction in the earning powers of Banks, lending rates have been greatly reduced, and wool and other products have been ruling extremely low, which of course has affected us considerably, and steps have been taken by the Associated Banks to still further reduce lending rates which will again contract our earnings but to which we must conform or lose the most liquid and valuable portion of our business.

Owing to large advances made against securities a great number of which have depreciated from 25 % to in some instances as much as 75 % in value since the advances were made more especially since our recon- 10
struction and the floods of 1893, and many of which have been thrown on our hands and produce little or no revenue, and advances made upon what now turns out to be inadequate security, on which interest is not now obtainable, a very large amount of our funds amounting to probably nearly £3,000,000 is locked up and absolutely earns nothing, and a considerable portion of which will eventually have to be written off. Of course this could only be done by a re-arrangement of our rate of interest on the lines laid down, which would increase our profits to an extent that would enable us to write off a considerable sum each half year until values improve again. 20

On the other hand we have many revenue producing securities thrown on our hands which do not cover the debts against them, and on which debts no interest has been charged for some time with the view of gradually working them clear. These should be written down from “Contingency” A/c., which is now in credit £200,000, to the value of the securities held, and they would then be perfectly safe debts, and the revenue from the securities could be legitimately taken into profit. I also find that interest has been charged and taken into profit on debts which will not now bear interest and on which we should cease charging.

We have also purchased the Equity of Redemption of many securities 30
which will eventually realise more than the debts against them though at present not readily saleable and the surplus from which will of course go to the credit of “Contingency A/c” and be used for the purpose of writing off. It is impossible to say how much will eventually have to be written off, as that can only be ascertained after the final realisation of the securities above referred to and which will take probably many years to effect.

I therefore now submit to you a proposed Scheme of Re-arrangement with our Depositors including the Government, which if approved of and accepted will place the Bank in an absolutely unassailable position, and 40
will enable us to provide gradually for losses and depreciations and thus adjust the debts referred to, and will give our Depositors a stock in lieu of their present Deposit Receipts which will be readily realisable and absolutely safe, and will enable the Government probably without loss or at any rate with comparatively little loss to obtain the use of the whole of their locked up funds long before our first payment under the Scheme of Arrangement is due.

The proposed re-arrangement which is set forth on separate sheets provides for the substitution of Interminable Inscribed Deposit Stock

guaranteed by the Government, and bearing $2\frac{1}{2}\%$ Interest per annum for those now held, and I am confident that any aid from the Government short of this proposal will be of little use to us. An extension of time to meet our deferred payments would be of no assistance and Banks which are re-arranging on these lines even at a largely reduced rate of interest will find when the time for payment arrives that they will have to re-arrange again.

10 The Government would absolutely run no risk by their guarantee as they have a first charge against our assets which would under any circumstances be value for the amount for which they would be liable, and as the interest to be paid by us would be £120,000 per annum less than we are paying under our existing arrangement, there can be no reasonable doubt as to our being able to meet it. As the Government desire to sell in London from time to time, which they no doubt would do, we could transfer their Interminable Inscribed Deposit Stock to our London Register as might be arranged. I am confident they could dispose of it in London as required by watching favorable opportunities, at very little loss, if any.

20 I am convinced that the assistance I have proposed you should ask from the Government involves no risk to them and is the most material to us that could be suggested, and it is quite clear to me that if this proposed re-arrangement is not accepted we must eventually go into liquidation which would cause disaster to an extent that would be impossible to calculate. The credit of the Colony itself would be endangered thereby owing to the great depreciation in the values of all property that would naturally ensue. It would be by far the most terrible calamity the Colony has yet been called upon to face, and would bring about a financial crisis which would be appalling.

30 On the other hand if this proposal is accepted it would enable us to gradually realise securities held against dead accounts and thus get in large sums that could be relent at profitable rates and the re-arrangement could be carried out without loss of business, as when it became known that the Government had decided to come to our assistance confidence in the Bank would be completely restored and as I stated before our position would be absolutely unassailable.

I am,

Sir,

Your obedient Servant,

(Sgd.) W. V. RALSTON,
Acting General Manager.

40 ON REVERSE]

The paperwriting contained on this and the two preceding sheets numbered 215 and 216 is the paperwriting marked with the letter " S " mentioned and referred to in the affidavit of FRED PACE and produced and shown to him at the time of swearing the said affidavit at Brisbane in the State of Queensland this eleventh day of August 1949 before me :

F. PACE,
Deponent.

A. L. RAFF, J.P.
A Justice of the Peace.

Exhibits.

" S "

Copy of
Report by
the Acting
General
Manager of
the Q.N.
Bank to the
Chairman
of Directors
of the
Q.N. Bank,
6th March
1896,
continued.

Exhibits.

" T "

Copy of
a Report of
the
Committee
appointed
by the
Queensland
Govern-
ment to
ascertain
the
position of
the affairs
of the
Q.N. Bank,
12th
November
1896.

Copy of a Report of the Committee appointed by the Queensland Government to ascertain the position of the affairs of the Q.N. Bank.

1896

QUEENSLAND

REPORT OF THE COMMITTEE APPOINTED TO ASCERTAIN THE POSITION OF THE AFFAIRS OF THE QUEENSLAND NATIONAL BANK, LIMITED.

Presented to both Houses of Parliament by Command.

To the Honourable THE TREASURER.

Brisbane, 12th November, 1896. 10

Sir,—Referring to your letter of 27th August, we have now the honour to inform you that we entered upon our duties and signed declarations of secrecy on the 3rd September, and that we have continued our investigations until the present time.

1. We directed our examination to the position of the Bank on the 30th June, the date of the last half-yearly balance, and were thus enabled to include the London returns up to that time. We attach copy of the Bank's Balance Sheet showing Assets and Liabilities on the above date (Appendix A), and also Balance Sheet as amended by us (Appendix B).

2. We have accepted the Auditors' Certificates in regard to the coin, 20 bullion, Treasury notes, and notes of other Banks, and also for the balances due to and by other Banks.

3. The securities at the Head Office were examined by the Auditor-General. In the case of the Branches, we took the lists prepared by the managers of each Branch, and these we compared with the certificates of the Branch Inspectors.

4. The Bank premises, Queensland and Sydney, we have passed at the amount at which they stand in the books,—which is practically cost price. Some of these properties are over-valued, while others, notably the Head Office, would realise more than cost. On the whole they are good 30 value for the amount at which they stand.

5. The London Loan Account (£680,000) represents money lent at call and is equivalent to cash. The greater portion of it was repaid on 1st July to retire Treasury Bills and pay Interest on Debentures.

6. The debts due to the Bank amount to £7,791,693. Every overdrawn account has been examined. The securities have been carefully considered in each case, and the values of Brisbane properties, both city and suburban, were fixed after consultation with Mr. F. R. Hall, who is a valuator of much experience. Pastoral properties have been valued by our colleague, Mr. Cameron, whose figures, subject to certain reductions, have been accepted. The mining scrip has been taken at current market prices. With regard to the Branch securities other than pastoral and mining, our estimates were formed from our own knowledge and experience of particular districts, from the periodical reports of Branch Inspectors and from the Half-yearly Reports of Branch Managers, confirmed in some cases by the values of local experts. In the case of Overdrafts unsecured or only partially secured, statements of liabilities and assets from many individuals and firms were submitted to us by the Bank. The Discount Accounts were carefully reviewed, together with reports as to the means and standing of acceptors.

7. Our estimate of the Bank's position is that the Liabilities exceed the Assets by £2,435,423 ; that is to say, the whole of the Paid-up Capital amounting to £899,552, the amount at credit of Profit and Loss Account, £46,955, the Contingency Account of £160,544, the Interest Suspense Account of £75,562 (amounting in all to £1,182,613), have been lost, and that there is still a deficit of £1,252,810.

8. In addition to this we find that since the reconstruction of the Bank in 1893 the sum of £747,872, has been written off as bad. Practically the whole of this loss has arisen out of transactions of old standing.

9. We have estimated values on the basis laid down in your letter of appointment, viz., that the Assets should be realised "judiciously and not by forced sales." In view of these instructions we have in all cases considered what the Bank, as a going concern, might reasonably hope to realise on its securities. We wish to emphasise this point, as the deficit would, of necessity, be largely increased by liquidation.

10. In the course of our investigation we have passed many accounts at face value which are, nevertheless, not returning interest at present, and we estimate that the unproductive advances, inclusive of the deficit, amount to about £3,000,000.

11. Up to the 31st December, 1895, interest on many accounts was taken into Profit, which should either have been carried to Interest Suspense Account or else not charged at all, and it therefore follows that the profits shown were to some extent fictitious. We are decidedly of opinion that no dividends should have been paid since the reconstruction of the Bank, but we are not now in a position to state when and to what extent dividends paid prior to that period ceased to be justifiable. Since the formation of the Bank the amount paid in dividends is £1,195,959.17.10d. so that those of the original shareholders who still retain their shares have received £10.15.4d. per share of £8 paid.

Exhibits.

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continued.

12. The provision made for losses since the formation of the Bank has been inadequate, and prior to 1893 the amount reserved was comparatively trifling.

13. The Bank notwithstanding its heavy losses, has still a good volume of sound and profitable business; and this, under careful management, should enable the creditors to realise 20s. in the £. But the rate of interest allowed on deferred deposits should be reduced as soon as possible to $2\frac{1}{2}$ per cent., otherwise the margin between revenue and expenditure will not permit of any substantial annual appropriation towards restoring the stability of the Bank. 10

14. We estimate that, even on the reduced Assets, the Bank can pay its expenses, $2\frac{1}{2}$ per cent, to its depositors, provide for current banking risks, and yet show an annual surplus of, say, £100,000. This is taking the business as it stands without allowing for improvement in values or expansion in the volume of trade. The deficit, so far as the creditors are concerned, is £1,250,000, and, under ordinarily favourable circumstances, it should be extinguished within a period of twelve to fourteen years.

15. The Working Expenses have been considerably reduced of late, and comparing the year ended 30th June, 1896, with the corresponding 20 period of 1892-3 there is a saving shown of £35,000. Further economy might, we think, be exercised in the direction of closing some of the smaller Branches which do not pay either directly or indirectly, But these and other matters of administrative detail may be safely left to the discretion of the Acting General Manager, who has wisely refrained from recommending changes to his Board during the present period of uncertainty and unrest.

16. We have no desire to forge an official link between the State and the Bank, but pending the completion of fresh arrangements we certainly think that the Government should be represented on the Board. 30
 The creditors who have had to accept extended receipts should be represented also.

17. It is impossible to judge accurately as to the prudence or imprudence of past advances in the light of present events. In view of the severe financial crisis through which we have just passed, and of the large shrinkage in values in every species of security, it is clear that each case must be judged on its own merits. Some of the accounts which now show a loss might have had what would reasonably be considered good cover when the advances were first sanctioned. However that may be, we could not offer any reliable opinion on the management in the past. 40
 save as the result of prolonged and minute investigation. But it must be obvious that grave mistakes have been made.

18. In your letter of the 20th ultimo you remind us that it is of the utmost importance, in the interests of the Colony, that you should be furnished, without any unnecessary delay, with a Report embodying our opinion "as to the relative proportions between the Liabilities and the Assets of the Bank." We fully realise the importance of the position, and we know that the Bank is suffering loss of business during this period of suspense. We have, therefore, decided to present you at once with the facts as to the position of the Bank. If further information be desired on the question of past management, it can be made the subject of separate
10 investigation.

19. You have requested us to furnish you with our views as to the best course to be adopted under the circumstances and, after giving the subject careful consideration, we desire to say at the outset that liquidation should only be resorted to as a last resource. In our judgment it would be disastrous alike to the interests of the creditors and of the country.

20. We have to report that Mr. W. V. Ralston, Acting General Manager of the Bank, submitted to us a "Proposed Scheme of Arrangement or Compromise," copy of which we attach (Appendix C). We regret to say that we are unable to agree with the proposals contained in that
20 document, for the following reasons :—

Because—

1. it provides for the conversion of the "Deferred Deposits" into "Interminable Inscribed Stock" under State guarantee. To a permanent State guarantee we are altogether opposed.
2. it proposes to cover part of the losses already sustained by writing down a portion of the paid-up share capital, all of which, as shown in this Report, has ceased to exist; and
3. it contemplates, under such circumstances, the payment of a dividend.

30 21. Although we are unable to approve of this proposal, we think that the present proprietary, with whom we deeply sympathise, should have an opportunity of submitting to you any other scheme under which the Bank could be carried on without imperilling the interests at stake, and with a reasonable prospect of securing to the creditors payment in full.

22. After careful consideration of many schemes we have decided to offer what appears to us to be the most practical suggestion, since it is based upon a clear recognition of the facts. It must, however, be obvious that the publication of our Report would materially damage, if not destroy, the credit of the Bank. Hence it becomes necessary to

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continued.

devise some means by which protection may be at once afforded to existing interests pending the completion of arrangements for placing the affairs of the Bank upon a working footing. To prevent the stoppage of the Bank, to avert what most people would regard as a public disaster, and to enable the shareholders, the holders of the deferred deposit receipts, and the Government to decide upon a future course of action, we have resolved, notwithstanding our strong aversion to any form of State guarantee, to recommend the Government to guarantee temporarily the balances at credit of current accounts, and also such of the new fixed deposits as may mature during the same period.

10

23. The Government is, we are advised, a preferential creditor, and in view of this fact we are of opinion that the best course for the depositors (i.e., the private holders of deferred deposit receipts) to take would be to convert their receipts into shares—in other words, we recommend them to obtain the consent of the shareholders and to replace them as proprietors of the Bank.

24. The capital is gone, but the shareholders are legally in possession. There are 160,000 shares issued on which there is a liability of £2 per share, or a total reserved liability of £320,000. If the shareholders will surrender what may be termed their equity of redemption to the depositors in consideration of being relieved of this liability, we recommend the Government and the depositors to grant the release. 20

25. Under the proposed arrangement the position of the new Bank would be, roughly, as follows, viz. :—

Assets	..	..	£7,670,558
Liabilities	..	..	£4,905,718*
			<hr/>
Surplus Assets			£2,764,840
			<hr/> <hr/>

* After deducting £4,017,650 amount due Depositors, and £1,182,613 Share Capital and Reserves (Appendix B).

The figures render it unnecessary to dilate on the stability of the position. But even if the depositors were to convert only two-thirds of their receipts into shares, the new Bank would still show a good surplus. In our opinion it would be wiser for them to risk more, because we think that ultimately they would gain more—but that is their affair. 30

26. We have included in the above calculation the amount owing to those current account depositors who were compelled under the late scheme of Reconstruction to accept deferred receipts. We are of opinion that the sums so held might be equitably released.

27. Credit is an asset without which no Bank can live. It has been lost by the present Bank, but it would be restored under the new proprietary. New business should be attracted by the margin of security offered to the public, since the Bank would not be resting on an artificial prop, but would stand secure on its own resources.

28. In offering this suggestion we do not desire to minimise the difficulties that lie in the way of its accomplishment. Doubtless many weighty objections can be urged against it, but probably as much may be said for any scheme of resuscitation which human ingenuity could devise.

10 After carefully considering all the objections that occurred to us, we are still of opinion that the course recommended is the simplest and the best.

29. In no other way that we know of—save under full and permanent guarantee by the State—can the depositors hope to better their position. If the Bank were to go into liquidation, and the Government were to exercise its preferential right, the depositors would get very little. Under the proposed arrangement they would stand a good chance of ultimately realising 20s. in the £, while in the meantime they could pay themselves and the Government $2\frac{1}{2}$ per cent., and show a good annual surplus besides. It is true we recommend them to forego the reserved liability of the share-

20 holders, but some of this is irrecoverable, and for the rest it is a question whether the goodwill of the business may not be regarded as a fair set-off.

30. The Government, under the proposal now submitted, should treat the new proprietors in a liberal spirit in regard to an extension of time for repayment of the Public Funds.

31. From the magnitude of the Bank's losses in the past, it may be inferred that in forming an estimate of the profits of the new Bank we have not made sufficient allowance for ordinary banking risks. We can only say that our estimate is based on actual returns since the reconstruction, and that these years are probably the most unprofitable, from a banking

30 point of view, yet experienced in Australia. Moreover, we are convinced that, under prudent management and with a better distribution of risks, disastrous losses can be avoided in the future; and if the new proprietors will only be content with $2\frac{1}{2}$ per cent. per annum for a few years, we are satisfied that actual results will justify our estimate.

32. We have merely supplied you with an outline of our proposal, as the discussion of matters of detail lie outside the scope of this Report.

33. In conclusion, we desire to thank the Acting General Manager of the Bank, Mr. W. V. Ralston, for the courtesy he has shown, and for the assistance he has rendered to us during the course of our investigation.

40 Since he assumed control of the Bank, in February last, he has faced a most difficult position with a courage worthy of all praise. We have also to acknowledge the valuable aid we have derived from the information

Exhibits.
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 12th
 November
 1896,
continued.

Exhibits. supplied to us by Mr. John Forrest, the Pastoral Inspector of the Bank, on matters connected with his department; and we are indebted, too, in a special sense to the Branch Inspector, Mr. Alexander Steuart, who has assisted us daily throughout our investigation.

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12th
November
1896.
continued.

APPENDICES TO REPORT.

Appendix A—Statement of Assets and Liabilities on 30th June, 1896, as prepared by the Bank.

Appendix B—Statement of Assets and Liabilities on 30th June, 1896, as prepared by the Committee.

Appendix C—Draft Proposed Scheme of Arrangement or Compromise, 10 submitted by the Acting General Manager, Queensland National Bank.

Appendix D—Correspondence.

We have the honour to be,

Sir,

Your obedient servants,

E. B. FORREST.
JOHN CAMERON.
E. V. REID.
E. DESHON.

APPENDIX A.

THE QUEENSLAND NATIONAL BANK LIMITED.

ASSETS AND LIABILITIES AS AT 30TH JUNE, 1896.

		LIABILITIES.		ASSETS.	
		£	s. d.	£	s. d.
Bills Payable .. .. .	.. .. .	386,783	0. 0	609,036	0. 0
Balances Due to other Banks .. .. .	.. .. .	37,961	0. 0	144,823	0. 0
GOVERNMENT DEPOSITS BEARING INTEREST—				475,706	0. 0
Receipts, Queensland .. .. .	.. .. .	1,228,326	0. 0	74,358	0. 0
Receipts, London .. .. .	.. .. .	605,000	0. 0	980	0. 0
Current Accounts .. .. .	.. .. .	691,785	0. 0	1,340	0. 0
Treasury Note Account .. .. .	.. .. .	242,000	0. 0		
Public Depositor's Account .. .. .	.. .. .	159,646	0. 0		
PRIVATE DEPOSITS BEARING INTEREST—		2,920,757	0. 0	76,078	0. 0
Receipts, Deferred .. .. .	.. .. .	4,017,650	0. 0	680,000	0. 0
Receipts, New .. .. .	.. .. .	37,793	0. 0		
Total bearing Interest		7,002,200	0. 0		
GOVERNMENT DEPOSITS NOT BEARING INTEREST—					
Queensland .. .. .	.. .. .	100,000	0. 0		
London .. .. .	.. .. .	524,279	0. 0		
PRIVATE DEPOSITS NOT BEARING INTEREST—		624,279	0. 0		
Current Accounts, etc. .. .. .	.. .. .	671,103	0. 0		
Note Contingency Account .. .. .	.. .. .	5,778	0. 0		
Total not bearing Interest		1,301,160	0. 0	253,785	0. 0
Other Liabilities (as under)		195,264	0. 0	33,506	0. 0
LIABILITIES TO SHAREHOLDERS—				457	0. 0
Capital .. .. .	.. .. .	886,830	0. 0		
Calls Paid in Advance .. .. .	.. .. .	12,713	0. 0		
Contingency Accounts .. .. .	.. .. .	160,544	0. 0		
Interest, Suspense Account .. .. .	.. .. .	75,562	0. 0		
Undivided Profits	46,955	0. 0		
Total		1,182,613	0. 0		
Total		£10,105,981	0. 0	£10,105,981	0. 0

Exhibits.

"T"

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ment to ascertain the

position of the affairs

of the Q.N. Bank,

12th November

1896.

continued.

287,748. 0. 0

NOTE EXPLANATORY OF ITEM "OTHER LIABILITIES" INCLUDED IN ABOVE BALANCE SHEET.

		£	s. d.	£	s. d.
Bills Remitted .. .. .	.. .. .	36,526	0. 0	93,770	0. 0
Branch Account .. .. .	.. .. .	3,126,585	0. 0	6,665,423	0. 0
Bills for Collection (per contra) .. .. .	.. .. .	766,481	0. 0	766,481	0. 0
Dividend Account .. .. .	.. .. .	64	0. 0	134,124	0. 0
London Office Account .. .. .	.. .. .	3,964,255	0. 0	3,043	0. 0
Exchange and Commission Received .. .. .	.. .. .	4,522	0. 0	8,359	0. 0
Interest Received .. .. .	.. .. .	2,819	0. 0	238	0. 0
Rent Account .. .. .	.. .. .	70	0. 0	39,620	0. 0
Total		7,901,322	0. 0	7,706,058	0. 0
Balance				195,264	0. 0
Total		£7,901,322	0. 0	£7,901,322	0. 0

APPENDIX B.

THE QUEENSLAND NATIONAL BANK, LIMITED, QUEENSLAND, SYDNEY AND LONDON.

ASSETS AND LIABILITIES AS AT 30TH JUNE, 1896 (AS PREPARED BY COMMITTEE).

LIABILITIES.		£	s.	d.	£	s.	d.	£	s.	d.
Bills Payable	..	..	..	..	386,783.	0.	0.			
Balances Due to other Banks	..	..	..	..	37,961.	0.	0.			
GOVERNMENT DEPOSITS BEARING INTEREST—										
Deposit Receipts, Queensland	..	1,228,326.	0.	0.						
Deposit Receipts, London	..	605,000.	0.	0.						
Current Accounts	..	691,785.	0.	0.						
Treasury Note Account	..	242,000.	0.	0.						
Public Depositors' Relief Account	..	159,646.	0.	0.						
					2,926,757.	0.	0.			
PRIVATE DEPOSITS BEARING INTEREST—										
Deposit Receipts (Deferred)	..	4,017,650.	0.	0.						
Deposit Receipts (New)	..	57,793.	0.	0.						
					4,075,443.	0.	0.			
GOVERNMENT DEPOSITS NOT BEARING INTEREST—										
Queensland	..	100,000.	0.	0.						
London	..	524,279.	0.	0.						
					624,279.	0.	0.			
PRIVATE DEPOSITS NOT BEARING INTEREST—										
Current Accounts, etc.	..	671,103.	0.	0.						
Note Contingency Account	..	5,778.	0.	0.						
					676,881.	0.	0.			
Other Liabilities, as per Bank Sheet	..				1,301,160.	0.	0.			
					195,264.	0.	0.			
								7,002,200.	0.	0.
LIABILITIES TO SHAREHOLDERS—										
Capital	..	886,839.	0.	0.						
Calls Paid in Advance	..	12,713.	0.	0.						
Contingency Accounts	..	160,544.	0.	0.						
Interest, Suspense Account	..	75,562.	0.	0.						
Undivided Profits	..	46,955.	0.	0.						
					283,061.	0.	0.			
					1,182,613.	0.	0.			
					£10,105,981.	0.	0.			

LIABILITIES TO SHAREHOLDERS—		£	s.	d.	£	s.	d.
Capital	899,552.	0.	0.
Contingency Accounts	160,544.	0.	0.
Interest, Suspense Account	75,562.	0.	0.
Undivided Profits	46,955.	0.	0.
					1,182,613.	0.	0.
NET DEFICIT	1,252,810.	0.	0.
					£2,435,423.	0.	0.

Exhibits.

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ment to ascertain the

position of the affairs

of the Q.N. Bank,

12th November 1896,

1,986,243. 0. 0

40,297. 0. 0

5,359,776. 0. 0

253,785. 0. 0

30,000. 0. 0

457. 0. 0

284,242. 0. 0

2,435,423. 0. 0

£10,105,981. 0. 0

continued.

APPENDIX C

1896.

DRAFT PROPOSED SCHEME OF ARRANGEMENT OR
COMPROMISE

IN SUBSTITUTION FOR THE SCHEME OF ARRANGEMENT MADE BETWEEN THE QUEENSLAND NATIONAL BANK, LIMITED, AND ITS CREDITORS, AND SANCTIONED BY THE SUPREME COURT OF QUEENSLAND, ON THE 31ST DAY OF JULY, 1893.

Submitted by the Acting General Manager, Queensland National Bank.

10 1. In this scheme, and in the Schedule hereto, unless there be something in the subject or context inconsistent therewith:—

“ The Bank ” means The Queensland National Bank, Limited ;

“ The said Government ” means Her Majesty’s Government of Queensland ;

“ The said Agreement ” means the Agreement bearing date the 20th day of December, 1893, and made between the Honourable Hugh Muir Nelson, the Colonial Treasurer of Queensland, for and on behalf of the said Government of the one part and the Bank of the other part ;

20 “ Stock ” and “ the Stock ” and “ the said Stock ” mean Interminable Inscribed Deposit Stock of the Bank charged upon the Consolidated Revenue of the Colony of Queensland and guaranteed by “ The Act of 1896,” and created in pursuance of the 2nd Clause of this scheme ;

30 “ The said Securities ” mean Deposit Receipts, Negotiable Deposit Receipts with the coupons appertaining thereto, and Inscribed Deposit Stock issued or given to creditors, of the Bank under and in pursuance of the Scheme of Arrangement made between the Bank and its creditors, and sanctioned by the Supreme Court of Queensland, on the 31st day of July, 1893, or which are now held by the Bank on behalf of creditors, or as security for any advances made to them, and any Deposit Receipts or other similar documents, held by creditors of the Bank at the date of the said scheme and which have not been surrendered in exchange for any of the said securities under or in pursuance thereof ;

“ The said Colony ” means the Colony of Queensland ;

Words importing the singular number only, include the plural ;

Words importing the plural number only, include the singular ;

40 Words importing persons include corporations, mutatis mutandis.

2. As and from the day of 1896, the Queensland National Bank, Limited, shall create stock to an amount equal to the principal moneys due and to accrue due to the said Government

Exhibits.

“ T ”

Copy of a Report of the Committee appointed by the Queensland Government to ascertain the position of the affairs of the Q.N. Bank, 12th November 1896.
continued.

Interpretation.

Interminable inscribed stock to be created in extinguishment of liabilities under old Scheme of Arrangement.

Exhibits.

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12th
November
1896,
continued.

under or by virtue of the said agreement and to the principal moneys secured or represented by the said securities, which said stock shall bear cumulative interest from the said day of , 1896, at the rate of $2\frac{1}{2}$ per centum per annum. The said stock shall be created in substitution for the said agreement and the said securities, and in discharge of all moneys secured or represented thereby, and thereupon all obligation or liability to pay principal and interest secured or represented by the said agreement and the said securities respectively shall cease and determine.

Issue of
stock to
Government
and holders
of securities.

3. Subject to the provisions of this scheme relating to fractional 10 parts of £1 the said Bank shall, as soon as may be and within six months after this scheme shall be finally sanctioned by the Court, issue to the Treasurer of Queensland, on behalf of the said Government, and to every person, company, or corporation, who, or which, on the said day of , 1896, shall be registered in the books of the Bank as the holder of any of the said securities, for every £1 secured or represented by the said securities respectively, £1 of the said stock, and the said agreement shall thereupon be cancelled, and every holder of the said securities registered as aforesaid shall return to the Bank the deposit receipts, or negotiable deposit receipts, together with the coupons 20 appertaining thereto, or the certificates of inscribed deposit stock so held by him respectively to be cancelled or destroyed, and the Bank shall deliver to the said Treasurer, on behalf of the said Government, in discharge of the provisions of the said agreement, and to the said several and respective registered holders of the said securities in lieu thereof and in exchange therefor, a certificate for so much of the said stock as the said Government and the holder of the said securities shall respectively be entitled to under this scheme.

Fractional
parts of £1.

4. Notwithstanding anything hereinbefore contained, no person shall become entitled to any fractional part of £1 of the stock to be issued under 30 the provisions of this scheme, but in every case in which any person would otherwise have become entitled to a fractional part of £1 of the said stock the Bank shall pay to such person in lieu thereof the same fractional part of £1 in cash.

Stock
guaranteed
by
Government.

5. The principal moneys secured or represented by the said stock are a charge upon the Consolidated Revenue of the said Colony, and the due payment thereof as and when the same shall become payable in accordance with the 9th Clause of this scheme is guaranteed by the Act of 1896.

Interest.

6. The Bank will pay all registered holders of stock interest on their 40 respective shares therein at the aforesaid rate of $2\frac{1}{2}$ per centum per annum from the said day of , 1896, on the 30th day of June and the 31st day of December in each and every year, at the respective offices of the Bank in Queensland, Sydney, or London, at which the said stock is registered.

Redemption
by Bank.

7. The Bank may, at any time after the expiration of three years from the date upon which this scheme is sanctioned by the Supreme Court

Exhibits.

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November
1896,
continued.

of the said Colony, give to the registered holders of the said stock or any of them, not less than six calendar months' notice of its intention to redeem the stock, or any portion thereof, held by them respectively, at its market value for the time being, but at not less than its par value. At the expiration of such notice each registered holder of such stock shall be bound to surrender to the Bank to be cancelled the amount of his stock which is to be so redeemed and also deliver up his certificate of stock for cancellation, and the Bank shall thereupon pay to the registered holder of such stock the redemption money therefor, calculated at the price
10 aforesaid. Such surrender, delivery, and payment shall be made at the office at which the said stock is registered. For the purpose of this clause any notice may be given to any registered holder of stock by sending the same through the post in a prepaid letter, addressed to such holder at his registered place of address, and any notice so given shall be deemed to have reached the holder on the day upon which in the ordinary course of post the same should have been delivered at such address.

8. The said Government shall have the same right of redemption of stock as the Bank under the last preceding clause, and shall be entitled and subject to the same rights and obligations in respect thereof. Redemption
by
Government.

20 9. The principal moneys secured or represented by the said stock shall immediately become payable (A) if the Bank makes default for a period of six months in the payment of any interest payable thereon at the time and in the manner herein provided, and if after such default registered holders of stock to an amount equal to two-thirds of the stock for the time being unredeemed, calculated at its par value, by notice in writing to the Bank, call in such principal moneys; or (B) if an order is made or an effective resolution is passed for the winding-up of the Bank. Maturity of
stock.

30 10. The said Government shall have a first charge upon the whole of the revenue and assets of the Bank for all moneys represented by stock for the time being in the hands of the said Treasurer, or any other person or persons on behalf of the said Government, but except as aforesaid the said stock shall not create any charge upon the said revenue or other assets of the Bank. Government
to have
first
charge.

11. The Bank shall, as soon as practicable after this scheme shall have been sanctioned by the Supreme Court, amend or alter the Articles of Association so far as it may be necessary to conform to the provisions hereof, and in particular to substitute for Article 116A the following provisions, or provisions to the like effect:— Articles of
Association
to be
altered
where
necessary

40 (1) That until the whole of the said stock shall have been redeemed in accordance with the provisions of this scheme, the said Directors shall, half-yearly and before declaring or recommending any dividend, set aside out of the net profits of the Bank for the preceding half-year 25 per centum thereof as a Sinking Fund, to be applied in the discretion of the Directors to the redemption of the said stock in pursuance of the powers hereinbefore bestowed upon the Bank, and shall from time to time and Sinking
Fund for
redemption
of stock.

Exhibits.

“ T ”

Copy of
a Report of
the
Committee
appointed
by the
Queensland
Govern-
ment to
ascertain
the
position of
the affairs
of the
Q.N. Bank,
12th
November
1896,
continued.

Restrictions
upon
dividends
and Reserve
Fund.

until such time as the moneys so set aside are required, or in the discretion of the Directors should be used, for the purpose of such redemption, invest the same in the public stock or funds of the said Colony :

Provided that whenever during the six months preceding the declaration of a dividend, or the period at which a dividend might under ordinary circumstances have been declared if funds were available for that purpose and the Directors had thought fit to declare the same, the said Bank shall have redeemed stock from sources other than the said moneys so set aside as aforesaid, it shall not be incumbent upon the said Directors to so set aside more of the said profits than will, with the redemption money paid for the said stock so redeemed, amount to a sum equal to 25 per centum of the said profits. 10

(2) That no dividend in excess of 5 per centum shall be paid on the ordinary shares of the Bank until all the said stock shall have been redeemed, and until such redemption any divisible profits remaining after the moneys required by the last preceding clause to be set aside for a Sinking Fund shall have been so set aside, and after such an amount as the Directors shall think fit, but not exceeding £3,000, shall have been carried forward to the credit of the Profit and Loss Account, and after payment of the dividend upon any preference shares for the time being issued, and a dividend not exceeding 5 per centum on the ordinary shares shall be carried to the Reserve Fund and until such redemption of the said stock as aforesaid, the Reserve Fund shall not be applicable to payment of dividends on ordinary shares ; but after such redemption the amount of such surplus profits which may in the meantime have been carried to the Reserve Fund as aforesaid, or any part thereof, may, if the Directors see fit, be distributed rateably among the holders for the time being of the ordinary shares, or be otherwise dealt with according to the regulations of the Bank for the time being in force. 20
Until such redemption of stock as aforesaid the Directors may invest the moneys for the time being to the credit of the Reserve Fund upon such investments (other than shares of the Bank) as they think fit, and may from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Bank as they think fit, with power to employ the assets constituting the Reserve Fund in the business of the Bank, and that without being bound to keep the same separate 30
from the other assets. 40

Reduction
of capital.

12. As speedily as possible after the said scheme has been sanctioned by the said Court the nominal capital of the Bank shall, with a view to meet further losses consequent upon depreciation in value of the Bank's securities, be reduced from £1,600,000, divided into 200,000 shares of £8 each, to £1,200,000, divided into 200,000 shares of £6 each.

The reduction shall be effected by cancelling paid-up capital to the extent of £2 per share upon each of the 160,000 shares which have been issued, and by reducing the nominal amount of all the present shares

in the Bank's capital from £8 to £6 per share, but shall not involve the diminution of any liability in respect of unpaid capital, or the payment to any member of the Bank of any paid-up capital.

Exhibits.

“ T ”

Copy of a Report of the Committee appointed by the Queensland Government to ascertain the position of the affairs of the Q.N. Bank, 12th November 1896, *continued.*

13. Notwithstanding anything contained in this scheme the said Directors of the Bank may, at their discretion at any time and from time to time, sell and dispose of any of the said stock for the purpose only of liquidating with the proceeds of such sale the debt secured or the amount represented by any of the said securities.

Directors may dispose of stock for the purpose of extinguishing securities.

14. Nothing in this scheme contained shall prejudice or affect the right of the Government to enforce payment of any moneys due and owing by the said Bank to the said Government upon or in respect of the said stock so issued to the said Treasurer as aforesaid, or in respect of stock of which the said Government shall have paid to the registered holder thereof the principal moneys due thereon, in pursuance of this scheme and of “ The Act of 1896.”

Crown rights preserved.

15. The said stock shall be held subject to the provisions of this scheme and to the conditions set forth in the Schedule hereto, and such provisions and conditions shall be binding on the Bank and the registered holders of stock, and all persons claiming through them, respectively.

Conditions on which stock held.

20 *ON REVERSE]*

The paperwriting contained on this and the fifteen preceding sheets numbered 218 to 232 is the paperwriting marked with the letter “ T ” mentioned and referred to in the affidavit of FRED PACE and produced and shown to him at the time of swearing the said affidavit at Brisbane in the State of Queensland this eleventh day of August 1949 before me :

F. PACE,
Deponent.

A. L. RAFF, J.P.,
A Justice of the Peace.

Exhibits.

" U "

Copy of Affidavit by Walter Vardon Ralston.

Copy of
Affidavit by
Walter
Vardon
Ralston,
9th
February
1897.

IN THE SUPREME COURT OF QUEENSLAND.

IN THE MATTER of " The Companies Acts 1863 to 1896 "

and

IN THE MATTER of THE QUEENSLAND NATIONAL BANK
LIMITED.

I, WALTER VARDON RALSTON of Brisbane in the Colony of Queensland
Acting General Manager of the above-named Bank being duly sworn
make oath and say as follows :—

10

1. The above-named Bank was on the thirtieth day of March One
thousand eight hundred and seventy-two duly registered under the
provisions of The Companies Act 1863 as a Company limited by shares.

2. The objects for which the said Bank was established appear in its
Memorandum and Articles of Association a copy whereof is now produced
and shewn to me and marked with the letter A.

3. The nominal capital of the said Bank consists at the present
time of One million six hundred thousand pounds divided into Two hundred
thousand shares of Eight pounds each. Of the said Two hundred thousand
shares One hundred and sixty thousand and no more have been issued and
upon each of the said One hundred and sixty thousand shares so issued a
sum of Six pounds and no more has been called up.

20

4. The said Bank commenced business on or about the third day of
June One thousand eight hundred and seventy-two and continued to carry
on business up to the fifteenth day of May One thousand eight hundred and
ninety-three when it suspended payment and a creditor's petition to have it
wound up by this Honorable Court was presented by one Robert Porter.

5. After the presentation of the said petition a scheme of arrangement
(hereinafter called the existing scheme of arrangement) was made between
the said Bank and its creditors and on the thirty-first day of July One
thousand eight hundred and ninety-three was duly sanctioned by order of
this Honorable Court under the provisions of The Companies Acts 1863
to 1893 and by the same order all proceedings under the said petition were
stayed. The document now produced and shewn to me and marked with
the letter B is a copy of the existing scheme of arrangement.

30

6. The terms of the existing scheme of arrangement so far as the same
related to the repayment of debts owing by the Bank to Her Majesty's
Government were afterwards embodied in an agreement bearing date the
twentieth day of September One thousand eight hundred and ninety-three
and made between the Honorable Hugh Muir Nelson for and on behalf of

40

the said Government of the one part and the said Bank of the other part. The document now produced and shewn to me and marked with the letter C is a copy of the said Agreement.

Exhibits.

“ U ”

Copy of
Affidavit by
Walter
Vardon
Ralston,
9th
February
1897,
continued.

7. After the existing scheme of arrangement had been so sanctioned by this Honourable Court as aforesaid that is to say on or about the second day of August One thousand eight hundred and ninety-three the said Bank recommenced and has since continued to carry on business.

8. The business of the said Bank is carried on partly in Australia and partly in the United Kingdom. The Head Office of the said Bank is situated at Brisbane and it has branch offices at the following places
10 namely at Albion, Allora, Barcaldine, Beenleigh, Blackall, Bundaberg, Burketown, Cairns, Charleville, Charters Towers, Clifton, Cloncurry, Cooktown, Croydon, Cunnamulla, Dalby, Dgandan, Fortitude Valley, Geraldton, Gympie, Herberton, Hughenden, Ingham, Ipswich, Laidley, Longreach, Mackay, Maryborough, Mount Morgan, Normanton, Pittsworth, Port Douglas, Ravenswood, Rockhampton, Roma, Sandgate, South Brisbane, St. George, Tambo, Thargomindah, Thursday Island, Toowoomba, Townsville, Warwick, Winton, and Wolloongabba in the Colony of Queensland at Sydney in the Colony of New South Wales and in London
20 England respectively.

9. The shareholders in the said Bank are resident partly in Australia and partly in the United Kingdom. The document now produced and shown to me and marked with the letter D is a copy of the list of shareholders in the said Bank showing the registered addresses of such shareholders and the number of shares held by them respectively.

10. Since the said agreement was entered into the total principal owing or to become owing to the said Government under the terms thereof have been reduced to One million eight hundred and thirty three thousand three hundred and twenty six pounds by payment by the said Bank to
30 the said Government of sums amounting in the aggregate to Five hundred and twenty six thousand six hundred and seventy four pounds and all interest for the time being payable by the said Bank to the said Government has been duly paid.

11. The deposit receipts negotiable deposit receipts or inscribed deposit stock (hereinafter called the said securities) which under the terms of the existing Scheme of Arrangement were required to be issued to the creditors of the said Bank other than the said Government the holders of bank notes of the said Bank and preference creditors were duly issued
40 by the said Bank to such creditors and all interest for the time being payable to such creditors under the terms of the existing scheme of arrangement has been duly paid.

12. The principal moneys secured or represented by the said securities amount in the aggregate to a sum of Four million one hundred and sixty two thousand eight hundred and sixty six pounds two shillings and three pence and as to one million three hundred and fifty-two thousand three hundred and sixty-two pounds five shillings and one penny part

Exhibits. thereof is secured or represented by such of the said securities as are held
 " U " by creditors in Queensland as to Ninety nine thousand six hundred and
 Copy of Affidavit by by such of the said securities as are held by creditors in the Colony of New
 Walter South Wales and as to Two million seven hundred and ten thousand eight
 Vardon hundred and ninety-four pounds once shilling and two pence balance
 Ralston, thereof is secured or represented by such of the said securities as are held
 9th by creditors in the United Kingdom. As to One hundred and seventy-six
 February thousand and fifty-three pounds twelve shillings and nine pence part of the
 1897, said sum of One million three hundred and fifty-two thousand three hundred 10
continued. and sixty-two pounds five shillings and one penny the same is owing to the
 said Government in respect of advances made by the said Treasurer to
 depositors under the provisions of " The Public Depositors Relief Act of
 1893."

13. Some time prior to the month of August One thousand eight hundred and ninety-six it began to be feared that owing to the depreciation of the value of money and of the current rate of interest, the continued depression in the Australian colonies consequent upon the financial crisis of One thousand eight hundred and ninety-three and to other causes the said Bank would be unable to carry on business successfully unless some 20
 fresh arrangement were made between the Bank and its creditors in respect of debts owing to the said Government under the terms of the said agreement and in respect of debts secured or represented by the said securities.

14. In or about the month of August One thousand eight hundred and ninety-six a committee was appointed by the Honourable the Treasurer of Queensland in exercise of the powers vested in him by The Queensland National Bank Limited Agreement Act of 1893 to inspect the books documents and records of the said Bank for the purpose of ascertaining the position of the said Bank and also to report to the said Treasurer their 30
 opinion as to the relative proportion between the liabilities of the said Bank and its assets exclusive of uncalled capital and on the twelfth day of November One thousand eight hundred and ninety-six the said Committee presented a report to the said Treasurer.

The document now produced and shewn to me and marked with the letter E is a copy of the said Report.

15. The operations of the said Bank between the Thirtieth day of June One thousand eight hundred and ninety-six and the thirty-first day of December One thousand eight hundred and ninety-six have resulted in a loss of One thousand six hundred and seven pounds fourteen shillings 40
 and four pence.

16. After mature consideration the directors of the Bank have come to the conclusion in which I myself concur that any such scheme as that suggested in the said report of the said committee is impracticable. But in order to maintain the credit of the said Bank and to make the most of its resources for the benefit of all the interests at stake a new scheme of arrangement proposed between the said Bank and its creditors in

respect of debts payable to the said Government under the terms of the said agreement and in respect of debts secured or represented by the said securities has been prepared by the Directors of the said Bank and has been submitted by them to the said Treasurer and also to large holders of the said securities.

The document now produced and shewn to me and marked with the letter F is a copy of the said new Scheme of arrangement.

17. Particulars of the said new scheme of arrangement have already been sent by telegram to London and from communications received from the branch Office of the said Bank in London there is good reason to suppose that the said new scheme of arrangement will prove acceptable to a large proportion of the holders of the said securities in the United Kingdom.

18. I am satisfied that the said new scheme of arrangement is a fair reasonable and practicable scheme and if approved by such creditors as aforesaid and sanctioned by this Honorable Court would be for the best interest of all persons concerned.

19. It is in my opinion a matter of vital importance for the welfare of the said Bank and all persons interested therein whether as creditors or contributories that a statutory meeting of such creditors as aforesaid should be convened at as early a date as possible.

All the facts and circumstances herein deposed to except where otherwise specially stated are deposed to from my own knowledge and my means of knowledge and sources of information appear on the face of this my affidavit and all such information I verily believe to be true.

Signed and Sworn by the said Deponent
at Brisbane aforesaid this ninth day
of February 1897, } W. V. RALSTON

Before me,

30 A. DOUGLAS GRAHAM,
Commissioner for affts. of the Supreme Court of Q'land.

(L.S.)

Exhibits.

“ U ”

Copy of
Affidavit by
Walter
Vardon
Ralston,
9th
February
1897,
continued.

" v "

Exhibits.

" v "

Copy of
Order
made by
Griffith,
C.J.,
9th
February
1897.

Copy of Order made by Griffith, C.J.

IN THE SUPREME COURT OF QUEENSLAND.

The Chief Justice

IN THE MATTER of " The Companies Acts 1863 to 1896 "

and

IN THE MATTER of THE QUEENSLAND NATIONAL BANK
LIMITED.

UPON the application of The Queensland National Bank Limited and UPON HEARING Mr. Shand, of Counsel, for the said Bank, and 10
UPON READING the Summons herein and the affidavit of Walter Vardon Ralston filed herein on the ninth day of February one thousand eight hundred and ninety-seven and the several Exhibits therein referred to I DO ORDER that a meeting of the creditors of the said Bank in respect of Deposit Receipts, Negotiable Deposit Receipts, or Inscribed Deposit Stock issued by the said Bank in pursuance of the Scheme of Arrangement made between the said Bank and its creditors and sanctioned by the Supreme Court of Queensland on the thirty-first day of July One thousand eight hundred and ninety-three (including the Government of the Colony of Queensland) be held at the Centennial Hall, Adelaide Street, Brisbane 20
in the Colony of Queensland, on Monday the twenty-second day of March one thousand eight hundred and ninety-seven at eleven o'clock in the forenoon for the purpose of considering and if thought fit agreeing to a Scheme of Arrangement proposed between the said Bank and its creditors and whereof Exhibit " F " in the said Affidavit of the said Walter Vardon Ralston referred to is a copy AND I DO FURTHER ORDER that at least twenty-one days before the day appointed for such meeting in Brisbane as aforesaid, an advertisement convening the same and specifying the day hour and place of meeting be inserted in two Brisbane daily and weekly papers, in the " Capricornian," " The Rockhampton Bulletin," 30
and " The Daily Record " respectively published in Rockhampton in the said Colony of Queensland and in the " North Queensland Herald " and the " Townsville Bulletin " both published in Townsville in the said Colony of Queensland, in the " Sydney Morning Herald " and " Sydney Daily Telegraph," both published in Sydney in the Colony of New South Wales, in the " Times " newspaper, published in London, in the " Scotsman " published in Scotland, in the " Freemans Journal " published in Ireland, and also that a circular letter to the like effect be posted at least twenty-one days previous to the said meeting to such of the said creditors whose addresses are known to the said Bank which said circular letter shall 40
enclose a copy of the said Scheme of Arrangement AND I DO FURTHER ORDER that the said advertisement do state that the said scheme may be seen at any of the Bank's offices where forms of proxy may also be obtained AND I DO FURTHER ORDER that such meeting is to be presided over by William Bell, the Registrar of the Supreme Court of

Queensland or if he absent by a person elected by the said meeting AND I DO FURTHER ORDER that at such meeting the said creditors shall be at liberty to vote in person or by proxy such proxies to be in the following form or to the like effect, viz. :—

Exhibits.

“ V ”

Copy of Order made by Griffith, C.J., 9th February 1897, *continued.*

10 If “ against ” strike out the word “ for ” and insert the word “ Against ” and also strike out all words after the word “ scheme.”

 “ I HEREBY APPOINT.....
 “ as my proxy to act for me at the meeting to be held in Brisbane
 “ on the twenty-second day of March 1897 for the purpose of
 “ considering a scheme of arrangement proposed to be made by
 “ The Queensland National Bank Limited with certain of its
 “ creditors and dated the 9th day of February 1897 with or
 “ without modification which meeting is to be held pursuant to
 “ an Order of The Chief Justice of Queensland made on the
 “ said 9th day of February 1897 and at such meeting or at any
 “ adjournment thereof to vote on my behalf for the adoption of
 “ the said Scheme with or without such modification as my
 “ proxy may approve.”

20 PROVIDED that all proxies given by creditors in Australia must be deposited at the Head Office of the said Bank in Brisbane not later than Thursday the eighteenth day of March One thousand eight hundred and ninety-seven and that a statement to this effect must be inserted in the Australian Advertisements and circulars posted to creditors in Australia.

 AND PROVIDED ALSO that all proxies given by creditors in the United Kingdom must be deposited at the London Office of the said Bank not later than Monday the fifteenth day of March one thousand eight hundred and ninety-seven and that a statement to this effect must be inserted in the advertisements in the United Kingdom.

30 AND I DO FURTHER ORDER that particulars of all proxies so deposited at the London Office of the said Bank be sent to the Registrar of the Supreme Court of Queensland by telegraph for use at the said meeting which said telegram is to be signed by Sir Edwin Sandys Dawes and countersigned by a Notary Public.

 AND I DO FURTHER ORDER that the Chairman of the said meeting report the result thereof to the Court.

Liberty to apply.

 Dated this ninth day of February One thousand eight hundred and ninety-seven.

(Sgd.) A. DOUGLAS GRAHAM.
11/2/97
Associate.

(Seal) S. W. GRIFFITH, C.J.



" W "

Exhibits.

" W "
Copies of
Petition
and Orders
on the
files of the
Supreme
Court of
New South
Wales in
relation to
the New
Scheme of
Arrange-
ment.

Copies of Petition and Orders on the files of the Supreme Court of New South Wales in relation to the New Scheme of Arrangement.

IN THE SUPREME COURT OF NEW SOUTH WALES IN EQUITY.

IN THE MATTER of the Companies Act

and

IN THE MATTER of the Joint Stock Companies Arrangement Act

and

IN THE MATTER of THE QUEENSLAND NATIONAL BANK LIMITED. 10

Wednesday the Thirty-first day of March in the year One thousand eight hundred and ninety-seven.

UPON MOTION this day made unto the Honourable Archibald Henry Simpson Judge in Equity by Mr. Knox of Counsel for Lewis Alexander Johnstone the Manager of the above-named Bank AND UPON READING the Notice of Motion filed herein on the Thirtieth day of March last past the Affidavit of the said Lewis Alexander Johnstone filed on the said Thirtieth day of March last past AND UPON HEARING what was alleged by the said Counsel THIS COURT DOTH ORDER that the said Lewis Alexander Johnstone do convene a meeting of the creditors of the said Bank in New South Wales for the purpose of considering and if thought fit agreeing to (subject to confirmation and variation by this Honourable Court) the scheme of compromise and arrangement proposed to be made between such creditors and the said Bank a copy whereof is attached to the said Affidavit of the said Lewis Alexander Johnstone with such modifications or variations if any as such meeting may decide upon AND THIS COURT DOTH FURTHER ORDER that the said meeting be held on Wednesday the Fourteenth day of April One thousand eight hundred and ninety-seven at eleven o'clock in the forenoon at the Exchange in the City of Sydney AND THIS COURT DOTH APPOINT James Burns of Burns Philp & Company Limited in the City of Sydney Merchants to act as Chairman of the said meeting but if the said James Burns shall fail to act as Chairman this Court doth appoint such person as may be elected by those persons present at the said meeting to act as Chairman thereof AND THIS COURT DOTH ORDER that such Chairman do report the result of such meeting to this Court AND THIS COURT DOTH FURTHER ORDER that Notice of the said meeting together with a copy of the said scheme of arrangement and a form of proxy be sent by post prepaid to each of the creditors of the said Bank in New South Wales at the address of such creditors respectively appearing in the books of the said Bank AND THIS COURT DOTH HEREBY ORDER that leave be given to

Exhibits.

“ W ”

Copies of
Petition
and Orders
on the
files of the
Supreme
Court of
New South
Wales in
relation to
the New
Scheme of
Arrange-
ment,
continued.

3. The said Bank has since its incorporation carried on the usual business of a Banking Company or corporation in Queensland and has also since the year One thousand eight hundred and eighty-one carried on the usual business of a Banking Company in the Colony of New South Wales.

4. On the Fifteenth day of May One thousand eight hundred and ninety-three a Petition was presented to this Honourable Court by Charles William Little of Sydney aforesaid a creditor of the said Bank praying that the said Bank might be wound up under the provisions of the Companies Act and on the same day Lewis Alexander Johnstone the Manager of the said Bank in Sydney was appointed Provisional Official Liquidator thereof. 10

5. On the Fourth day of August One thousand eight hundred and ninety-three an Order was made by this Honourable Court upon the application of the said Lewis Alexander Johnstone Provisional Official Liquidator of the said Bank directing that a meeting of the creditors of the said Bank should be held at Sydney at eleven o'clock on Thursday the Tenth day of August One thousand eight hundred and ninety-three for the purpose of considering and if thought fit approving of a certain scheme of arrangement a copy whereof is hereunto annexed marked with the letter “A” and any amendments thereto that might be proposed. 20

6. That the meeting so directed to be held at Sydney was held on the Tenth day of August One thousand eight hundred and ninety-three in accordance with the said Order and the said scheme of arrangement was agreed to at such meeting by a majority in number representing three-fourths in value of the creditors present either in person or by proxy or attorney at the said meeting.

7. By an Order of this Honourable Court dated the Eleventh day of August One thousand eight hundred and ninety-three the said scheme of arrangement was duly sanctioned and approved by this Honourable Court. 30

8. Subsequently in the year One thousand eight hundred and ninety-six it was found impossible to carry out the said scheme of arrangement and on the Twenty-second day of March One thousand eight hundred and ninety-seven a meeting of the creditors of the said Bank in Queensland and London was held at Brisbane under the Order of the Supreme Court of Queensland for the purpose of considering a further scheme of arrangement or compromise.

9. The said meeting of creditors duly agreed to a scheme of arrangement or compromise a copy whereof is hereunto annexed and marked with the letter “ B ”. 40

10. By an Order of this Honourable Court dated the Thirty-first day of March last past IT WAS ORDERED that a meeting of the creditors of the said Bank in Sydney be summoned as therein mentioned for the

purpose of considering and if thought fit agreeing to subject to confirmation and variation by this Honourable Court the said last mentioned scheme of arrangement or compromise.

Exhibits.

“ W ”

Copies of
Petition
and Orders
on the
files of the
Supreme
Court of
New South
Wales in
relation to
the New
Scheme of
Arrange-
ment,
continued.

11. The said meeting of Directors of the said Bank in Sydney was duly held in accordance with the provisions of the said Order on the Fourteenth day of April instant and the requirements of the said Order in respect of the said meeting were all duly complied with.

10 12. There were present at the said meeting so held as aforesaid on the fourteenth day of April instant either in person or by proxy creditors of the said Bank whose debts amounted in all to the sum of Eighty-one thousand five hundred and twenty-six pounds fifteen shillings and three-pence and twenty-four creditors so present representing Eighty-one thousand five hundred and twenty-six pounds fifteen shillings and three-pence voted for the adoption of the said scheme of arrangement and there were no creditors who voted against the adoption of the said scheme of arrangement.

13. Your Petitioners believe that if the said scheme of arrangement be sanctioned by this Honourable Court the provisions of the said scheme can be carried out.

20 14. Your Petitioners crave leave to refer on the hearing of this Petition to all proceedings and documents hereinbefore mentioned or referred to. Your Petitioners therefore pray as follows :—

- 30
1. That the said scheme of arrangement a copy whereof is annexed hereto and marked with the letter “ B ” may be sanctioned by this Honourable Court so as to be binding upon the creditors of the said Bank and upon the said Bank.
 2. That the costs of and incidental to this Petition and the Order of this Honourable Court made herein on the Thirty-first day of March last past may be provided for.
 3. That such further or other order may be made herein as to this Honourable Court shall seem proper.

AND your Petitioners will ever pray, etc.

Dated 14th April 1897.

ADRIAN KNOX,
of Counsel for the Petitioners.

NOTE.—It is not intended to serve this Petition upon anyone. This Petition is filed by Messrs. Abbott Vindin & Littlejohn Solicitors 24 Castlereagh Street Sydney Solicitors for The Queensland National Bank
40 Limited.

Exhibits. IN THE SUPREME COURT OF NEW SOUTH WALES IN EQUITY.

“ W ”

Copies of
Petition
and Orders
on the
files of the
Supreme
Court of
New South
Wales in
relation to
the New
Scheme of
Arrange-
ment,
continued.

IN THE MATTER of the Companies Act

and

IN THE MATTER of the Joint Stock Companies Arrangement
Act

and

IN THE MATTER of THE QUEENSLAND NATIONAL BANK
LIMITED.

Thursday the Fifteenth day of April in the year One thousand eight hundred
and ninety-seven.

10

UPON the Petition of the above-named Bank presented to this Honourable Court on the Fourteenth day of April instant coming on to be heard this day before the Honourable Archibald Henry Simpson Judge in Equity AND UPON READING the Order made herein on the Thirty-first day of March last past the said Petition the Affidavits of Lewis Alexander Johnstons, William Sewell and Walter Mullens Vindin sworn herein on the said Fourteenth day of April instant and the report of James Burns mentioned in the said Order dated the said Fourteenth day of April instant AND UPON HEARING what was alleged by Mr. Adrian Knox of Counsel for the said Bank THIS COURT DOTH 20 ORDER that the scheme of arrangement or compromise between the said Bank and its creditors a copy whereof is annexed to the said Petition and marked with the letter “ B ” which was adopted at a meeting of the creditors of the said Bank in New South Wales duly convened and held under the said Order of the Thirty-first day of March last past by a majority in number representing three-fourths in value of such creditors present in person or by proxy or attorney at the said meeting be and the same is hereby sanctioned and approved by this Honourable Court.

Settled.

Master in Equity. 30
30/4/97.

" X "

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement.

Companies Winding Up Proceedings (Supreme Court of Judicature)
File No. 1758

Public Records

Stamp Duty—£4/12/-

Stamp Duty—£1/-/-. 9.6.97.

No. 00140 }
,, 00126 } of 1897.

10 IN THE HIGH COURT OF JUSTICE.

Companies (Winding up).

Mr. JUSTICE VAUGHAN WILLIAMS.

Friday the 4th day of June 1897.

IN THE MATTER of The Companies Acts 1862 to 1890

IN THE MATTER of The Joint Stock Companies Arrangement
Act 1870

and

IN THE MATTER of THE QUEENSLAND NATIONAL BANK
LIMITED.

20 UPON the Petition of Thomas Dence of Mayfair Works Vauxhall
London and Charles Edward Keyser of Aldermaston Court Reading
Creditors of the above-named Bank on the 2nd June 1897 preferred unto
this Court AND UPON MOTION this day made unto this Court by
Counsel for the said Thomas Dence and Charles Edward Keyser AND
UPON HEARING Counsel for the Petitioners and George Stapylton
Barnes the Official Receiver and Provisional Liquidator of the above-
named Bank appearing in person AND UPON READING the said
Petition the Order dated the 27th May 1897 to wind up the said Bank
and the Order dated the 27th May 1897 continuing James Watson
Dickinson as Special Manager of the said Bank both the said Orders being
30 made In the Matter of The Companies Acts 1862 to 1890 and In the
Matter of the said Bank (00126 of 1897) the Order dated the 27th May
1897 made in these matters whereby the said Official Receiver and
Provisional Liquidator was Ordered to convene a Meeting of the Creditors
of the said Bank in respect of Deposit Receipts negotiable Deposit
Receipts or Inscribed Deposit Stock issued by the said Bank in pursuance
of the Scheme of Arrangement made between the said Bank and its
Creditors and sanctioned by the High Court of Justice on the 13th September
1893 for the purpose of considering and if thought fit approving with or
without modification a Further Scheme of Arrangement proposed between
40 the said Bank and its Creditors (a Copy of which last-mentioned Scheme
being the Exhibit D to the Affidavit of James Watson Dickinson in the
last-mentioned Order referred to) The London Gazette of the 28th May

Exhibits.

" X "

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement.

Exhibits.

“ X ”

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement, *continued.*

1897 and the following Newspapers viz. : The Times The Scotsman and The Freeman's Journal each of the 29th and 31st May 1897 each containing a Notice convening the Meeting the following Newspapers namely : The Times The Morning Post The Daily News The Standard The Daily Telegraph The Daily Chronicle The Scotsman and The Freeman's Journal all dated the 3rd June 1897 each containing an Advertisement of the said Petition the Report of the said Official Receiver and Provisional Liquidator made to the Court and dated the 2nd June 1897 of the result of the said Meeting an Affidavit of George Stapylton Barnes and an Affidavit of William Woodington Hibbit both filed the 2nd June 1897 10 and an Affidavit of James Watson Dickinson filed the 3rd June 1897 and the several Exhibits in the said Affidavits or some of them referred to

THIS COURT DOTH HEREBY sanction the Scheme of Arrangement set forth in the said Petition and in the Schedule hereto AND DOTH DECLARE the same to be binding on all Creditors of the said Bank in respect of Deposit Receipts negotiable Deposit Receipts and Inscribed Deposit Stock issued by the said Bank in pursuance of the said Scheme of Arrangement sanctioned by this Court on the 13th September 1893 and on the Contributories of the said Bank and also on the Official Receiver and Provisional Liquidator thereof. 20

AND IT IS ORDERED that all further proceedings relating to the Winding up of the said Bank be stayed except for the purpose of carrying this Order and the said Scheme into effect.

AND IT IS ORDERED that the said George Stapylton Barnes as such Official Receiver and Provisional Liquidator of the said Bank do forthwith pay transfer and hand over to the said Bank all the moneys property and effects of the said Bank except the sum of £1,500 which last-mentioned sum is to be retained by him as such Official Receiver and Provisional Liquidator as aforesaid for the payment of the costs and the Fees of the said Official Receiver and Provisional Liquidator hereinafter 30 mentioned.

AND IT IS ORDERED that the said James Watson Dickinson the Special Manager appointed by the said Order of the 17th May 1897 and continued by the said Order of the 27th May 1897 be and he is hereby discharged without passing any Account.

AND IT IS ORDERED that the costs of the Petitioners and of the said Official Receiver and Provisional Liquidator of the said Petition and of the said Motion including therein the costs of and incident to the said Scheme And also the costs charges and expenses of the said Official Receiver and Provisional Liquidator of and relating to the Winding up of the said Bank 40 be paid (together with such other costs if any as the Court may hereafter Order to be paid) by the said George Stapylton Barnes as such Official Receiver and Provisional Liquidator as aforesaid out of the said sum of £1,500 so retained by him as aforesaid all such costs and charges and expenses to be taxed.

AND IT IS ORDERED that the said George Stapylton Barnes as such Official Receiver and Provisional Liquidator is to be at liberty to apply to the Court for a reduction of the Fees prescribed in the Scale of Fees annexed to the Order as to Fees of the 17th December 1891 pursuant to the Order as to Fees of the 24th August 1893 and the amount of Fees sanctioned by the Court to be allowed to the said George Stapylton Barnes as such Official Receiver and Provisional Liquidator as aforesaid is to be retained by him out of the said sum of £1,500.

AND IT IS ORDERED that the said George Stapylton Barnes as
10 such Official Receiver and Provisional Liquidator as aforesaid do after such payment and retention as aforesaid hand over the ultimate balance (if any) of the said sum of £1,500 to the said Bank.

And any person interested is to be at liberty to apply as there may be occasion.

J. E. LINKLATER,
Registrar.

(L.S.)

THE SCHEDULE above referred to.

PROPOSED SCHEME OF ARRANGEMENT in substitution for the
20 Scheme of Arrangement made between The Queensland National Bank Limited and its Creditors, and sanctioned by the Supreme Court of Queensland, on the 31st day of July, 1893.

1. In this Scheme, and in the Schedule hereto, unless there is something in the subject or context inconsistent therewith, the following terms shall have the meanings set against the same respectively, that is to say:—

Interpreta-
tion.

“ The Government ”—Her Majesty’s Government of Queensland.

“ Court ”—The Supreme Court of Queensland.

“ The Bank ”—The Queensland National Bank, Limited.

30 “ The Old Agreement ”—The Agreement dated the 20th day of September, 1893, and made between the Honourable Hugh Muir Nelson, the Treasurer of Queensland, for and on behalf of the Government of the one part and the Bank of the other part.

“ Stock or the Stock ”—Interminable Inscribed Deposit Stock of the Bank created in pursuance of Clause 3 of this Scheme.

40 “ The said Securities ”—Deposit Receipts, Negotiable Deposit Receipts, with the Coupons appertaining thereto, and Inscribed Deposit Stock issued or given to Creditors of the Bank under or in pursuance of the Scheme of Arrangement

Exhibits.
“ X ”
Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement,
continued.

Exhibits.

" X "

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement, *continued.*

made between the Bank and its Creditors, and sanctioned by the Supreme Court of Queensland on the 31st day of July, 1893, or which are now held by the Bank on behalf of such Creditors, or as security for any advances made to them by the Bank, and all other similar documents held by creditors of the Bank at the date of the said last-mentioned Scheme, and which have not been surrendered in exchange for any of the said securities under or in pursuance of the terms of such Scheme.

Words importing the singular number only include the plural 10
and vice versa.

Words importing the masculine gender include the feminine.
And words importing persons include corporations mutatis
mutandis.

Provision for debts owing by the Bank to the Government under terms of the Old Agreement.

2. Subject to the provisions of this Scheme, the Government (without prejudice to any preferential rights which it may possess) shall accept in full satisfaction and discharge of all principal moneys and interest owing or to become owing by the Bank to the Government under the terms of the old Agreement (A) a sum equal to 15s. in the £ upon the amount of such principal moneys which said sum of 15s. in the £ (unless sooner paid at the 20
option of the Bank as hereinafter provided) shall be payable in five equal annual instalments commencing on the 1st day of July, 1917, and shall carry interest from and after the 31st day of March, 1897, at the rate of 3½ per cent. per annum; Provided that the amount for the time being payable for interest shall never be less than the minimum amount prescribed by "The Queensland National Bank Limited Agreement Act of 1896" with reference to an Agreement made under the authority of that Act: and (B) a further sum equal to 5s. in the £ upon the amount of such principal 30
moneys as aforesaid, which said sum of 5s. in the £ shall be payable out of such part of the half-yearly profits of the Bank as hereinafter provided, and shall not carry any interest: Provided that, if the said sum of 5s. in the £ should not be sooner paid out of such profits as aforesaid or otherwise at the option of the Bank as hereinafter provided, the same or so much thereof as for the time being remains unpaid shall become and be payable on the 1st day of July, 1921.

The interest on the said sum of 15s. in the £, or on so much thereof as for the time being remains unpaid, shall be payable on the 30th day of June and the 31st day of December in each year, and the Bank shall pay any interest payable under the terms of the old Agreement up to the end of the 31st day of March, 1897. 40

Creation of Stock.

3. As soon as may be, and within six months after this Scheme is finally sanctioned by the Court, the Bank shall create and allot to and amongst the registered holders of the said Securities respectively Stock to an amount equal to 75 per cent. of the principal moneys secured or represented by their said Securities after deducting from such principal moneys any fractional part of £1 owing to such registered holders respectively.

The said Stock shall carry interest from and after the 31st day of March, 1897, at the rate of 3½ per cent. per annum.

Exhibits.

“ X ”

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement, *continued.*

4. Subject to the provisions of this Scheme, each of the registered holders of the said Securities shall accept, in satisfaction and discharge of his said Securities and of all principal moneys and interest secured or represented thereby, an amount of the said Stock equal to 15s. in the £ upon the principal moneys secured or represented by his said Securities after deducting from such principal moneys any fractional part of £1.

Acceptance of Stock in exchange for Securities.

Any such fractional part of £1 shall be paid by the Bank in cash.

10 Upon receiving notice of the allotment of such Stock, the allottee shall forthwith surrender to the Bank his securities aforesaid, together with any coupons appertaining thereto, and shall be entitled in exchange therefor to a certificate of the Stock so allotted to him as aforesaid.

The interest on the said Stock shall be payable half-yearly on the 30th day of September and the 31st day of March in each year at the respective offices of the Bank in Queensland, Sydney, and London, at which such Stock is registered ; and the Bank shall pay any interest due in respect of the surrendered securities up to the end of the 31st day of March, 1897, upon such surrender.

20 In addition to such interest as aforesaid, registered holders of Stock shall be entitled by way of bonus to such part of the half-yearly profits of the Bank as hereinafter provided.

5. The principal moneys payable to the Government under the terms of this Scheme and the principal moneys secured or represented by the said Stock shall immediately become payable : (A) if the Bank makes default for a period of six months in the payment of any interest payable thereon at the times and in the manner hereinbefore provided, and if after such default the Government or registered holders of Stock to an amount equal to two-thirds of the Stock for the time being unredeemed, calculated at its par value, by notice in writing to the Bank, call in such principal moneys ; or (B) if an order is made or an effective resolution is passed for the winding-up of the Bank.

Time at which Stock becomes payable.

6. The said Stock shall be issued and held subject to the provisions of this Scheme and to the conditions set forth in the Schedule hereto, and such provisions and conditions shall be binding on the Bank and the registered holders of Stock and all persons claiming through or under them respectively.

Conditions of Issue of Stock.

7. The balance of profits arising from the business of the Bank in each half-year after setting aside out of such profits such sum as the Directors may think proper to meet contingencies, shall be dealt with in manner following, that is to say :—

Application of Profits in payment of Bonus, &c.

(1) Twenty-five per cent. of such balance shall be paid to the Government until the sum of 5s. in the £ in Clause 2 hereinbefore referred to has been duly paid.

Exhibits.

“ X ”

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement,
continued.

(2) Fifty per cent. of such balance, or after payment to the Government of the sum of 5s. in the £ as aforesaid 75 per cent. of such balance, shall be carried to a special fund, and shall from time to time and at such time or times as the Directors may think fit be paid and distributed to and amongst the registered holders of Stock rateably until an aggregate amount or bonus equal to 5s. in the £ upon the principal moneys secured or represented by the said securities has been made good out of such balance of profits as aforesaid, and thereafter shall be applied in payment to the Government of any moneys payable to the Government under the terms of this scheme. 10

Provided that all moneys carried to such special fund as aforesaid may, until the application thereof in manner hereinbefore provided, be invested in the public stock funds or securities of the Government.

And provided further that after the sum of 5s. in the £ hereinbefore referred to has been made good to the Government and the registered holders of Stock respectively, and after the sum of 15s. in the £ payable to the Government under the terms of this Scheme, and all interest payable in respect thereof, has been duly paid, such 75 per cent. of such balance of profits as aforesaid may be dealt with in any manner authorised by the regulations of the Bank for the time being in force. 20

(3) The remaining 25 per cent. of such balance of profits, as aforesaid, shall, during a period of at least 10 years from the 31st day of March, 1897, be carried to the ordinary Reserve Fund of the Bank, and after the expiration of such period may be dealt with in any manner authorised by the regulations of the Bank for the time being in force.

Option for Bank to pay off Government before time fixed for payment.

8. The Bank may from time to time, and at any time after the expiration of five years from the date when this Scheme is finally sanctioned by the Court, and after giving to the Treasurer six calendar months' notice of its intention so to do, pay off the said sum of 15s. in the £ payable to the Government under the terms of this Scheme, or any part thereof, notwithstanding that the time for such payment has not arrived together with all interest for the time being due in respect of the moneys so paid off, and together also with the whole or a proportionate part (as the case may be) of the said sum of 5s. in the £ in Clause 2 hereinbefore referred to, unless such sum of 5s. in the £, or such proportionate part thereof as aforesaid has been previously paid out of such profits as aforesaid, and therefrom interest shall cease to be payable upon the said sum of 15s. in the £, or so much thereof as shall be so paid off as aforesaid. 30 40

Provided that the amount repaid to the Government at any one time shall not be less than £25,000.

New Business.

9. Save as in Clause 2 otherwise provided with reference to any preferential rights which the Government may possess, all debts in respect of any Current Account or Fixed Deposit which are for the time being owing by the Bank to any creditor, and for the payment whereof provision

is not made by the preceding clauses of this Scheme, shall, in the event of the Bank being wound up, be payable in priority to all moneys owing or to become owing under the terms of this Scheme.

10. At any time after payment by the Bank to the Government of the said sum of 15s. in the £ payable under the terms of this Scheme, together with all interest payable in respect thereof, and together also with the said sum of 5s. in the £ in Clause 2 hereinbefore referred to, the Bank may give to the registered holders of the said Stock, or any of them, six calendar months' notice of its intention to redeem the Stock held by them, or any portion thereof, at its market value, but at not less than its par value, together with 5s. in the £ upon the amount of the principal moneys secured or represented by the said securities in exchange for which such Stock was allotted, or so much of such 5s. in the £ as has not been previously paid out of such profits as aforesaid.

At the expiration of such notice every registered holder of Stock to whom such notice is given shall be bound to surrender to the Bank to be cancelled the amount of his Stock which is to be so redeemed, and also to deliver up his Certificate of Stock for cancellation; and the Bank shall thereupon pay to the registered holder of such Stock the redemption money therefor calculated at the price aforesaid together with all interest for the time being due in respect of such Stock. Such surrender delivery and payment shall be made at the office of the Bank at which such Stock is registered.

For the purposes of this Clause any notice may be given to a registered holder of Stock by sending the same through the post in a prepaid letter addressed to such holder at his registered place of address, and any notice so given shall be deemed to have reached the holder of such Stock on the day on which in the ordinary course of post the same should have been delivered at such address.

30 On the expiration of such notice interest shall cease to be payable in respect of the Stock so to be redeemed as aforesaid, and the registered holder of such Stock shall cease to be entitled to the benefit of Clause 7 of this Scheme in respect thereof.

All Stock so redeemed shall be cancelled and the Bank shall not be at liberty to issue any Stock in substitution therefor.

40 11. No dividends shall be payable until the sum of 5s. in the £ hereinbefore referred to, has been made good to the Government and the registered holders of Stock respectively, and no larger dividend than a dividend at the rate of 3½ per cent. per annum shall be payable until all moneys payable to the Government under the terms of this Scheme have been duly paid.

12. As soon as proper provisions in that behalf can be made in the Articles of Association, and so long as Stock to the amount of £500,000 is unredeemed, one Member of the London Board of Directors shall be appointed by the registered holders of Stock and need not be a Member or Shareholder of the Bank, and the Board of Directors of the Bank at Brisbane shall consist of five persons, three of whom shall be elected

Exhibits.

“ X ”

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement,
continued.

Redemption of Stock.

Restriction upon payment of Dividends.

Election of four Directors by holders of Stock.

Exhibits.

“ X ”

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement, *continued.*

by the registered holders of the said Stock and need not be Members or Shareholders of the Bank; and for the purpose of electing such last-mentioned Directors the registered holders of Stock shall be entitled to have notice of and to attend Meetings of the Bank at which such Directors are to be elected, and to vote in person or by proxy according to the following scale, that is to say:—

Registered holders of Stock for an amount of not less than £500	One vote	
Registered holders of Stock for an amount of not less than £2,000	Two votes	10
Registered holders of Stock for an amount of not less than £5,000	Three votes	
Registered holders of Stock for an amount exceeding £5,000	Four votes	

Provided that all proxies given by registered holders of Stock shall be deposited at the office of the Bank at which such Stock is registered not less than three days before the date of the meeting at which such proxies are intended to be used. Particulars of all proxies so deposited at any office, other than the Head Office of the Bank at Brisbane, sufficient to enable such proxies to be used at such meeting, may be sent by telegram 20 to the General Manager of the Bank in Brisbane.

Reduction of Capital

13. As soon as conveniently may be after this Scheme is finally sanctioned by the Court, the nominal capital of the Bank shall be reduced from £1,600,000, divided into 200,000 shares of £8 each, to £1,000,000, divided into 200,000 shares of £5 each.

The reduction shall be effected by cancelling paid-up capital to the extent of £3 per share upon each of the 160,000 shares which have been issued, and by reducing the nominal amount of all shares in the Bank's capital from £8 to £5 per share; but shall not involve the diminution of any liability in respect of unpaid capital or the payment to any member 30 of the Bank of any paid-up capital.

Alteration of Articles of Association.

14. The Bank shall, as soon as practicable after this Scheme has been finally sanctioned by the Court, amend or alter its Articles of Association so far as may be necessary for the purpose of giving effect to the provisions of this Scheme.

Incorporation of provisions of the “ Queensland National Bank, Limited, Agreement Act of 1896.”

15. All such other provisions as by the “ Queensland National Bank, Limited, Agreement Act of 1896,” are prescribed in the case of an Agreement made under the authority of that Act shall be deemed to be incorporated in this Scheme.

THE SCHEDULE (above referred to).

Register of Stock

1. Registers of Stock will be kept by the Bank at its Head Office in Brisbane, or at its Branch Offices in Queensland, Sydney, or London (as the case may be), at which the securities in exchange for which such Stock

was allotted were at the time of such allotment payable, or at the office of the Bank to which such Stock may be transferred in manner hereinafter provided.

Exhibits.

“ X ”

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement. *continued.*

2. In every Register of Stock so kept by the Bank aforesaid there will be entered— Nature of Register.

(A) The names, addresses, and descriptions of the registered holders for the time being of such Stock ;

(B) The particulars and amount of the Stock held by every such registered holder ; and

10 (C) The date at which every such registered holder was entered in the Register in respect of the Stock standing in his name, or any part thereof.

Any change of name or address on the part of any registered holder of Stock shall forthwith be notified to the manager of the office at which such Stock is registered who, upon being satisfied thereof, shall alter the register accordingly.

3. The registered holder of any Stock may, upon application in writing addressed to the manager at the office where such Stock is registered, require that the registration of such Stock shall, at his cost and expense, be transferred to the Register kept at any other office ; and upon such transfer being effected the said Stock shall be deemed to be registered at the last-mentioned office. Transfer from one Register to another.

4. No notice of any trust, express, implied, or constructive, shall be entered on the Register in respect of any Stock. No notice of trusts.

5. Every registered holder of Stock will be entitled to a certificate of his title to such Stock, which certificate shall be in the form or to the effect following, that is to say : Certificates.

THE QUEENSLAND NATIONAL BANK, LIMITED.

Interminable Inscribed Deposit Stock. Form of certificate.

30 No. £ .
Bearing interest at the rate of 3½ per cent. per annum, payable on the 31st day of March and the 30th day of September in each year.

This is to certify that

of
is the registered holder of of the above Stock, which Stock is constituted pursuant to the provisions of the scheme of arrangement sanctioned by the Supreme Court of Queensland on the day of , 189 , and is issued subject to the provisions and conditions therein, and in the schedule thereto respectively contained.

40 NOTE.—The Bank will not register a transfer of any Stock without the production of the certificate relating to such Stock, which certificate must be surrendered before any transfer, whether of the whole or any portion thereof, can be registered, or before a new certificate can be issued in exchange.

Exhibits.

“ X ”

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement, *continued.*

Mode of issuing.

Registered holder deemed to be absolute owner.

A fee not exceeding 2s. 6d. will be charged on the registration of any transfer.

6. Every Certificate of Stock registered at the Head Office of the Bank in Brisbane shall be given under the seal of the Bank, and every Certificate of Stock registered at the London Office shall be given under the duplicate seal of the Bank, and every Certificate of Stock registered at any other office shall be signed by the manager and countersigned by the accountant of the branch of the Bank at the office at which such Stock is so registered.

7. The Bank will recognise the registered holder of any Stock as the absolute owner thereof, and shall not be bound to take notice or see to the execution of any trust, whether expressed, implied, or constructive, to which any such Stock may be subject ; and the receipt of such person for the interest from time to time accruing due in respect thereof, and for any moneys payable in respect thereof, or upon the redemption of the same, shall be a good discharge to the Bank, notwithstanding any notice it may have, whether express or otherwise, of the right, title, interest, or claim of any other person to or in such Stock or moneys.

Survivorship.

8. In case of the death of any one of the joint holders of any registered Stock, the survivor will be the only person recognised by the Bank as having any title to or interest in such Stock.

Corporation holding as joint tenant.

9. A body corporate may be registered as one of the joint holders of Stock, and in any such case the persons so registered shall be deemed to hold in joint tenancy with right of survivorship, and the Bank shall be at liberty to act on that footing ; and for the purposes of this clause the dissolution of a body corporate shall be treated as its death.

Transfer of Stock.

10. Every registered holder of Stock shall be entitled to transfer the same or any part thereof by an instrument in writing in the form following, or as near thereto as the circumstances will admit :—

THE QUEENSLAND NATIONAL BANK, LIMITED.

30

Form of Transfer.

I, _____, of _____, do hereby
in consideration of the sum of £ _____ paid
to me by _____,
of _____, do hereby
transfer to the said _____ (hereinafter called
the transferee) _____ of the
Stock of the above-named Bank, to hold the same unto the
transferee, subject to the several conditions on which I
held the same immediately before the execution hereof ; and
I, the transferee, do hereby agree to take the said Stock
subject to the same conditions.

As witness our hands this _____ day of _____

Witness :

- | | | |
|---|--|--|
| 11. Every such instrument must be signed both by the transferor and transferee, and the transferor shall be deemed to remain owner of such stock until the name of the transferee is entered in the Register hereinbefore mentioned in respect thereof. | Execution of transfer. | <i>Exhibits.</i>
" X " |
| 12. Every instrument or transfer must be left at the office of the Bank at which the Stock to be transferred is registered for registration, accompanied by the certificate of the Stock for cancellation and such other evidence as the Bank may require to prove the title of the transferor or his right to transfer the Stock. | Forwarding transfers, &c., to office where Stock registered. | Copies of Documents now on the file of the High Court of Justice in England (Companies Winding |
| 10 13. All instruments of transfer which shall be registered shall be retained by the Bank. | Retention of transfer. | Up) in relation to the New Scheme of Arrangement, <i>continued.</i> |
| 14. A fee not exceeding 2s. 6d. will be charged for the registration of each transfer, and must, if required by the Bank, be paid before the registration of the transfer. | Fees on transfer. | |
| 15. No transfer will be registered during the fourteen days immediately preceding the 31st day of March and 30th day of September in each year. | Closing register of transfers. | |
| 16. The executors or administrators of a deceased registered holder of Stock (not being one of several joint holders) shall be the only persons recognised by the Bank as having any title to such Stock. | Transmissions of Stock. | |
| 20 17. Any person becoming entitled to any Stock in consequence of the death or insolvency of any registered holder of such stock upon producing such evidence that he sustains the character in respect of which he proposes to act under these conditions, or of his title, as the Bank shall deem sufficient, may be registered himself as the holder of such Stock, or, subject to the preceding conditions as to transfer, may transfer such Stock. This clause shall include any case in which a person becomes entitled as the survivor of persons registered as joint holders. | Death or insolvency of registered holder. | |
| 30 18. The Bank shall be at liberty to retain the interest payable upon any Stock in respect of which any person under the last preceding condition is entitled to transfer until such person shall be registered or duly transfer the same. | Withholding interest. | |
| 40 19. The interest on Stock and all other moneys payable in respect thereof may be paid by cheque or warrant sent through the post to the registered address of the holder, or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register in respect of such Stock. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent, and payment of the cheque or warrant, if duly endorsed, shall be a satisfaction of the interest and such other moneys as aforesaid, and a good discharge to the Bank therefor. | Mode of payment of interest. | |
| 20. If several persons are entered on the Register as joint holders of any Stock, then, without prejudice to the last preceding clause, the receipt | Receipt of one joint holder. | |

Exhibits.
 “ X ”
 Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement, *continued.*

Loss, &c., of certificate.

of any such person for the interest or other moneys from time to time payable in respect of such Stock shall be as effective a discharge to the Bank as if the person signing the same receipt were the sole registered holder of such Stock.

21. If any certificate of Stock, issued pursuant to these conditions, be worn out or defaced, upon production thereof at the office of the Bank at which such Stock is registered, the Bank may cancel the same, and may issue a new certificate in lieu thereof; and if any such certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Bank, or in default of proof on such indemnity as the Bank deems adequate being given, 10 a new certificate in lieu thereof may be given to the person entitled to such lost or destroyed instrument. An entry as to the issue of the new certificate and indemnity (if any) will be made in the Register hereinbefore mentioned.

There shall be paid to the Bank in respect of any new certificate issued under this clause a sum not exceeding 2s. 6d.

J. E. LINKLATER.

Dated this 9th day of February, 1897.

(NOTE:—The amendments made in the Scheme, since it was submitted to the Creditors by order of the Supreme Court of Queensland, in February, 1897, are shown in italics underlined.) 20

(L.S.)

IN THE HIGH COURT OF JUSTICE
 Companies Winding Up
 Mr. JUSTICE VAUGHAN WILLIAMS

No. 00140 of 1897
 No. 00126 of 1897

Companies Winding Up Stamp
 Duty—2s. 6d.
 Stamp Duty—10s. 2/6/97
 2nd June 1897.

The Court doth order that the parties concerned do attend Court on Friday the 4th day of June 1897 at the Royal Court of Justice, Strand, London, and hereof give notice forthwith.

IN THE MATTER of the Companies Acts
 1862 to 1890

and

IN THE MATTER of THE QUEENSLAND
 NATIONAL BANK LIMITED

and

IN THE MATTER of the Joint Stock 30
 Companies Arrangement Act 1870

THE HUMBLE PETITION of THOMAS DENCE of Mayfair Works Vauxhall London and CHARLES EDWARD KEYSER of Aldermaston Court Reading.

SHEWETH as follows:—

1. The object of this Petition is to obtain the sanction of the Court to a scheme of arrangement between The Queensland National Bank Limited (hereinafter called the Bank) and the Creditors of the Bank holding Deposit receipts, negotiable Deposit receipts or Inscribed deposit

Stock issued under or in pursuance of the Scheme of Arrangement made between the Bank and its Creditors and sanctioned by this Court on 13th September, 1893 (including the Government of the Colony of Queensland).

2. The Bank was incorporated in the year 1872 under the Companies Statute of 1863 of the Legislature of the Colony of Queensland as a Company Limited by shares. The Head Office of the Bank is situate in Brisbane in the said Colony of Queensland and the Bank has numerous branches in Queensland and elsewhere in Australia.

10 3. The Bank carries on business in this Country at 8 Princes Street in the City of London which is its principal place of Business in the United Kingdom and its Registered Office for the purposes of the Companies Winding-up Act 1890.

4. The objects for which the Bank was constituted are

To receive money on Loan or deposit or otherwise and either with or without giving any security of the Bank or upon any property of the Bank for any such money

20 To negociate Loans of all descriptions upon any terms as to profit or remuneration and to lend money on the Security of any description of property real or personal including stocks and shares and other Choses in Action or on Bonds or other obligations or any other kind of personal security or without taking security

To issue Bank Bills and Bank Notes and to buy sell exchange or otherwise deal in all kinds of negotiable securities and also in Gold and other precious metals and money and to grant Letters of Credit on agents or connections of the Bank or other persons

To transact any other Banking or Agency or financial business of any description

30 And other objects set forth in the Bank's Memorandum of Association.

5. Your Petitioner Thomas Dence is a creditor of the Bank in respect of deposits to the amount of £15,964.8.2 and your Petitioner Charles Edward Keyser is likewise a Creditor of the Bank in respect of deposits to the amount of £10,000.

40 5A. The Original Nominal Capital of the Bank was £500,000 divided into 50,000 shares of £10 each which was subsequently increased to £2,000,000 divided into 200,000 Shares of £10 each. At the date of the Scheme of Arrangement in 1893 hereinafter mentioned 160,000 of the said Shares had been issued. Since and pursuant to such Scheme the Capital has been reduced and the existing Nominal Capital is now £1,600,000 divided into 200,000 shares of £8 each with £6 paid on each share.

Exhibits.

“ X ”

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement, *continued.*

Exhibits.

“ X ”
Copies of
Documents
now on the
file of the
High
Court of
Justice in
England
(Companies
Winding
Up) in
relation to
the New
Scheme of
Arrange-
ment,
continued.

6. In the course of the Financial Crisis of 1893 the Bank was obliged to make terms with its Creditors and a Scheme of arrangement was entered into which was made binding upon the Bank and its Creditors being sanctioned by this Court by order dated September 13th 1893 made in pursuance of the Joint Stock Companies Arrangement Act 1870 and by the Queensland Court under the provisions of a Colonial Statute. By virtue of the said Scheme of Arrangement the Creditors received from the Bank certain deposit receipts, negociable deposit receipts or Inscribed deposit stock payable at the times and subject to the Conditions in the said Scheme provided. 10

7. By reason of the continued financial depression and depreciation in values the Bank is unable to carry out the terms of the said Scheme of Arrangement of 1893. On August 27th 1896 the Queensland Government (who are the largest Creditors of the Bank and also claim preferential rights over the assets both in the United Kingdom and the Colony) appointed a Committee to ascertain the position of affairs of the Bank. On November 12th 1896 the Committee made their report from which it appeared (as the fact is) that the financial position of the Bank was such that it could not continue to carry out its engagements under the Scheme of 1893. 20

8. Under the circumstances aforesaid the property of the Bank being very valuable and a large number of the Creditors being anxious that the Bank should continue to carry on business a new Scheme of arrangement between the Bank and its Creditors in substitution for the Scheme of 1893 was proposed and published such new Scheme as ultimately sanctioned by the Queensland Court as hereinafter mentioned is set out in the Schedule to this petition.

9. By an Order of the Supreme Court of Queensland made on the ninth day of February One thousand eight hundred and ninety-seven it was ordered that a meeting of the Creditors of the Bank in respect of 30 deposit receipts negociable deposit receipts or inscribed deposit Stock issued by the Bank in pursuance of the said Scheme of Arrangement of One thousand eight hundred and ninety-three (including the Government of the Colony of Queensland) be held at Brisbane on the twenty-second March One thousand eight hundred and ninety-seven for the purpose of considering and if thought fit agreeing to the new Scheme of Arrangement aforesaid and by the said Order directions were given as to Notices of the Meeting by Advertisement and Circular letters and as to deposit of proxies by Creditors in Australia and in the United Kingdom respectively.

10. Pursuant to the last mentioned Order a Meeting of Creditors 40 of the Bank of the classes named in the Order was duly held. Of the Creditors present in person or by proxy 2,250 representing £1,643,925.17.9 voted in favour of the Scheme and 71 representing £51,975.15.11 voted against the Scheme.

11. On the 12th day of May 1897 an Order was made by the Supreme Court of Queensland sanctioning the said Scheme Under the Colonial

Statutes a Scheme of Arrangement between a Company and its Creditors can be carried out without a winding up of the Company and no Order for the winding up of the Bank has been made.

12. By an Order of His Lordship the Honble. Mr. Justice Vaughan Williams made the 17th day of May 1897 the Official Receiver attached to this Court was appointed provisional Liquidator of the Bank, and the Court limited and restricted the powers of the said Official Receiver to the following acts (that is to say)—

10 (1) to take possession of and protect the assets of the said Bank ;

(2) to apply for the appointment of James Watson Dickenson the London Manager of the said Bank as Special Manager.

13. By an Order of His Lordship the Honourable Mr. Justice Vaughan Williams made the 17th day of May 1897 the said James Watson Dickenson was appointed Special Manager of the Bank for three weeks or until further Order for the purpose of transacting the following business only (A) To receive money to be remitted to the Colony (B) To purchase Bills drawn on the Colony and to transmit such Bills and any Shipping documents to the Head Office in the Colony such Bills not be exceed £16,000 (c) To collect remittances from the Colony (D) To sell Colonial produce consigned to the Bank and to collect the proceeds (E) To pay acceptances and Bills payable as they should become due or be presented for payment (F) To accept Bills coming forward in the ordinary course of business for acceptance (G) To continue Office Staff. Nothing therein contained was to authorize the Special Manager to grant any special terms or do any of the acts enumerated above otherwise than in accordance with the ordinary course of banking. And it was further Ordered that the said Official Receiver and Provisional Liquidator should place the sum of £30,000 to the Credit of the said James Watson Dickenson with Lloyds Bank Limited as Special Manager with liberty to draw on the said amount for all or any of the purposes thereinbefore mentioned.

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14. By an Order of His Lordship the Honourable Mr. Justice Vaughan Williams made the 27th day of May 1897 the Bank was ordered to be wound up by this Court under the provisions of The Companies Act 1862 to 1896 and the Official Receiver attached to this Court was continued as Provisional Liquidator of the affairs of the Bank and it was ordered that no steps or proceedings were to be taken under that Order without the sanction of the Court.

15. By an Order of His Lordship the Honourable Mr. Justice Vaughan Williams made on the 27th day of May 1897 the said James Watson Dickinson was continued the Special Manager of the Bank until the 7th June 1897 or further Order but for the purpose of transacting only such business as was described in the Order of the 17th day of May 1897 (set forth in paragraph 13 of this Petition) under the items (A) (B) (C) (D) and (G) and it was ordered that the other limitations and powers given to the said James Watson Dickinson as such Special Manager by the said Order of the 17th May 1897 should be continued.

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Exhibits.

“ X ”

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement,
continued.

Exhibits.

“ X ”

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement, *continued.*

16. By an Order of His Lordship the Honourable Mr. Justice Vaughan Williams made on the 27th day of May 1897 it was ordered that the Official Receiver and Provisional Liquidator of the Bank should convene a Meeting of the Creditors of the Bank in respect of Deposit Receipts Negotiable Deposit Receipts or Inscribed Deposit Stock issued by the Bank in pursuance of the Scheme of Arrangement of 1893 for the purpose of considering and if thought fit approving with or without modification the new Scheme of Arrangement proposed between the Bank and its Creditors (set out in the Schedule to this Petition) such Meeting to be held in London on the 2nd day of June 1897. And it was ordered that an advertisement convening the said Meeting and stating that a copy of the Scheme could be seen at the Office of the Bank in London and at the offices of the following Agents of the Bank viz. Messrs. Torrie Brodie & Maclagan 12 Queen Street Edinburgh, Messrs. William Ewing & Co. 7 Royal Bank Place Glasgow and Messrs. Guinness Mahon & Co. 17 College Green Dublin should be inserted in the London Gazette of the 28th May 1897 and in the issues of the 29th and 31st days of May 1897 in each of the following Newspapers viz. The Times, The Scotsman and The Freemans Journal. And it was further ordered that in addition a Circular letter to the like effect together with a proper form of proxy and a Copy of the said Scheme should be sent by prepaid post on or before the 28th May 1897 to each of the persons appearing upon the Bank's Books in the London Office to be a Creditor of the Company in respect of Deposit receipts Negotiable Deposit Receipts or Inscribed Deposit Stock issued by the Bank in pursuance of the said Scheme of Arrangement of 1893 and having an address within the United Kingdom or on the Continent of Europe so far as such addresses were shewn by the said Books of the Bank or were otherwise known to the said Official Receiver and Provisional Liquidator of the Bank. And it was ordered that the said Official Receiver and Provisional Liquidator of the Bank should be Chairman of the said Meeting with directions to report the result of the said Meeting to the Court.

17. Advertisements were duly inserted and circular letters proxies and copies of the scheme duly sent in pursuance of the terms of the said Order.

18. At the date of the last said Order of May 27th 1897 the amount of Inscribed Deposit Stock issued in pursuance of the Scheme of 1893 held by persons in the United Kingdom was about £50,000 and the amount of deposit receipts fixed and negotiable held by persons in the United Kingdom was about £2,660,000.

19. On the 2nd day of June 1897 the said Meeting directed to be held by the said Order of the 27th May 1897 was duly held at The Cannon Street Hotel London and the Official Receiver & Provisional Liquidator took the Chair at such Meeting.

20. The said Meeting was attended either personally or by Proxy by Creditors of the Class convened by the order representing £757,087 or thereabouts and the said Scheme was approved by a resolution passed at such Meeting by a majority considerably in excess of 3/4ths in value of the Creditors so attending.

Exhibits.

" X "

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement, *continued.*

21. Under all the circumstances the position of the Bank is such that unless it is able to alter the conditions of its liability to its Creditors under the Scheme of 1893 it will be compelled to suspend payment. In such a case owing to the claims of the Colonial Government and the other facts above stated the said Creditors would suffer heavy loss. It will be greatly for the benefit of the Bank and of the Creditors that the new Scheme of Arrangement should be considered and if approved sanctioned by this Honorable Court and that all further proceedings in the winding up may be stayed.

10 YOUR PETITIONERS therefore humbly pray as follows :—

1. That the said Scheme of Arrangement may be considered and if approved sanctioned by this Honorable Court so as to be binding on all the Creditors and Contributories of the Bank and on your Petitioner George Stapylton Barnes as the Provisional Liquidator thereof.
2. That all further proceedings in relation to the winding up of the Bank may be stayed.
3. Or that such further or other Order may be made in the premises as to this Honorable Court shall seem meet.

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NOTE.—It is intended to serve this
 Petition on the Queensland National
 Bank Limd. and on George Stapylton
 Barnes the Official Receiver &
 Provisional Liquidator thereof.

(L.S.)

THE SCHEDULE.

30 PROPOSED SCHEME OF ARRANGEMENT in substitution for the Scheme of Arrangement made between The Queensland National Bank Limited and its Creditors, and sanctioned by the Supreme Court of Queensland, on the 31st day of July, 1893.

1. In this Scheme, and in the Schedule hereto, unless there is something in the subject or context inconsistent therewith, the following terms shall have the meanings set against the same respectively, that is to say :—

Interpretation.

“ The Government ”—Her Majesty’s Government of Queensland.

“ Court ”—The Supreme Court of Queensland.

“ The Bank ”—The Queensland National Bank, Limited.

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“ The Old Agreement ”—The Agreement dated the 20th day of September, 1893, and made between the Honourable HUGH MUIR NELSON, the Treasurer of Queensland, for and on behalf of the Government of the one part and the Bank of the other part.

Exhibits.

" X "

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement, *continued.*

" Stock or the Stock "—Interminable Inscribed Deposit Stock of the Bank created in pursuance of Clause 3 of this Scheme.

" The said Securities "—Deposit Receipts, Negotiable Deposit Receipts, with the Coupons appertaining thereto, and Inscribed Deposit Stock issued or given to Creditors of the Bank under or in pursuance of the Scheme of Arrangement made between the Bank and its Creditors, and sanctioned by the Supreme Court of Queensland on the 31st day of July, 1893, or which are now held by the Bank on behalf of such Creditors, or as security for any advances made to them by the Bank, and all other similar documents held by creditors of the Bank at the date of the said last-mentioned Scheme, and which have not been surrendered in exchange for any of the said securities under or in pursuance of the terms of such Scheme. 10

Words importing the singular number only include the plural and vice versa.

Words importing the masculine gender include the feminine. And words importing persons include corporations mutatis mutandis.

Provision for debts owing by the Bank to the Government under terms of the Old Agreement.

2. Subject to the provisions of this Scheme, the Government (without prejudice to any preferential rights which it may possess) shall accept in full satisfaction and discharge of all principal moneys and interest owing or to become owing by the Bank to the Government under the terms of the old Agreement (A) a sum equal to 15s. in the £ upon the amount of such principal moneys which said sum of 15s. in the £ (unless sooner paid at the option of the Bank as hereinafter provided) shall be payable in five equal annual instalments commencing on the 1st day of July 1917, and shall carry interest from and after the 31st day of March, 1897, at the rate of 3½ per cent. per annum: Provided that the amount for the time being payable for interest shall never be less than the minimum amount prescribed by "The Queensland National Bank Limited Agreement Act of 1896" with reference to an Agreement made under the authority of that Act: and (B) a further sum equal to 5s. in the £ upon the amount of such principal moneys as aforesaid, which said sum of 5s. in the £ shall be payable out of such part of the half-yearly profits of the Bank as hereinafter provided, and shall not carry any interest: Provided that, if the said sum of 5s. in the £ should not be sooner paid out of such profits as aforesaid or otherwise at the option of the Bank as hereinafter provided, the same or so much thereof as for the time being remains unpaid shall become and be payable on the 1st day of July, 1921. 30 40

The interest on the said sum of 15s. in the £, or on so much thereof as for the time being remains unpaid, shall be payable on the 30th day of June and the 31st day of December in each year, and the Bank shall pay any interest payable under the terms of the old Agreement up to the end of the 31st day of March, 1897.

Creation of Stock.

3. As soon as may be, and within six months after this Scheme is finally sanctioned by the Court, the Bank shall create and allot to and amongst the registered holders of the said Securities respectively Stock

to an amount equal to 75 per cent. of the principal moneys secured or represented by their said Securities after deducting from such principal moneys any fractional part of £1 owing to such registered holders respectively.

The said Stock shall carry interest from and after the 31st day of March, 1897, at the rate of 3½ per cent. per annum.

4. Subject to the provisions of this Scheme, each of the registered holders of the said Securities shall accept, in satisfaction and discharge of his said Securities and of all principal moneys and interest secured or represented thereby, an amount of the said Stock equal to 15s. in the £ upon the principal moneys secured or represented by his said Securities after deducting from such principal moneys any fractional part of £1.

Any such fractional part of £1 shall be paid by the Bank in cash.

Upon receiving notice of the allotment of such Stock, the allottee shall forthwith surrender to the Bank his Securities aforesaid, together with any coupons appertaining thereto, and shall be entitled in exchange therefor to a certificate of the Stock so allotted to him as aforesaid.

20 The interest on the said Stock shall be payable half-yearly on the 30th day of September and the 31st day of March in each year at the respective offices of the Bank in Queensland, Sydney, and London, at which such Stock is registered; and the Bank shall pay any interest due in respect of the surrendered securities up to the end of the 31st day of March, 1897, upon such surrender.

In addition to such interest as aforesaid, registered holders of Stock shall be entitled by way of bonus to such part of the half-yearly profits of the Bank as hereinafter provided.

30 5. The principal moneys payable to the Government under the terms of this Scheme and the principal moneys secured or represented by the said Stock shall immediately become payable—(A) if the Bank makes default for a period of six months in the payment of any interest payable thereon at the times and in the manner hereinbefore provided, and if after such default the Government or registered holders of Stock to an amount equal to two-thirds of the Stock for the time being unredeemed, calculated at its par value, by notice in writing to the Bank, call in such principal moneys; or (B) if an order is made or an effective resolution is passed for the winding-up of the Bank.

40 6. The said Stock shall be issued and held subject to the provisions of this Scheme and to the conditions set forth in the Schedule hereto, and such provisions and conditions shall be binding on the Bank and the registered holders of Stock and all persons claiming through or under them respectively.

7. The Balance of profits arising from the business of the Bank in each half-year, after setting aside out of such profits such sum as the Directors may think proper to meet contingencies, shall be dealt with in manner following, that is to say:—

(1) Twenty-five per cent. of such balance shall be paid to the Government until the sum of 5s. in the £ in Clause 2 hereinbefore referred to has been duly paid.

Exhibits.

“ X ”

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement,
continued.

Acceptance of Stock in exchange for Securities.

Time at which Stock becomes payable.

Conditions of Issue of Stock.

Application of Profits in payment of Bonus, &c.

Exhibits.

" X "

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement, *continued.*

(2) Fifty per cent. of such balance, or after payment to the Government of the sum of 5s. in the £ as aforesaid 75 per cent. of such balance, shall be carried to a special fund, and shall from time to time and at such time or times as the Directors may think fit be paid and distributed to and amongst the registered holders of Stock rateably until an aggregate amount or bonus equal to 5s. in the £ upon the principal moneys secured or represented by the said securities has been made good out of such balance of profits as aforesaid, and thereafter shall be applied in payment to the Government of any moneys payable to the Government under the 10 terms of this scheme.

Provided that all moneys carried to such special fund as aforesaid may, until the application thereof in manner hereinbefore provided, be invested in the public stock funds or securities of the Government.

And provided further that after the sum of 5s. in the £ hereinbefore referred to has been made good to the Government and the registered holders of Stock respectively, and after the sum of 15s. in the £ payable to the Government under the terms of this Scheme, and all interest payable in respect thereof, has been duly 20 paid, such 75 per cent. of such balance of profits as aforesaid may be dealt with in any manner authorised by the regulations of the Bank for the time being in force.

(3) The remaining 25 per cent. of such balance of profits, as aforesaid, shall, during a period of at least 10 years from the 31st day of March, 1897, be carried to the ordinary Reserve Fund of the Bank, and after the expiration of such period may be dealt with in any manner authorised by the regulations of the Bank for the time being in force.

Option for Bank to pay off Government before time fixed for payment.

8. The Bank may from time to time, and at any time after the 30 expiration of five years from the date when this Scheme is finally sanctioned by the Court, and after giving to the Treasurer six calendar months' notice of its intention so to do, pay off the said sum of 15s. in the £ payable to the Government under the terms of this Scheme, or any part thereof, notwithstanding that the time for such payment has not arrived together with all interest for the time being due in respect of the moneys so paid off, and together also with the whole or a proportionate part (as the case may be), of the said sum of 5s. in the £ in Clause 2 hereinbefore referred to, unless such sum of 5s. in the £, or such proportionate part thereof as aforesaid has been previously paid out of such profits as aforesaid, and 40 therefrom interest shall cease to be payable upon the said sum of 15s. in the £, or so much thereof as shall be so paid off as aforesaid.

Provided that the amount repaid to the Government at any one time shall not be less than £25,000.

New Business.

9. Save as in Clause 2 otherwise provided with reference to any preferential rights which the Government may possess, all debts in respect of any Current Account or Fixed Deposit which are for the time being

owing by the Bank to any creditor, and for the payment whereof provision is not made by the preceding clauses of this Scheme, shall, in the event of the Bank being wound up, be payable in priority to all moneys owing or to become owing under the terms of this Scheme.

10. At any time after payment by the Bank to the Government of the said sum of 15s. in the £ payable under the terms of this Scheme, together with all interest payable in respect thereof, and together also with the said sum of 5s. in the £ in Clause 2 hereinbefore referred to, the Bank may give to the registered holders of the said Stock, or any of them, six calendar months' notice of its intention to redeem the Stock held by them, or any portion thereof, at its market value, but at not less than its par value, together with 5s. in the £ upon the amount of the principal moneys secured or represented by the said securities in exchange for which such Stock was allotted, or so much of such 5s. in the £ as has not been previously paid out of such profits as aforesaid.

At the expiration of such notice every registered holder of Stock to whom such notice is given shall be bound to surrender to the Bank to be cancelled the amount of his Stock which is to be so redeemed, and also to deliver up his Certificate of Stock for cancellation; and the Bank shall thereupon pay to the registered holder of such Stock the redemption money therefor calculated at the price aforesaid together with all interest for the time being due in respect of such Stock. Such surrender delivery and payment shall be made at the office of the Bank at which such Stock is registered.

For the purposes of this Clause any notice may be given to a registered holder of Stock by sending the same through the post in a prepaid letter addressed to such holder at his registered place of address, and any notice so given shall be deemed to have reached the holder of such Stock on the day on which in the ordinary course of post the same should have been delivered at such address.

On the expiration of such notice interest shall cease to be payable in respect of the Stock so to be redeemed as aforesaid, and the registered holder of such Stock shall cease to be entitled to the benefit of Clause 7 of this Scheme in respect thereof.

All Stock so redeemed shall be cancelled and the Bank shall not be at liberty to issue any Stock in substitution therefor.

11. No dividends shall be payable until the sum of 5s. in the £ hereinbefore referred to, has been made good to the Government and the registered holders of Stock respectively, and no larger dividend than a dividend at the rate of $3\frac{1}{2}$ per cent. per annum shall be payable until all moneys payable to the Government under the terms of this Scheme have been duly paid.

12. As soon as proper provisions in that behalf can be made in the Articles of Association, and so long as Stock to the amount of £500,000 is unredeemed, one Member of the London Board of Directors shall be appointed by the registered holders of Stock and need not be a Member or Shareholder of the Bank, and the Board of Directors of the Bank at Brisbane

Exhibits.

“ X ”

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement.

continued.

Redemption of Stock.

Restriction upon payment of Dividends.

Election of Four Directors by holders of Stock.

Exhibits.

“ X ”

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement, *continued.*

shall consist of five persons, *three* of whom shall be elected by the registered holders of the said Stock, and need not be Members or Shareholders of the Bank ; and for the purpose of electing such last-mentioned Directors the registered holders of Stock shall be entitled to have notice of and to attend Meetings of the Bank at which such Directors are to be elected, and to vote in person or by proxy according to the following scale, that is to say :—

Registered holders of Stock for an amount of not less than £500	One vote	
Registered holders of Stock for an amount of not less than £2,000	Two votes	10
Registered holders of Stock for an amount of not less than £5,000	Three votes	
Registered holders of Stock for an amount exceeding £5,000	Four votes	

Provided that all proxies given by registered holders of Stock shall be deposited at the office of the Bank at which such Stock is registered not less than three days before the date of the meeting at which such proxies are intended to be used. Particulars of all proxies so deposited at any office, other than the Head Office of the Bank at Brisbane, sufficient to enable such proxies to be used at such meeting, may be sent by telegram to the General Manager of the Bank in Brisbane. 20

Reduction of Capital.

13. As soon as conveniently may be after this Scheme is finally sanctioned by the Court, the nominal capital of the Bank shall be reduced from £1,600,000, divided into 200,000 shares of £8 each, to £1,000,000 divided into 200,000 shares of £5 each.

The reduction shall be effected by cancelling paid-up capital to the extent of £3 per share upon each of the 160,000 shares which have been issued, and by reducing the nominal amount of all shares in the Bank's capital from £8 to £5 per share ; but shall not involve the diminution of any liability in respect of unpaid capital or the payment to any member of the Bank of any paid-up capital. 30

Alteration of Articles of Association.

14. The Bank shall, as soon as practicable after this Scheme has been finally sanctioned by the Court, amend or alter its Articles of Association so far as may be necessary for the purpose of giving effect to the provisions of this Scheme.

Incorporation of provisions of the "Queensland National Bank, Limited, Agreement Act of 1896."

15. All such other provisions as by the "Queensland National Bank, Limited, Agreement Act of 1896," are prescribed in the case of an Agreement made under the authority of that Act shall be deemed to be incorporated in this Scheme.

THE SCHEDULE (above referred to).

Register of Stock.

1. Registers of Stock will be kept by the Bank at its Head Office in Brisbane, or at its Branch Offices in Queensland, Sydney, or London (as the case may be), at which the securities in exchange for which such

Stock was allotted were at the time of such allotment payable, or at the office of the Bank to which such Stock may be transferred in manner hereinafter provided.

Exhibits.

“ X ”

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement, *continued.*

2. In every Register of Stock so kept by the Bank aforesaid there will be entered—

Nature of Register.

(A) The names, addresses, and descriptions of the registered holders for the time being of such Stock ;

(B) The particulars and amount of the Stock held by every such registered holder ; and

10 (C) The date at which every such registered holder was entered in the Register in respect of the Stock standing in his name, or any part thereof.

Any change of name or address on the part of any registered holder of Stock shall forthwith be notified to the manager of the office at which such Stock is registered, who, upon being satisfied thereof, shall alter the register accordingly.

20 3. The registered holder of any Stock may, upon application in writing addressed to the manager at the office where such Stock is registered, require that the registration of such Stock shall, at his cost and expense, be transferred to the Register kept at any other office ; and upon such transfer being effected the said Stock shall be deemed to be registered at the last-mentioned office.

Transfer from one Register to another.

4. No notice of any trust, express, implied, or constructive, shall be entered on the Register in respect of any Stock.

No notice of trusts.

5. Every registered holder of Stock will be entitled to a certificate of his title to such Stock, which certificate shall be in the form or to the effect following, that is to say :—

Certificates.

THE QUEENSLAND NATIONAL BANK, LIMITED.
Interminable Inscribed Deposit Stock.

Form of certificate.

30 No. £ .
Bearing interest at the rate of 3½ per cent. per annum, payable on the 31st day of March and the 30th day of September in each year.

This is to certify that

of
is the registered holder of of
the above Stock, which Stock is constituted pursuant to the provisions of the scheme of arrangement sanctioned by the Supreme Court of Queensland on the day of , 189 ,
and is issued subject to the provisions and conditions therein, and
40 in the schedule thereto respectively contained.

NOTE.—The Bank will not register a transfer of any Stock without the production of the certificate relating to such Stock, which certificate must be surrendered before any transfer, whether of the whole or any portion thereof, can be registered, or before a new certificate can be issued in exchange.

Exhibits.

“ X ”

A fee not exceeding 2s. 6d. will be charged on the registration of any transfer.

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement, continued.

Mode of issuing.

Registered holder deemed to be absolute owner.

Survivorship.

Corporation holding as joint tenant.

Transfer of Stock.

Form of Transfer

6. Every Certificate of Stock registered at the Head Office of the Bank in Brisbane shall be given under the seal of the Bank, and every Certificate of Stock registered at the London Office shall be given under the duplicate seal of the Bank, and every Certificate of Stock registered at any other office shall be signed by the manager and counter-signed by the accountant of the branch of the Bank at the office at which such Stock is so registered.

7. The Bank will recognise the registered holder of any Stock as the absolute owner thereof, and shall not be bound to take notice or see to the execution of any trust, whether expressed, implied, or constructive, to which any such Stock may be subject; and the receipt of such person for the interest from time to time accruing due in respect thereof, and for any moneys payable in respect thereof, or upon the redemption of the same, shall be a good discharge to the Bank, notwithstanding any notice it may have, whether express or otherwise, of the right, title, interest, or claim of any other person to or in such Stock or moneys.

8. In case of the death of any one of the joint holders of any registered Stock, the survivor will be the only person recognised by the Bank as having any title to or interest in such Stock.

9. A body corporate may be registered as one of the joint holders of Stock, and in any such case the persons so registered shall be deemed to hold in joint tenancy with right of survivorship, and the Bank shall be at liberty to act on that footing; and for the purposes of this clause the dissolution of a body corporate shall be treated as its death.

10. Every registered holder of Stock shall be entitled to transfer the same or any part thereof by an instrument in writing in the form following, or as near thereto as the circumstances will admit:—

THE QUEENSLAND NATIONAL BANK, LIMITED.

30

I, of in consideration of the sum of £ paid to me by of do hereby transfer to the said (hereinafter called the transferee) of the Stock of the above-named Bank, to hold the same unto the transferee, subject to the several conditions on which I held the same immediately before the execution hereof; and I, the transferee, do hereby agree to take the said Stock subject to the same conditions.

As witness our hands this day of .

Witness :

- | | | |
|---|--|--|
| 11. Every such instrument must be signed both by the transferor and transferee, and the transferor shall be deemed to remain owner of such stock until the name of the transferee is entered in the Register hereinbefore mentioned in respect thereof. | Execution of transfer. | <i>Exhibits.</i>
" X " |
| 12. Every instrument or transfer must be left at the office of the Bank at which the Stock to be transferred is registered for registration, accompanied by the certificate of the Stock for cancellation and such other evidence as the Bank may require to prove the title of the transferor or his right to transfer the Stock. | Forwarding transfers, &c., to office where Stock registered. | Copies of Documents now on the file of the High Court of Justice in England (Companies Winding |
| 10 13. All instruments of transfer which shall be registered shall be retained by the Bank. | Retention of transfer. | Up) in relation to the New Scheme of Arrangement, <i>continued.</i> |
| 14. A fee not exceeding 2s. 6d. will be charged for the registration of each transfer, and must, if required by the Bank, be paid before the registration of the transfer. | Fees on transfer. | |
| 15. No transfer will be registered during the fourteen days immediately preceding the 31st day of March and 30th day of September in each year. | Closing register of transfers. | |
| 20 16. The executors or administrators of a deceased registered holder of Stock (not being one of several joint holders) shall be the only persons recognised by the Bank as having any title to such Stock. | Transmissions of Stock. | |
| 17. Any person becoming entitled to any Stock in consequence of the death or insolvency of any registered holder of such stock upon producing such evidence that he sustains the character in respect of which he proposes to act under these conditions, or of his title, as the Bank shall deem sufficient, may be registered himself as the holder of such Stock, or, subject to the preceding conditions as to transfer, may transfer such Stock. This clause shall include any case in which a person becomes entitled as the survivor of persons registered as joint holders. | Death or insolvency of registered holder. | |
| 30 18. The Bank shall be at liberty to retain the interest payable upon any Stock in respect of which any person under the last preceding condition is entitled to transfer until such person shall be registered or duly transfer the same. | Withholding interest. | |
| 40 19. The interest on Stock and all other moneys payable in respect thereof may be paid by cheque or warrant sent through the post to the registered address of the holder, or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register in respect of such Stock. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent, and payment of the cheque or warrant, if duly endorsed, shall be a satisfaction of the interest and such other moneys as aforesaid, and a good discharge to the Bank therefor. | Mode of payment of interest. | |
| 20. If several persons are entered on the Register as joint holders of any Stock, then, without prejudice to the last preceding clause, the | Receipt of one joint holder. | |

Exhibits.
 " X "
 Copies of
 Documents
 now on the
 file of the
 High
 Court of
 Justice in
 England
 (Companies
 Winding
 Up) in
 relation to
 the New
 Scheme of
 Arrange-
 ment,
continued.

Loss, &c., of
 certificate.

receipt of any such person for the interest or other moneys from time to time payable in respect of such Stock shall be as effective a discharge to the Bank as if the person signing the same receipt were the sole registered holder of such Stock.

21. If any certificate of Stock, issued pursuant to these conditions, be worn out or defaced, upon production thereof at the office of the Bank at which such Stock is registered, the Bank may cancel the same, and may issue a new certificate in lieu thereof; and if any such certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Bank, or in default of proof on such indemnity as the Bank deems adequate being given, a new certificate in lieu thereof may be given to the person entitled to such lost or destroyed instrument. An entry as to the issue of the new certificate and indemnity (if any) will be made in the Register hereinbefore mentioned. 10

There shall be paid to the Bank in respect of any new certificate issued under this clause a sum not exceeding 2s. 6d.

Dated this 9th day of February, 1897.

(NOTE :—The amendments made in the Scheme, since it was submitted to the Creditors by order of the Supreme Court of Queensland, in February, 1897, are shown in italics underlined.) 20

(L.S.)

No. 00126 of 1897.

IN THE HIGH COURT OF JUSTICE.
 Companies (Winding Up).
 Mr. JUSTICE VAUGHAN WILLIAMS.

Thursday the 27th day of May 1897.

IN THE MATTER of The Companies Acts 1862 to 1890

and

IN THE MATTER of THE QUEENSLAND NATIONAL BANK
 LIMITED. 30

UPON MOTION this day made unto this Court by Counsel on behalf of George Stapylton Barnes the Senior Official Receiver and Provisional Liquidator of the above named Bank And Upon Reading the Order to wind up the said Bank dated this day the two several Orders both dated the 17th May 1897 the Affidavit of James Watson Dickinson filed the 17th May 1897 and the Exhibits therein referred to and the Affidavit of Charles Shortt Dicken filed the 17th May 1897 and the Report of the said Official Receiver and Provisional Liquidator dated the 17th May 1897

Exhibits.

“ X ”

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement, *continued.*

negotiable deposit receipts or inscribed deposit stock issued by the Company in pursuance of the Scheme of Arrangement made between the Company and its Creditors and sanctioned by the High Court of Justice on the 13th September 1893 for the purpose of considering and if thought fit approving with or without modification a further scheme of Arrangement proposed between the said Company and its Creditors such scheme being the Exhibit D1 to the said Affidavit of James Watson Dickinson filed 17 May 1897 such Meeting to be held in London on the 2nd day of June 1897

AND IT IS ORDERED that an advertisement convening the said Meeting and stating that a copy of the Scheme can be seen at the Office 10 of the Company in London and at the offices of the following Agents of the Bank, vizt., Messrs. Torrie Brodie and Maclagan 12 Queen Street Edinburgh Messieurs William Ewing and Company 7 Royal Bank Place Glasgow and Messieurs Guinness Mahon and Company 17 College Green Dublin be inserted in the London Gazette of the 28th May 1897 and in the issues of the 29th and 31st days of May 1897 of each of the following newspapers, vizt., The Times The Scotsman and The Freemans Journal

AND IT IS ORDERED that in addition a circular letter to the like effect together with a proper form of proxy and a copy of the said Scheme be sent by prepaid post on or before the 28th May 1897 to each of the persons 20 appearing upon the Company's books in the London Office to be a Creditor of the Company in respect of deposit receipts negotiable deposit receipts or inscribed deposit stock issued by the Company in pursuance of the said scheme of arrangement sanctioned by the High Court of Justice on the 13th September 1893 and having an address within the United Kingdom or on the continent of Europe so far as such addresses are shewn by the said Books of the Company or are otherwise known to the said Official Receiver and Provisional Liquidator of the said Company

AND THE COURT DOTH HEREBY APPOINT the Official Receiver and Provisional Liquidator of the said Company to be Chairman of the 30 said Meeting AND IT IS ORDERED that he do report the result of the said Meeting to the Court.

J.N.

H. J. HOOD,
Registrar.

Folios
No. 00126 of 1897.

Exhibits.

“ X ”

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement, *continued.*

IN THE HIGH COURT OF JUSTICE.
(Companies Winding Up).
MR. JUSTICE VAUGHAN WILLIAMS.

Stamp Thursday the 27th day of May 1897.

IN THE MATTER of the Companies Acts, 1862 to 1890
and

IN THE MATTER of THE QUEENSLAND NATIONAL BANK
LIMITED.

10

UPON THE PETITION of the above-named Queensland National Bank of 8 Princes Street in the City of London

of the above-named Company on the 17th May 1897 preferred unto this Court and upon hearing Counsel for the Petitioners for the above-named Company and for

20

and upon reading the said petition an affidavit of James Watson Dickinson filed the 17th May 1897 (verifying the said petition) the “ London Gazette ” dated both (L.S.)

189 and the Times newspaper dated the 18th May 1897 and each containing an advertisement of the said petition—the Affidavit of Charles Shortt Dicken and the Affidavit of James Watson Dickinson both filed the 17th May 1897 the Order dated the 17th May 1897 appointing one of the Official Receivers attached to this Court Provisional Liquidator of the above-named Company and the Order also dated the 17th May 1897 appointing James Watson Dickinson Special Manager of the above-named Company.

30 THIS COURT DOTH ORDER that the said Queensland National Bank Limited be wound up by this Court under the provisions of the Companies Acts, 1862 to 1890.

(L.S.) George Stapylton Barnes the Senior

And It is ordered that ~~one of the~~ official receivers (L.S.) attached to continued as (L.S.)

this Court be ~~constituted~~ provisional liquidator of the affairs of the said Company.

And It is Ordered that no steps or proceedings be taken under this Order without the sanction of this Court.

40 And It is Ordered that the costs of the Petitioners ~~and of the said Company and of~~ be taxed and paid out of the assets of the Company. (L.S.)

J.N.

H. J. HOOD,
Registrar.

Exhibits.

" X "

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement. *continued.*

NOTE.—It will be the duty of the person who is the secretary or chief officer of the Company and such of the persons who are liable to make out or concur in making out the Company's statement of affairs as the official receiver may require him or them to attend on the official receiver forthwith on the service of this order.

The official Receiver's offices, 33, Carey Street, London, W.C., are open every week-day from ten a.m. to four p.m. except on Saturdays, when they close at two p.m.

(L.S.)

No. 00126 of 1897. 10

IN THE HIGH COURT OF JUSTICE.

Companies (Winding Up).

Mr. Registrar Hood.

Stamp
Duty 5/-
18/5/97

Monday the 17th day of May 1897.

IN THE MATTER of the Companies Acts 1862 to 1890

and

IN THE MATTER of THE QUEENSLAND NATIONAL BANK
LIMITED.

20

Upon the application (by summons dated this day) of the above-named Queensland National Bank Limited the Petitioners named in the Petition this day preferred unto this Court and of George Stapylton Barnes the Official Receiver and Provisional Liquidator of the above-named Company and upon hearing Counsel for the Applicants and upon reading the Order dated this day (appointing Provisional Liquidator) the Affidavit of James Watson Dickinson filed this day and the exhibits therein referred to the Affidavit of Charles Shortt Dicken filed this day as to fitness and the report of the said Official Receiver and Provisional Liquidator dated this day This Court doth hereby appoint James Watson Dickinson of 30 No. 8 Princes Street in the City of London the London Manager of the above-named Bank to be Special Manager of the said Bank for 3 weeks from this date or until further order for the purpose of transacting the following business only viz. :—

(A) To receive money to be remitted to the Colony.

(B) To purchase Bills drawn on the Colony and to transmit such Bills and any shipping documents to the head office in the Colony such Bills not to exceed £16,000.

(C) To collect remittances from the Colony.

(D) To sell Colonial produce consigned to the Bank and to 40 collect the proceeds.

(E) To pay acceptances and bills payable as they become due or are presented for payment.

(F) To accept bills coming forward in the ordinary course of business for acceptance.

(G) To continue Office Staff.

Nothing herein contained shall authorise the Special Manager to grant any special terms or do any of the acts enumerated above otherwise than in accordance with the ordinary course of banking.

And it is Ordered that the said Official Receiver and Provisional Liquidator do place the sum of £30,000 to the credit of the said James Watson Dickinson with Lloyds Bank Limited as Special Manager with liberty to him to draw on the said amount for all or any of the purposes hereinbefore mentioned.

And it is Ordered that the said James Watson Dickinson as such Special Manager do give security to the satisfaction of the Board of Trade on or before the 18th day of May instant and that the remuneration of the said James Watson Dickinson as such Special Manager is to be the same as his existing salary as London Manager of the above-named Bank.

And the Official Receiver and Liquidator is to be at liberty to apply for additional powers to and funds for the Special Manager and generally as he may be advised.

20 J.W.

H. J. HOOD,
Registrar.

(L.S.)

No. 00126 of 1897.

IN THE HIGH COURT OF JUSTICE.
Companies Winding Up.
Mr. Registrar Hood.

Stamp
Duty
5/-
18.5.97

Monday the 17th day of May 1897.

30

IN THE MATTER of The Companies Acts 1862 to 1890

and

IN THE MATTER of THE QUEENSLAND NATIONAL BANK LIMITED.

Upon the application (by Summons dated this day) of the above-named Queensland National Bank Limited the Petitioners named in the Petition this day preferred unto this Court and upon hearing Counsel for the Applicants and upon reading the said Petition and the Affidavit of James Watson Dickinson filed this day verifying the said Petition

40

The Court doth hereby appoint
one of the Official Receivers
attached to this Court to be Provisional Liquidator of the above-named
Queensland National Bank Limited.

Exhibits.
" X "
Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement,
continued.

Exhibits.

" X "

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement, *continued.*

And the Court doth hereby limit and restrict the powers of the said Official Receiver as such Provisional Liquidator to the following acts (that is to say)

(1) To take possession of and protect the assets of the said Bank.

(2) To apply for the appointment of James Watson Dickinson of No. 8 Princes Street in the City of London the London Manager of the said Bank as Special Manager.

J. W.

H. J. HOOD, 10
Registrar.

(L.S.)

No. of 1897.

IN THE HIGH COURT OF JUSTICE.
Companies (Winding Up).
Mr. Registrar Hood.

the _____ day of May 1897.

IN THE MATTER of the Companies Acts 1862 to 1890

and

IN THE MATTER of THE QUEENSLAND NATIONAL BANK 20
LIMITED.

Upon the application of the above-named Queensland National Bank Limited the Petitioners named in the Petition this day presented unto this Court and upon hearing Counsel for the Applicants and George Stapylton Barnes the Provisional Liquidator of the above-named Company in person and upon reading the Order dated this day the Affidavit of James Watson Dickinson filed this day and the Exhibits therein referred to and the affidavit of Charles Shortt Dicken filed this day as to fitness This Court doth appoint James Watson Dickinson of No. 8 Princes Street in the City of London the London Manager of the above-named Bank to be Special 30
Manager of the same Bank for 3 weeks from this date or until further Order for the purpose of transacting the following business only viz.

(A) To receive money to be remitted to the Colony.

(B) To purchase Bills drawn on the Colony and to transmit such Bills and any shipping documents to the Head Office in the Colony such Bills not to exceed £16,000.

(C) To collect remittances from the Colony.

(D) To sell Colonial produce consigned to the Bank and to collect the proceeds.

(E) To pay acceptances and bills payable as they become due 40
or are presented for payment.

(F) To accept bills coming forward in the ordinary course of business for acceptance.

(G) To continue Office Staff.

Nothing herein contained shall authorize the Special Manager to grant any Special terms or do any of the acts enumerated above otherwise than in accordance with the ordinary course of banking.

the Provisional Liquidator to place (H.H.)

10 And It is Ordered that £ the sum of £30,000 ~~be placed~~ (H.H.) to the credit of the said James Watson Dickinson with Lloyds Bank Limited as Special Manager with liberty to him to draw on the said amount for all or any of the purposes hereinbefore mentioned

And It is Ordered that the said James Watson Dickinson as such Special Manager do give security to the satisfaction of the Board of Trade on or before the day of May instant and that the remuneration of the said James Watson Dickinson as such Special Manager is to be his existing salary as London Manager of the above-named Bank.

Liberty to the Applicants to apply in Chambers as they may be and generally H.H. advised for additional powers to and funds for the Special Manager.λ

20 H.H.
(L.S.)

No. of 1897.

IN THE HIGH COURT OF JUSTICE.
Companies (Winding Up).
Mr. Registrar Hood.

the _____ day of May 1897.

IN THE MATTER of The Companies Acts 1862 to 1890
and

30 IN THE MATTER of THE QUEENSLAND NATIONAL BANK LIMITED.

Upon the application of the above-named Queensland National Bank Limited the petitioners named in the petition this day presented unto this Court & upon hearing Counsel for the Applicants & upon reading the said petition and the Affidavit of James Watson Dickinson filed this day and the Exhibits therein referred to

The Judge doth appoint George Stapylton Barnes one of the Official Receivers attached to this Court to be provisional Liquidator of the above-named Queensland National Bank Limited.

Exhibits.

“ X ”

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement, continued.

Exhibits.
 " X "
 Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement,
continued.

And the Judge doth hereby limit and restrict the powers of the said Official Receiver as such provisional Liquidator to the following acts (that is to say)—

(1) To take possession of and protect the assets of the said Bank ~~other than and except the sum of £30,000 mentioned in the Order in this Matter dated this day.~~ H.H.

(2) To apply for the appointment of the said James Watson Dickinson of No. 8 Princes Street in the City of London the London Manager of the said Bank as Special Manager.

H.H.
(L.S.)

10

No. 00126 of 1897.

IN THE HIGH COURT OF JUSTICE.
 Companies (Winding up).

MR. JUSTICE VAUGHAN WILLIAMS.

Stamp Duty—£2/-/- 17.5.97
 Companies Winding Up 2/6.

17th May 1897

The Court doth order that all parties concerned do attend hereon on Wednesday the 26th day of May 1897 at the Royal Court of Justice, Strand, London and hereof give notice forthwith.

IN THE MATTER of The Companies Acts
 1862 to 1890

and

IN THE MATTER of THE QUEENSLAND
 NATIONAL BANK LIMITED.

20

TO HER MAJESTY'S HIGH COURT
 OF JUSTICE.

THE HUMBLE PETITION of the above-named
 QUEENSLAND NATIONAL BANK LIMITED of 8 Princes
 Street in the City of London.

SHEWETH as follows :

1. Your Petitioners the above-named Queensland National Bank Limited (hereinafter called the Company) were incorporated in the year 1872 under the Companies Statute of 1863 of the Legislature of the Colony of Queensland Australia as a Company limited by shares. The head office of the Company is situate in Brisbane in the said Colony of Queensland and the Company has numerous branches in Queensland and elsewhere in Australia. 30

2. The registered office of the Company for the purposes of the Companies (Winding Up) Act 1890 is situate at No. 8 Princes Street in the City of London which is the Company's principal place of business in the United Kingdom.

3. The objects for which the Company was established are—

To receive money on Loan or deposit or otherwise and either with or without giving any security of the Company or upon any property of the Company for any such money 40

To negotiate loans of all descriptions upon any terms as to profit or remuneration and lend money on the security of any description of property real or personal including stock and shares and other choses in action or on Bonds or other obligations or any other kind of personal security or without taking security

To issue Bank Bills and Bank Notes and to buy sell exchange or otherwise deal in all kinds of negotiable securities and also in Gold and other precious metals and money and to grant letters of credit on Agents or connections of the Company or other persons

10 To transact any other Banking or Agency or Financial business of any description And other objects set forth in the Company's Memorandum of Association.

4. The original nominal Capital of the Company was £500,000 divided into 50,000 shares of £10 each, which was subsequently increased to £2,000,000 divided into 200,000 shares of £10 each. At the date of the scheme of arrangement of 1893 hereinafter mentioned 160,000 of the said shares had been issued. Since and pursuant to such scheme the capital has been reduced and the existing nominal capital is now £1,600,000 divided into 200,000 shares of £8 each with £6 paid on each share.

20 5. On the 15th May 1893 the Company under pressure of the financial crisis then existing in Australia and the withdrawal of deposits suspended payment.

6. On the 15th May 1893 a Petition for the winding up of the Company was presented to the Supreme Court of Queensland and on the 15th and 16th May 1893 two winding up Petitions were presented to this Court. A winding up Order was made by this Court on the 8th July 1893. No winding up Order was made in the Colony.

30 7. The Company subsequently resumed business under the provisions of a Scheme of Arrangement with its Creditors which was duly sanctioned and rendered binding on the Company its creditors and contributories by all necessary statutory meetings and orders of the Courts in the Colony and in this Country under the provisions of the Colonial Acts and the Joint Stock Company's Arrangement Act 1870 By the order of this Court sanctioning the said Scheme which was made on the 13th September 1893 all proceedings in relation to the winding up of the Company in this Country were stayed except for the purpose of carrying such order into effect.

40 8. Owing to the depressed condition of trade and business in Australia generally the Company has found and finds it impossible to invest or employ its funds on reasonably safe securities producing a rate of interest sufficiently remunerative to enable the Company out of its revenue to pay the interest payable under the provisions of the said Scheme of Arrangement of 1893 in respect of the deposit receipts negotiable deposit receipts and Inscribed Deposit Stock mentioned in the Scheme Moreover heavy depreciation in Securities held by the Company has occurred. The position of the Company is such that if it were to continue

Exhibits.

“ X ”

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement, *continued.*

Exhibits.

“ X ”

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement *continued.*

its business on the present conditions without obtaining alteration in the Scheme of 1893 it would be compelled to suspend payment and would become insolvent. Under these circumstances a new scheme of arrangement between the Company and its creditors in substitution for the said Scheme of 1893 was proposed and published. A copy of such new scheme as ultimately sanctioned by the Court in Queensland as hereinafter mentioned is set forth in the Schedule to this Petition.

9. By an Order of the Supreme Court of Queensland made on the 9th February 1897 it was ordered that a meeting of the creditors of the Company in respect of deposit receipts negotiable deposit receipts or inscribed deposit stock issued by the Company in pursuance of the said Scheme of Arrangement of 1893 (including the Government of the Colony of Queensland) be held at Brisbane on the 22nd March 1897 for the purpose of considering and if thought fit agreeing to the new Scheme of Arrangement aforesaid and by the said Order directions were given as to notice of the meeting by advertisement and circular letters and as to deposit of proxies by creditors in Australia and in the United Kingdom respectively. 10

10. Pursuant to the last-mentioned order a meeting of Creditors of the Company of the Classes named in the Order was duly held and the said new scheme was approved by a majority considerably in excess of the majority required by the law of Queensland to render the Scheme binding (subject to the sanction of the Court) on all creditors. 20

11. On the 12th day of May 1897 an order was made by the Supreme Court of Queensland sanctioning the said Scheme. No Order for the winding up of the Company in Queensland has been made or applied for. Under the Colonial Statutes a Scheme of Arrangement between a Company and its creditors can be carried out without a winding up of the Company.

12. The Company has assets of considerable value within the United Kingdom and many of its Creditors and shareholders are resident in the United Kingdom. The adoption of the Scheme is the only means of averting insolvency of the Company and it is in the interests of the Company its Creditors and shareholders that the Scheme should be duly carried out and sanctioned by the Court under the provisions of the Joint Stock Companies Arrangement Act 1870. To that end it is necessary that an order should first be made for the winding up of the Company. 30

13. The said new Scheme of Arrangement is a scheme only between the Company and the Creditors holding deposit receipts negotiable deposit receipts and inscribed deposit stock issued under the Scheme of 1893 (including the Government of Queensland) and does not affect or purport to affect any other creditors. 40

14. Under the circumstances it is just and equitable that the Company should be wound up by the Court and that directions should be given for the appointment of the Official Receiver as Provisional Liquidator and

limiting his powers to making application for the appointment of a special manager with power to pay current acceptances and generally to carry on the business here as a going concern until further order.

YOUR PETITIONERS therefore humbly pray as follows :—

- (1) That the Queensland National Bank Limited may be wound up by the Court under the provisions of the Companies Acts 1862 to 1890 and that for such purpose all necessary and proper directions may be given or
- (2) That such further or other order may be made in the premises as the Court shall think fit.

AND your Petitioners will ever pray etc.

It is not intended to serve this Petition upon any person.

THE SCHEDULE above referred to.

PROPOSED SCHEME OF ARRANGEMENT in substitution for the Scheme of Arrangement made between The Queensland National Bank Limited and its Creditors, and sanctioned by the Supreme Court of Queensland, on the 31st day of July, 1893.

1. In this Scheme, and in the Schedule hereto, unless there is something in the subject or context inconsistent therewith, the following terms shall have the meanings set against the same respectively, that is to say :—

“ The Government ”—Her Majesty’s Government of Queensland.

“ Court ”—The Supreme Court of Queensland.

“ The Bank ”—The Queensland National Bank, Limited.

“ The Old Agreement ”—The Agreement dated the 20th day of September, 1893, and made between the Honourable Hugh Muir Nelson, the Treasurer of Queensland, for and on behalf of the Government of the one part and the Bank of the other part.

“ Stock or the Stock ”—Interminable Inscribed Deposit Stock of the Bank created in pursuance of Clause 3 of this Scheme.

“ The said Securities ”—Deposit Receipts, Negotiable Deposit Receipts, with the Coupons appertaining thereto, and Inscribed Deposit Stock issued or given to Creditors of the Bank under or in pursuance of the Scheme of Arrangement made between the Bank and its Creditors, and sanctioned by the Supreme Court of Queensland on the 31st day of July, 1893, or which are now held by the Bank on behalf of such Creditors, or as security for any advances made to them by the Bank, and all other similar documents held by creditors of the Bank at the date of the said last-mentioned Scheme, and which have not been surrendered in exchange for any of the said securities under or in pursuance of the terms of such Scheme.

Exhibits.

“ X ”

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement,
continued.

Interpreta-
tion.

Exhibits.

“ X ”

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement, *continued.*

Provision for debts owing by the Bank to the Government under terms of the Old Agreement.

Words importing the singular number only include the plural and vice versa.

Words importing the masculine gender include the feminine.

And words importing persons include corporations mutatis mutandis.

2. Subject to the provisions of this Scheme, the Government (without prejudice to any preferential rights which it may possess) shall accept in full satisfaction and discharge of all principal moneys and interest owing or to become owing by the Bank to the Government under the terms of the old Agreement (A) a sum equal to 15s. in the £ upon the amount of such principal moneys which said sum of 15s. in the £ (unless sooner paid at the option of the Bank as hereinafter provided) shall be payable in five equal annual instalments commencing on the 1st day of July 1917, and shall carry interest from and after the 31st day of March, 1897, at the rate of 3½ per cent. per annum: Provided that the amount for the time being payable for interest shall never be less than the minimum amount prescribed by “The Queensland National Bank Limited Agreement Act of 1896” with reference to an Agreement made under the authority of that Act; and (B) a further sum equal to 5s. in the £ upon the amount of such principal moneys as aforesaid, which said sum of 5s. in the £ shall be payable out of such part of the half-yearly profits of the Bank as hereinafter provided, and shall not carry any interest: Provided that, if the said sum of 5s. in the £ should not be sooner paid out of such profits as aforesaid or otherwise at the option of the Bank as hereinafter provided, the same or so much thereof as for the time being remains unpaid shall become and be payable on the 1st day of July, 1921. 10 20

The interest on the said sum of 15s. in the £, or on so much thereof as for the time being remains unpaid shall be payable on the 30th day of ~~September~~ June and the 31st day of ~~March~~ December in each year, and the Bank shall pay any interest payable under the terms of the old Agreement up to the end of the 31st day of March, 1897. 30

Creation of Stock.

3. As soon as may be, and within six months after this Scheme is finally sanctioned by the Court, the Bank shall create and allot to and amongst the registered holders of the said Securities respectively Stock to an amount equal to 75 per cent. of the principal moneys secured or represented by their said Securities after deducting from such principal moneys any fractional part of £1 owing to such registered holders respectively.

The said Stock shall carry interest from and after the 31st day of March, 1897, at the rate of 3½ per cent. per annum.

Acceptance of Stock in exchange for securities.

4. Subject to the provisions of this Scheme, each of the registered holders of the said Securities shall accept, in satisfaction and discharge of his said Securities and of all principal moneys and interest secured or represented thereby, an amount of the said Stock equal to 15s. in the £ upon the principal moneys secured or represented by his said Securities after deducting from such principal moneys any fractional part of £1. 40

Any such fractional part of £1 shall be paid by the Bank in cash.

Upon receiving notice of the allotment of such Stock, the allottee shall forthwith surrender to the Bank his Securities aforesaid, together with any coupons appertaining thereto, and shall be entitled in exchange therefor to a certificate of the Stock so allotted to him as aforesaid.

The interest on the said Stock shall be payable half-yearly on the 30th day of September and the 31st day of March in each year at the respective offices of the Bank in Queensland, Sydney, and London, at which such Stock is registered ; and the Bank shall pay any interest due in respect of the surrendered securities up to the end of the 31st day of March, 1897, upon such surrender.

In addition to such interest as aforesaid, registered holders of Stock shall be entitled by way of bonus to such part of the half-yearly profits of the Bank as hereinafter provided.

5. The principal moneys payable to the Government under the terms of this Scheme and the principal moneys secured or represented by the said Stock shall immediately become payable : (A) if the Bank makes default for a period of six months in the payment of any interest payable thereon at the times and in the manner hereinbefore provided, and if after such default the Government or registered holders of Stock to an amount equal to two-thirds of the Stock for the time being unredeemed, calculated at its par value, by notice in writing to the Bank, call in such principal moneys ; or (B) if an order is made or an effective resolution is passed for the winding-up of the Bank.

Time at which Stock becomes payable.

Exhibits.
 " X "
 Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement,
continued.

6. The said Stock shall be issued and held subject to the provisions of this Scheme and to the conditions set forth in the Schedule hereto, and such provisions and conditions shall be binding on the Bank and the registered holders of Stock and all persons claiming through or under them respectively.

Conditions of Issue of Stock.

7. The Balance of profits arising from the business of the Bank in each half-year after setting aside out of such profits such sum as the Directors may think proper to meet contingencies, shall be dealt with in manner following, that is to say :—

Application of Profits in payment of Bonus, &c.

(1) Twenty-five per cent. of such balance shall be paid to the Government until the sum of 5s. in the £ in Clause 2 hereinbefore referred to has been duly paid.

(2) Fifty per cent. of such balance, or after payment to the Government of the sum of 5s. in the £ as aforesaid 75 per cent. of such balance, shall be carried to a special fund, and shall from time to time and at such time or times as the Directors may think fit be paid and distributed to and amongst the registered holders of Stock rateably until an aggregate amount or bonus equal to 5s. in the £ upon the principal moneys secured or represented by the said securities has been made good out of such balance of profits as aforesaid, and thereafter shall be applied in payment to the Government of any moneys payable to the Government under the terms of this scheme.

Exhibits.

“ X ”

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement,
continued.

Provided that all moneys carried to such special fund as aforesaid may, until the application thereof in manner hereinbefore provided, be invested in the public stock funds or securities of the Government.

And provided further that after the sum of 5s. in the £ hereinbefore referred to has been made good to the Government and the registered holders of Stock respectively, and after the sum of 15s. in the £ payable to the Government under the terms of this Scheme, and all interest payable in respect thereof, has been duly paid, such 75 per cent. of such balance of profits as aforesaid may be dealt with in any manner authorised by the regulations of the Bank for the time being in force. 10

(3) The remaining 25 per cent. of such balance of profits, as aforesaid, shall, during a period of at least 10 years from the 31st day of March, 1897, be carried to the ordinary Reserve Fund of the Bank, and after the expiration of such period may be dealt with in any manner authorised by the regulations of the Bank for the time being in force.

Option for Bank to pay off Government before time fixed for payment.

8. The Bank may from time to time, and at any time after the expiration of five years from the date when this Scheme is finally sanctioned by the Court, and after giving to the Treasurer six calendar months' notice of its intention so to do, pay off the said sum of 15s. in the £ payable to the Government under the terms of this Scheme, or any part thereof, notwithstanding that the time for such payment has not arrived together with all interest for the time being due in respect of the moneys so paid off, and together also with the whole or a proportionate part (as the case may be), of the said sum of 5s. in the £ in Clause 2 hereinbefore referred to, unless such sum of 5s. in the £, or such proportionate part thereof as aforesaid has been previously paid out of such profits as aforesaid, and therefrom interest shall cease to be payable upon the said sum of 15s. in the £, or so much thereof as shall be so paid off as aforesaid. 20 30

Provided that the amount repaid to the Government at any one time shall not be less than £25,000.

New Business.

9. Save as in Clause 2 otherwise provided with reference to any preferential rights which the Government may possess, all debts in respect of any Current Account or Fixed Deposit which are for the time being owing by the Bank to any creditor, and for the payment whereof provision is not made by the preceding clauses of this Scheme, shall, in the event of the Bank being wound up, be payable in priority to all moneys owing or to become owing under the terms of this Scheme. 40

Redemption of Stock.

10. At any time after payment by the Bank to the Government of the said sum of 15s. in the £ payable under the terms of this Scheme, together with all interest payable in respect thereof, and together also with the said sum of 5s. in the £ in Clause 2 hereinbefore referred to, the Bank may give to the registered holders of the said Stock, or any of them, six calendar months' notice of its intention to redeem the Stock held by them, or any portion thereof, at its market value, but at not less than its

par value, together with 5s. in the £ upon the amount of the principal moneys secured or represented by the said securities in exchange for which such Stock was allotted, or so much of such 5s. in the £ as has not been previously paid out of such profits as aforesaid.

10 At the expiration of such notice every registered holder of Stock to whom such notice is given shall be bound to surrender to the Bank to be cancelled the amount of his Stock which is to be so redeemed, and also to deliver up his Certificate of Stock for cancellation; and the Bank shall thereupon pay to the registered holder of such Stock the redemption money therefor calculated at the price aforesaid together with all interest for the time being due in respect of such Stock. Such surrender delivery and payment shall be made at the office of the Bank at which such Stock is registered.

For the purposes of this Clause any notice may be given to a registered holder of Stock by sending the same through the post in a prepaid letter addressed to such holder at his registered place of address, and any notice so given shall be deemed to have reached the holder of such Stock on the day on which in the ordinary course of post the same should have been delivered at such address.

20 On the expiration of such notice interest shall cease to be payable in respect of the Stock so to be redeemed as aforesaid, and the registered holder of such Stock shall cease to be entitled to the benefit of Clause 7 of this Scheme in respect thereof.

All Stock so redeemed shall be cancelled and the Bank shall not be at liberty to issue any Stock in substitution therefor.

30 11. No dividends shall be payable until the sum of 5s. in the £ hereinbefore referred to, has been made good to the Government and the registered holders of Stock respectively, and no larger dividend than a dividend at the rate of $3\frac{1}{2}$ per cent. per annum shall be payable until all moneys payable to the Government under the terms of this Scheme have been duly paid.

Restriction upon payment of Dividends.

40 12. As soon as proper provisions in that behalf can be made in the Articles of Association, and so long as stock to the amount of £500,000 is unredeemed, one Member of the London Board of Directors shall be appointed by the registered holders of Stock and need not be a Member or Shareholder of the Bank, and the Board of Directors of the Bank at Brisbane shall consist of five persons, ~~two~~ three of whom shall be elected by the Registered holders of the said Stock, and need not be Members or Shareholders of the Bank; and for the purpose of electing such last-mentioned Directors the registered holders of Stock shall be entitled to have notice of and to attend Meetings of the Bank at which such Directors are to be elected, and to vote in person or by proxy according to the following scale, that is to say:—

Election of ~~three~~ four Directors by holders of Stock.

Registered holders of Stock for an amount of not less than £500	One vote
Registered holders of Stock for an amount of not less than £2,000	Two votes

Exhibits.
 “ X ”
 Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement,
continued.

<i>Exhibits.</i> " X "	Registered holders of Stock for an amount of not less than £5,000	Three votes
Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement, <i>continued.</i>	Registered holders of Stock for an amount exceeding £5,000	Four votes

Provided that all proxies given by registered holders of Stock shall be deposited at the office of the Bank at which such Stock is registered not less than three days before the date of the meeting at which such proxies are intended to be used. Particulars of all proxies so deposited at any office, other than the Head Office of the Bank at Brisbane, sufficient to enable such proxies to be used at such meeting, shall may be 10 sent by telegram to the General Manager of the Bank in Brisbane.

13. As soon as conveniently may be after this Scheme is finally sanctioned by the Court, the nominal capital of the Bank shall be reduced from £1,600,000, divided into 200,000 shares of £8 each, to £1,000,000, divided into 200,000 shares of £5 each.

The reduction shall be effected by cancelling paid-up capital to the extent of £3 per share upon each of the 160,000 shares which have been issued, and by reducing the nominal amount of all shares in the Bank's capital from £8 to £5 per share; but shall not involve the diminution of any liability in respect of unpaid capital or the payment to any member 20 of the Bank of any paid-up capital.

Alteration of Articles of Association. 14. The Bank shall, as soon as practicable after this Scheme has been finally sanctioned by the Court, amend or alter its Articles of Association so far as may be necessary for the purpose of giving effect to the provisions of this Scheme.

Incorporation of provisions of the "Queensland National Bank, Limited, Agreement Act of 1896." 15. All such other provisions as by the "Queensland National Bank, Limited, Agreement Act of 1896," are prescribed in the case of an Agreement made under the authority of that Act shall be deemed to be incorporated in this Scheme.

THE SCHEDULE (above referred to). 30

Register of Stock. 1. Registers of Stock will be kept by the Bank at its Head Office in Brisbane, or at its Branch Offices in Queensland, Sydney, or London (as the case may be), at which the securities in exchange for which such Stock was allotted were at the time of such allotment payable, or at the office of the Bank to which such Stock may be transferred in manner hereinafter provided.

Nature of Register.— 2. In every Register of Stock so kept by the Bank aforesaid there will be entered—

(A) The names, addresses, and descriptions of the registered holders for the time being of such Stock ; 40

(B) The particulars and amount of the Stock held by every such registered holder ; and

(C) The date at which every such registered holder was entered in the Register in respect of the Stock standing in his name, or any part thereof.

Exhibits.

“ X ”

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement, *continued.*

Any change of name or address on the part of any registered holder of Stock shall forthwith be notified to the manager of the office at which such Stock is registered, who, upon being satisfied thereof, shall alter the register accordingly.

10 3. The registered holder of any Stock may, upon application in writing addressed to the manager at the office where such Stock is registered, require that the registration of such Stock shall, at his cost and expense, be transferred to the Register kept at any other office ; and upon such transfer being effected the said Stock shall be deemed to be registered at the last-mentioned office.

Transfer from one Register to another.

4. No notice of any trust, express, implied, or constructive, shall be entered on the Register in respect of any Stock.

No notice of trusts.

5. Every registered holder of Stock will be entitled to a certificate of his title to such Stock, which certificate shall be in the form or to the effect following, that is to say :

Certificates.

THE QUEENSLAND NATIONAL BANK, LIMITED.

Form of certificate.

Interminable Inscribed Deposit Stock.

No.

£

Bearing interest at the rate of $3\frac{1}{2}$ per cent. per annum, payable on the 31st day of March and the 30th day of September in each year.

This is to certify that

of

is the registered holder of

of the above Stock, which Stock is

30 constituted pursuant to the provisions of the scheme of arrangement sanctioned by the Supreme Court of Queensland on the

day of , 189 , and is issued subject to the provisions and conditions therein, and in the schedule thereto respectively contained.

NOTE : The Bank will not register a transfer of any Stock without the production of the certificate relating to such Stock, which certificate must be surrendered before any transfer, whether of the whole or any portion thereof, can be registered, or before a new certificate can be issued in exchange.

40 A fee not exceeding 2s. 6d. will be charged on the registration of any transfer.

6. Every Certificate of Stock registered at the Head Office of the Bank in Brisbane shall be given under the seal of the Bank, and every

Mode of issuing.

Exhibits.

“ X ”

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement, *continued.*

Certificate of Stock registered at the London Office shall be given under the duplicate seal of the Bank, and every Certificate of Stock registered at any other office shall be signed by the manager and countersigned by the accountant of the branch of the Bank at the office at which such Stock is so registered.

Registered holder deemed to be absolute owner.

7. The Bank will recognise the registered holder of any Stock as the absolute owner thereof, and shall not be bound to take notice or see to the execution of any trust, whether expressed, implied, or constructive, to which any such Stock may be subject ; and the receipt of such person for the interest from time to time accruing due in respect thereof, and for any moneys payable in respect thereof, or upon the redemption of the same, shall be a good discharge to the Bank, notwithstanding any notice it may have, whether express or otherwise, of the right, title, interest, or claim of any other person to or in such Stock or moneys. 10

Survivorship.

8. In case of the death of any one of the joint holders of any registered Stock, the survivor will be the only person recognised by the Bank as having any title to or interest in such Stock.

Corporation holding as joint tenant.

9. A body corporate may be registered as one of the joint holders of Stock, and in any such case the persons so registered shall be deemed to hold in joint tenancy with right of survivorship, and the Bank shall be at liberty to act on that footing ; and for the purposes of this clause the dissolution of a body corporate shall be treated as its death. 20

Transfer of Stock.

10. Every registered holder of Stock shall be entitled to transfer the same or any part thereof by an instrument in writing in the form following, or as near thereto as the circumstances will admit :—

THE QUEENSLAND NATIONAL BANK, LIMITED.

Form of transfer.

I, _____, of _____, of _____, do hereby transfer to the said _____ (hereinafter called the transferee) _____ of the Stock of the above-named Bank, to hold the same unto the transferee, subject to the several conditions on which I held the same immediately before the execution hereof ; and I, the transferee, do hereby agree to take the said Stock subject to the same conditions. 30

As witness our hands this _____ day of _____

Witness :

Execution of transfer.

11. Every such instrument must be signed both by the transferor and transferee, and the transferor shall be deemed to remain owner of such Stock until the name of the transferee is entered in the Register hereinbefore mentioned in respect thereof. 40

- | | | |
|---|---|--|
| <p>12. Every instrument of transfer must be left at the office of the Bank at which the Stock to be transferred is registered for registration, accompanied by the certificate of the Stock for cancellation and such other evidence as the Bank may require to prove the title of the transferor or his right to transfer the Stock.</p> | <p>Forwarding transfers, &c., to office where Stock registered.</p> | <p><i>Exhibits.</i>
—
" X "
Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement,
<i>continued.</i></p> |
| <p>13. All instruments of transfer which shall be registered shall be retained by the Bank.</p> | <p>Retention of transfer.</p> | |
| <p>14. A fee not exceeding 2s. 6d. will be charged for the registration of each transfer, and must, if required by the Bank, be paid before the registration of the transfer.</p> | <p>Fees on transfer.</p> | |
| <p>15. No transfer will be registered during the fourteen days immediately preceding the 31st day of March and 30th day of September in each year.</p> | <p>Closing register of transfers.</p> | |
| <p>16. The executors or administrators of a deceased registered holder of Stock (not being one of several joint holders) shall be the only persons recognised by the Bank as having any title to such Stock.</p> | <p>Transmissions of Stock.</p> | |
| <p>17. Any person becoming entitled to any Stock in consequence of the death or insolvency of any registered holder of such Stock upon producing such evidence that he sustains the character in respect of which he proposes to act under these conditions, or of his title as the Bank shall deem sufficient, may be registered himself as the holder of such Stock, or, subject to the preceding conditions as to transfer, may transfer such Stock. This clause shall include any case in which a person becomes entitled as the survivor of persons registered as joint holders.</p> | <p>Death or insolvency of registered holder.</p> | |
| <p>18. The Bank shall be at liberty to retain the interest payable upon any Stock in respect of which any person under the last preceding condition is entitled to transfer until such person shall be registered or duly transfer the same.</p> | <p>Withholding interest.</p> | |
| <p>19. The interest on Stock and all other moneys payable in respect thereof may be paid by cheque or warrant sent through the post to the registered address of the holder, or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register in respect of such Stock. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent, and payment of the cheque or warrant, if duly endorsed, shall be a satisfaction of the interest and such other moneys as aforesaid, and a good discharge to the Bank therefor.</p> | <p>Mode of payment of interest.</p> | |
| <p>20. If several persons are entered on the Register as joint holders of any Stock, then, without prejudice to the last preceding clause, the receipt of any such person for the interest or other moneys from time to time</p> | <p>Receipt of one joint holder.</p> | |

Exhibits.

“ X ”

Copies of Documents now on the file of the High Court of Justice in England (Companies Winding Up) in relation to the New Scheme of Arrangement, continued.

Loss, &c., of certificate.

payable in respect of such Stock shall be as effective a discharge to the Bank as if the person signing the same receipt were the sole registered holder of such Stock.

21. If any certificate of Stock, issued pursuant to these conditions, be worn out or defaced, upon production thereof at the office of the Bank at which such Stock is registered, the Bank may cancel the same, and may issue a new certificate in lieu thereof ; and if any such certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Bank, or in default of proof on such indemnity as the Bank deems adequate being given, a new certificate in lieu thereof may be given to the person entitled to such lost or destroyed instrument. An entry as to the issue of the new certificate and indemnity (if any) will be made in the Register herein-
before mentioned. 10

There shall be paid to the Bank in respect of any new certificate issued under this clause a sum not exceeding 2s. 6d.

Dated this 9th day of February, 1897.

(L.S.)

" Y "

Copy of Interminable Inscribed Deposit Stock Certificate issued by the Head Office of the Q.N. Bank in Brisbane in pursuance of the New Scheme of Arrangement.

Exhibits.

" Y "

Copy of Interminable Inscribed Deposit Stock Certificate issued by the Head Office of the Q.N. Bank in Brisbane in pursuance of the New Scheme of Arrangement, 7th July 1943.

No. 10039

BRISBANE

£140 - 0 - 0



Interminable Inscribed Deposit Stock

BEARING INTEREST AT THE RATE OF 3½ PER CENT. PER ANNUM. PAYABLE ON THE 31ST DAY OF MARCH AND THE 30TH DAY OF SEPTEMBER IN EACH YEAR.

This is to Certify that Miss Marguerite Eliza Wilson

of Ascot Brisbane

is the registered holder of

One hundred & forty pounds

of the above Stock, which Stock is constituted pursuant to the provisions of the Scheme of Arrangement sanctioned by the Supreme Court of Queensland on the Twelfth day of May, 1897, and is issued subject to the provisions and conditions therein, and in the Schedule thereto respectively contained.

Given under the Common Seal of the Company this

14th day of July 1943 by order of the Board of

Directors

[Signature]

General Manager

[Signature] Directors

It will not register a transfer of any Stock without the production of the certificate of the company, whether of the whole or any portion thereof, can be registered, for the fee of 2/6 will be charged on the registration.

Stock, which certificate must be produced, if it can be issued in exchange.

This is the paperwriting marked with the letter "Y" mentioned and referred to in the affidavit of Fred Pace and produced and shown to him at the time of swearing the said affidavit at Brisbane in the State of Queensland this eleventh day of August, 1949, before me:

F. PACE

Deponent

A.L. RAFF J.P.

A Justice of the Peace.

" Z "

Exhibits.

Copy of Interminable Inscribed Deposit Stock Certificate issued by the London Branch of the Q.N. Bank in pursuance of the New Scheme of Arrangement.

" Z "
Copy of
Inter-
minable
Inscribed
Deposit
Stock
Certificate
issued by
the London
Branch of
the Q.N.
Bank in
pursuance
of the New
Scheme of
Arrange-
ment,
7th July
1938.

No 13019

8 Prince Street

WARRINGTON

The Queensland National Bank, Limited.

INCORPORATED IN QUEENSLAND



INDEFINITELY INCORPORATED DEFERRED SHARES



Bearing interest at the rate of 3½ per cent per annum, payable on the 31st day of March and the 30th day of September in each year.

This is to Certify that George Wesley Goodhart of 77 Cornhill, London E.C. 6 is the registered holder of Five hundred pounds of the above stock which stock is constituted pursuant to the provisions of the scheme of arrangement by the Supreme Court of Queensland on the 12th day of May 1894 and is issued subject to the provisions and conditions therein and on the conditions the said respectively contained

Given under the common seal of the said bank, at London this 21st day of August 1905

W. J. Jones

Wm. J. Jones

1905

NOTE THE BANK IS NOT RESPONSIBLE FOR THE LOSS OF ANY SHARE CERTIFICATE

IF ANY SUCH CERTIFICATE IS DESTROYED OR LOST THE BANK WILL GRANT FOR THE SAME A NEW CERTIFICATE ON THE PRESENTATION OF A RECEIPT FROM THE REGISTER

THE BANK MUST BE SUBMITTED BEFORE

This is the paperwriting marked with the letter "Z" mentioned and referred to in the affidavit of Fred Pace and produced and shown to him at the time of swearing the said affidavit at Brisbane in the State of Queensland this eleventh day of August, 1949, before me:

F. PACE

Deponent

A.L. RAFF J.P.

A Justice of the Peace.

“ AA ”

Exhibits.

Copy of Interminable Inscribed Deposit Stock Certificate issued by the London Branch of the Q.N. Bank in pursuance of the New Scheme of Arrangement.

“ AA ”
Copy of
Inter-
minable
Inscribed
Deposit
Stock
Certificate
issued by
the London
Branch of
the Q.N.
Bank in
pursuance
of the
New
Scheme of
Arrange-
ment,
26th
August
1897.

Handwritten mark

No 2847

8, Princes Street

LONDON
The Queensland National Bank, Limited.

REGISTERED OFFICE

Bearing Interest at the rate of 3 1/2 per Cent per annum payable on the 31st day of March and the 30th day of September in each year

This is to Certify that *George Sydney Lewis Murphy*

is the Registered Holder
of Seven Hundred and 20/100
of the above Stock which Stock is constituted pursuant to the provisions of
the Scheme of Arrangement sanctioned by the Supreme Court of Queensland
on the 12th day of May 1897 and is issued subject to the provisions and conditions
therein and in the Schedule thereto respectively contained

Given under the *Seal* of the Queensland National Bank, Limited
at *London* this *21* day of *December* 1901

Handwritten signature
DIRECTOR

NOTE THE NAME WILL ONLY BE A VALID TITLE TO THE PRODUCTION OF THE CERTIFICATE RELATING TO THE STOCK WHICH CERTIFICATE MUST BE PRODUCED TO THE WORKS OF ANY MORTGAGEE THEREOF CAN BE REGISTERED OR DEPOSIT A NEW CERTIFICATE CAN BE ISSUED IN EXCHANGE AT THE DISCRETION OF THE REGISTRAR OF ANY TRANSFER



This is the paperwriting marked with the letters "AA" mentioned and referred to in the affidavit of Fred Pace and produced and shown to him at the time of swearing the said affidavit at Brisbane in the State of Queensland this eleventh day of August, 1949, before me:

F. PACE

Deponent

A.L. RAFF J.P.

A Justice of the Peace

“ AB ”

Exhibits.

Copy of Interminable Inscribed Deposit Stock Certificate issued by the London Branch of the Q.N. Bank in pursuance of the New Scheme of Arrangement containing the letters “ stg.”

“ AB ”
Copy of
Inter-
minable
Inscribed
Deposit
Stock
Certificate
issued by
the London
Branch of
the Q.N.
Bank in
pursuance
of the
New
Scheme of
Arrange-
ment
containing
the letters
“ stg.”
5th
August
1897.

17 9883

8, Prince Street,

LONDON.

The Queensland National Bank, Limited.

INCORPORATED IN QUEENSLAND



Bearing Interest at the rate of 3 1/4 per Cent per annum payable on the 31st day of March and the 30th day of September in each year.

This is to Certify that Mrs Ellen Margaret Cameron
of Perth

is the Registered Holder
of the funded and twenty five pounds 8s
of the above Stock which Stock is constituted pursuant to the provisions of
the Scheme of Arrangement sanctioned by the Supreme Court of Queensland
on the 22nd day of May 1897 and is issued subject to the provisions and conditions
therein and in the Schedule thereto respectively contained.

Given under the Seal and Signature of the Queensland National Bank, Limited,
at London this 5th day of August 1897.

W. Deakin
MANAGER

100000

NOTE: THE BANK WILL NOT REGISTER TRANSFER OF ANY STOCK WITHOUT THE PRODUCTION OF THE CERTIFICATE RELATING TO SUCH STOCK. ANY TRANSFER WITHOUT THE PRODUCTION OF THE CERTIFICATE RELATING TO SUCH STOCK CAN BE REGISTERED BEFORE A NEW CERTIFICATE CAN BE ISSUED. A FEE NOT EXCEEDING 2/6 WILL BE CHARGED ON THE REGISTRATION OF ANY TRANSFER.

mt

This is the paperwriting marked with the letters "AB" mentioned and referred to in the affidavit of Fred Pace and produced and shown to him at the time of swearing the said affidavit at Brisbane in the State of Queensland this eleventh day of August, 1949, before me:

F. PACE

Deponent

A.L. RAFF J.P.

A Justice of the Peace.

“ AC ”

Copy of Interminable Inscribed Deposit Stock Certificate issued by the Sydney Branch of the Q.N. Bank in pursuance of the New Scheme of Arrangement.

Exhibits.

“ AC ”

Copy of
Inter-
minable
Inscribed
Deposit
Stock
Certificate
issued by
the Sydney
Branch of
the Q.N.
Bank in
pursuance
of the
New
Scheme of
Arrange-
ment, 1946.

No 1719



Interminable Inscribed Deposit Stock

BEARING INTEREST AT THE RATE OF 3½ PER CENT. PER ANNUM, PAYABLE ON THE 31ST DAY OF MARCH AND THE 30TH DAY OF SEPTEMBER IN EACH YEAR.

This is to Certify that Mrs Flora Ethel Howard is the registered holder of £200 of the above Stock, which Stock is constituted pursuant to the provisions of the Scheme of Arrangement sanctioned by the Supreme Court of Queensland on the Twelfth day of May, 1897, and is issued subject to the provisions and conditions therein and in the Schedule thereto respectively contained.

Given on behalf of the Bank at SYDNEY this Eight day of July 1897 1897

[Signature] Manager
[Signature] Accountant

PRICE
1/6
against

NOTE - The Bank will not receive a transfer of any Stock without the production of the certificate surrendered hereof, whether of the whole or any portion thereof, can be registered, or but a fee not exceeding 2/6 will be charged on the registration of any transfer.

reference must be
to exchange.

This is the paperwriting marked with the letters "AC" mentioned and referred to in the affidavit of Fred Pace and produced and shown to him at the time of swearing the said affidavit at Brisbane in the State of Queensland this eleventh day of August, 1949, before me:

F. PACE

Deponent

A.L. RAFF J.P.

A Justice of the Peace.

" AD "

Exhibits.

Copy of Interminable Incribed Deposit Stock Certificate issued by the St. George Branch of the Q.N. Bank in pursuance of the New Scheme of Arrangement containing the letters " Stg "

" AD "

Copy of Interminable Incribed Deposit Stock Certificate issued by the St. George Branch of the Q.N. Bank in pursuance of the New Scheme of Arrangement containing the letters " Stg. " 29th July 1897.

No. 36

£ 45: 0: 0

Queensland National Bank



Intermy money deposited to the credit of

BEARING INTEREST AT THE RATE OF 3 1/2 PER CENT. PER ANNUM, PAYABLE ON THE 31ST DAY OF MARCH AND THE 30TH DAY OF SEPTEMBER IN EACH YEAR.

This is to Certify that James Smith is the registered holder of Forty five pounds of the Queensland National Bank Stock.

which is constituted pursuant to the provisions of the Act in that behalf made, and is issued subject to the provisions and conditions therein contained, and in the Schedule to the Act, respectively contained therein. Given on behalf of the Bank at ST. GEORGE'S, Twenty eighth day of July 1897 W. H. Vincent Manager.



NOTE - The Bank will not register the transfer of any Stock without the production of the certificate relating to such Stock, which certificate must be surrendered before any transfer, whether of the whole or any portion thereof, can be registered, or before a new certificate can be issued in exchange. A fee not exceeding 2/6 will be charged on the registration of any transfer.

This is the paperwriting marked with the letters "AD" mentioned and referred to in the affidavit of Fred Pace and produced and shown to him at the time of swearing the said affidavit at Brisbane in the State of Queensland this eleventh day of August, 1949, before me:

F. PACE

Deponent

A.L. RAFF J.P.

A Justice of the Peace.

" AE "

*Exhibits.***Copy of Agreement between the Treasurer of the State of Queensland and the Q.N. Bank.**

AGREEMENT made and entered into this fourteenth day of December, 1904 BETWEEN THE HONOURABLE WILLIAM KIDSTON, Treasurer of the State of Queensland (hereinafter called "the Treasurer"), for and on behalf of the Government of the State of Queensland (hereinafter called "the Government") of the one part, and THE QUEENSLAND NATIONAL BANK, LIMITED, hereinafter called "The Bank," of the other part.

" AE "

Copy of Agreement between the Treasurer of the State of Queensland and the Q.N. Bank, 14th December 1904.

Whereas by an Agreement dated the 24th day of November, 1897, and made between The Right Honourable Sir Hugh Muir Nelson, the then Treasurer of Queensland, of the one part, and the Bank, of the other part, and being an Agreement entered into under the authority of "The Queensland National Bank, Limited (Agreement) Act of 1896 (and hereinafter called "The old Agreement"), it was agreed that a certain principal sum of £1,833,326, which was then owing by the Bank to the government, should be repaid as follows, namely: £1,374,994 10s., being three-fourths of the said principal sum, should be repaid in five equal annual instalments, due respectively on the 1st day of July, 1917, 1918, 1919, 1920 and 1921, together with interest at the rate of not less than

10 £3 10s. per cent. per annum on the total amount of such instalments for the time being remaining unpaid, and so that the amount payable for such interest should not be less than an amount equal to £2 10s. per cent. per annum on the said principal sum of £1,833,326, or so much thereof as for the time being remained unpaid, and the balance £458,331 10s. being one-fourth of the said principal sum, should be repaid without interest from and to the extent of such proportion of the half-yearly profits as should not be less than 25 per cent. thereof after deducting from the total of such profits such sum as the Directors of the Bank might think proper to set aside for contingencies And whereas since the date of the old

20 Agreement sums amounting in the aggregate to £369,665 4s. have been paid by the Bank to the Government in reduction of the said principal sum of £1,833,326, and the said sum has thereby been reduced to the sum of £1,463,660 16s., which still remains owing by the Bank to the Government.

And whereas under the old Agreement no part of the said principal sum of £1,463,660 16s. would become due and payable until the 1st day of July, 1918, except such portion of the said sum of £458,331 10s. as might be paid out of profits And whereas the Bank has since the 13th day of December, 1893 carried on the general Banking business of the Government upon the terms and conditions and at the rates and for the payments

40 and considerations set forth in an Agreement made and entered into on the date last aforesaid, between the Honourable Hugh Muir Nelson, the then Treasurer of Queensland, for and on behalf of the Government, of the one part, and the Bank, of the other part And whereas the Bank has proposed to continue to carry on the Banking business of the Government until the 30th day of June, 1921, upon the terms and conditions and at the rates and for the payments and considerations hereinafter expressed.

And whereas His Excellency the Lieutenant-Governor, has, with the advice of the Executive Council, approved of the said proposal being accepted, and the same has been accepted accordingly.

Exhibits.
 "AE"
 Copy of
 Agreement
 between
 the
 Treasurer
 of the
 State of
 Queensland
 and the
 Q.N. Bank,
 14th
 December
 1904,
continued.

And whereas by "The Queensland National Bank, Limited (Agreement) Act of 1904" it was amongst other things enacted that it should be lawful for the Treasurer, on behalf of the Government, to enter into an Agreement with the Bank whereby the Treasurer should accept from the Bank in full payment and satisfaction of any moneys owing or to become due and owing by the Bank to the Government under the terms of the old Agreement and the Bank's Scheme of Arrangement, sanctioned by the Supreme Court of Queensland on the 24th day of May, 1897, seventeen promissory notes payable at such times and bearing interest only at such rate or rates as in the said Act provided, and whereby the Bank might continue to carry on the Banking business of the Government until the 30th day of June, 1921, and that an Agreement to that effect might be substituted for the terms of the old Agreement or of any subsisting Agreement with respect to the carrying on by the Bank of the Banking business of the Government. 10

And whereas it is desirable that this Agreement should be made in substitution for the old Agreement, and also for the Agreement dated the 13th day of December, 1893, hereinbefore referred to.

Now, therefore, this Agreement witnesseth that the said parties to these presents have agreed and do hereby mutually covenant and agree in manner following, that is to say:— 20

1. That in full payment and satisfaction of the said principal sum of £1,463,660 16s. now owing by the Bank to the Government, the Bank will give and the Treasurer will accept sixteen promissory notes each for the sum of £86,097 13s. 10d., and one promissory note for the sum of £86,097 14s. 8d., which shall respectively bear date and become due and payable as herein set forth.

That the Bank shall have the option of paying before maturity all or any of the said promissory notes, or any part thereof, with interest accrued to date of payment. 30

Date of Issue	Amount	Date Due and Payable
1904, June 30	£86,097.13.10	1905, June 30
1904, June 30	86,097.13.10	1906, June 30
1904, June 30	86,097.13.10	1907, June 30
1904, June 30	86,097.13.10	1908, June 30
1904, June 30	86,097.13.10	1909, June 30
1904, June 30	86,097.13.10	1910, June 30
1904, June 30	86,097.13.10	1911, June 30
1904, June 30	86,097.13.10	1912, June 30
1904, June 30	86,097.13.10	1913, June 30
1904, June 30	86,097.13.10	1914, June 30
1904, June 30	86,097.13.10	1915, June 30
1904, June 30	86,097.13.10	1916, June 30
1904, June 30	86,097.13.10	1917, June 30
1904, June 30	86,097.13.10	1918, June 30
1904, June 30	86,097.13.10	1919, June 30
1904, June 30	86,097.13.10	1920, June 30
1904, June 30	86,097.14. 8	1921, June 30
	£1,463,660.16. 0	

40

2. That the sums secured by the said promissory notes shall bear interest from the 30th day of June, 1904, at the rate of £2.12.6d. per cent. per annum, such interest to be paid half-yearly on the 31st day of December and the 30th day of June in each year.

Exhibits.

“ AE ”

Copy of
Agreement
between
the
Treasurer
of the
State of
Queensland
and the
Q.N. Bank.
14th
December
1904,
continued.

10 3. That until the sums secured by the said promissory notes with interest thereon shall have been repaid by the Bank to the Government the Bank shall not, without the consent of the Auditor-General, in writing, redeem or purchase any Stock created or that may be created and issued by the Bank to secure or represent the moneys, or any part thereof, owing on the 15th day of May, 1893, to any person other than the Government.

4. That until one-half of the said sum of £1,463,660.16s. with interest, shall have been repaid by the Bank to the Government the Bank shall not declare or pay any dividend, and that thereafter until the whole of the said sum with interest shall have been so paid the Bank shall not declare or pay any larger dividend than a dividend at the rate of £3.10s. per cent. per annum upon the paid-up capital of the Bank.

20 5. That the Auditor-General, or some person appointed by him, shall once at least in every half-year make an examination of the accounts of the Bank, and that the Bank shall supply to him such books and documents as are usually supplied to the Bank's Auditors, and as he may require for the purpose of such examination.

6. That the whole of the said sum of £1,463,660.16s., or so much thereof as shall not have been repaid, shall become due and be forthwith payable to the Government if—

(A) The Bank makes default in the payment of any principal or interest due and payable to the Government under this Agreement ;

30 (B) The Supreme Court of Queensland, or any other Court having jurisdiction in that behalf, makes an order, or an effective resolution is duly passed, under the laws in force for the time being relating to Joint Stock Companies for the winding-up of the Bank.

7. That the Bank shall continue to carry on the Banking business of the Government until the 30th day of June, 1921, at which date the final payment in respect of the said sum of £1,463,660.16s. now owing by the Bank to the Government, with interest accrued thereon, will become due and payable as herein before stipulated.

Exhibits.
 " AE "
 Copy of
 Agreement
 between
 the
 Treasurer
 of the
 State of
 Queensland
 and the
 Q.N. Bank,
 14th
 December
 1904,
continued.

Provided, however, that upon any default made by the Bank, or upon any order or resolution for the winding-up of the Bank made or passed, as in the last preceding paragraph hereof mentioned, the Treasurer may at his option, by notice in writing and without prejudice to any other remedy, terminate this Agreement, and thereupon this Agreement shall cease to have effect.

8. That the Bank undertakes to receive from the Bank of England, when required to do so, all moneys derived from the proceeds of loans, and to hold the same at the disposal of the Treasurer, subject to the conditions hereinafter set forth.

10

9. That when the average weekly balance in favour of the Government in London exceeds £100,000, the Bank shall pay interest on such excess at such rate as may be mutually agreed upon ; but, where no agreement as to such rate of interest can be come to, the Government may place elsewhere the amount of such excess or the whole of the amount standing to Government credit.

10. That when the amount standing to the credit of the Government in Brisbane exceeds £100,000 the Bank shall pay interest on such excess at the rate of one pound (£1) per cent. per annum, so long as the rate quoted to the public by a majority of the principal Banks in Sydney on fixed deposits for twelve months does not exceed three pounds ten shillings (£3.10s.) per cent. per annum, and rising five shillings (5s.) per cent. for every rise of ten shillings (10s.) per cent. in the said Bank rate.

Provided that the Government shall be at liberty to place money on fixed deposits in other Banks for any period not less than six months.

Provided, further, that whenever the balance to the credit of the Government on Current Account falls below £100,000, the Government shall make good the deficiency out of the deposits, if any, in other Banks as they mature.

11. That the Bank shall conduct the Exchange Business of the Government with London at a rate of exchange to be mutually agreed upon, but not in any case exceeding five shillings (5s.) per cent. below the rate quoted to the public by a majority of the principal Banks in Sydney.

Provided that the Bank shall not be required to transact Exchange Business below par, and provided further that the Government shall be at liberty to ship gold to London whenever the Government can do so at less cost than the rate of exchange herein provided for.

12. That the Bank shall, as often as required, make remittances of Government Funds to or from places within the State at par.

Exhibits.

“ AE ”

Copy of Agreement between the Treasurer of the State of Queensland and the Q.N. Bank, 14th December 1904,
continued.

That the Bank shall also arrange to render Government cheques drawn on Brisbane negotiable at par at any Bank within the State, and shall only charge the Government such rates of exchange as the Bank has to pay in order to render such cheques negotiable at par.

10 13. That the Bank's charge for individual payments made in London, on account of the half-yearly interest on the Public Debt, shall be five shillings (5s.) per cent. commission, and for such payments in the Commonwealth or in New Zealand, five shillings (5s.) per cent., including commission and exchange.

That, for such payments made to the Bank of England or in Queensland, no charge shall be made.

14. That the Bank shall make remittances throughout the Commonwealth at par, and that for any special payments in any Australian State other than Queensland—such as the retirement of Treasury Bills, or other payments of magnitude not coming within the definition of ordinary Government business—the Bank charge shall be two shillings and sixpence (2s. 6d.) per cent., including commission and exchange.

20 15. That for payments in London to the Agent-General of the State no charge shall be made other than for Exchange, except for actual expenses incurred when such payments are required to be made by cable transfer; and that for other payments in London, involving the receipt of documents, bills of lading, etc., the Bank's charges shall be two shillings and sixpence (2s. 6d.) per cent.

In witness whereof, the said Treasurer has hereunto set his hand, and the common seal of the said Bank has been hereunto affixed, the day and year first above written.

30 Signed by the said Honourable William Kidston the Treasurer of Queensland, in the Presence of : } W. KIDSTON.

T. W. CONNAH, J.P.

Exhibits.
 "AE"
 Copy of
 Agreement
 between
 the
 Treasurer
 of the
 State of
 Queensland
 and the
 Q.N. Bank,
 14th
 December
 1904,
continued.

Given under the Common Seal of the
 Queensland National Bank, Limited,
 and the hands of James Munro and
 Frederick Lord, two of the Directors
 thereof, this fourteenth day of
 December, 1904, by order of the Board
 of the Fourteenth day of December,
 1904, in the presence of :

JAS. MUNRO.
 FREDERICK LORD.

W. V. RALSTON,
 General Manager and J.P.

10

ON REVERSE]

The paper writing contained on this and the five preceding sheets numbered 315 to 319 is the form of an Agreement marked with the letters "AE" mentioned and referred to in the affidavit of Fred Pace and produced and shown to him at the time of swearing such affidavit at Brisbane in the State of Queensland this eleventh day of August, 1949, before me,

F. PACE,
 Deponent.

A. L. RAFF, J.P.,
 A Justice of the Peace.

"AP"

Copy of Balance Sheet of the Q.N. Bank as at 30th June 1941.

Exhibits.

"AP"
Copy of
Balance
Sheet of the
Q.N. Bank
as at
30th June
1941.

THE QUEENSLAND NATIONAL BANK LIMITED.

BALANCE SHEET, AS AT 30TH JUNE, 1941.

LIABILITIES.		ASSETS.	
	£ s. d.		£ s. d.
Authorised Capital	2,000,000. 0. 0	Coin, Bullion, Australian Notes, and Cash at Bankers ..	1,277,946. 19. 0
Subscribed Capital	1,750,000. 0. 0	Commonwealth Loans (under cost or face value) ..	2,523,037. 15. 3
Capital paid up	1,750,000. 0. 0	Commonwealth Treasury Bills (face value)	25,000. 0. 0
Reserve Fund	860,000. 0. 0	Cash Balances	142,728. 13. 8
Profit and Loss	66,172. 17. 10	Bills remitted and in transitu	614,431. 0. 6
Interminable Inscribed Deposit Stock	2,665,298. 9. 7	Money in London at call and on short notice	15,000. 0. 0
	5,341,471. 7. 5	Advances to Customers, Bills Discounted and all other Accounts (exclusive of provision for Bad and Doubtful Debts)	10,051,672. 1. 11
Bills Payable	425,115. 7. 8	Bank Premises, Furniture and Stationery (at cost less amounts written off)	578,861. 14. 5
Deposits and other Liabilities	9,462,091. 9. 8		
	15,228,678. 4. 9		15,228,678. 4. 9

The total amount paid to the Directors, including Local Directors in London and Sydney, as remuneration for their services during the year ended 30th June, 1941, was £2,700.
We report that in our opinion the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the affairs of the Bank according to the information and explanations given to us, and as shown by the Books on the 30th June, 1941. We have obtained all the information and explanations we have required.

LANCE A. JONES—F.F.I.A. }
E. D. SUMMERSON—F.C.A. (Aust.) } Auditors.
12th July, 1941.

JAMES LOVE—Chairman of Directors.
W. HAMILTON HART—Director.
D. S. FORBES—General Manager.

ON REVERSE]

This is the paper writing marked with the letters "AP" mentioned and referred to in the affidavit of Fred Pace and produced and shown to him at the time of swearing the said affidavit at Brisbane in the State of Queensland this eleventh day of August, 1949, before me :

F. PACE,
Deponent.

A. L. RAFF, J.P.,
A Justice of the Peace.

Copy of Balance Sheet of the Q.N. Bank as at 30th June 1942.

THE QUEENSLAND NATIONAL BANK LIMITED.

BALANCE SHEET AS AT CLOSE OF BUSINESS ON 30TH JUNE, 1942.
(as required by Regulation 12 of the National Security (War-Time Banking Control) Regulations)

Exhibits.

"AS"

Copy of
Balance
Sheet of the
Q.N. Bank
as at
30th June
1942.

LIABILITIES.		£	s.	d.	ASSETS.		£	s.	d.
Authorised Capital 400,000 Shares at £5 per Share	.. .. .	2,000,000.	0.	0	Coin, Bullion, Notes and Cash at Bankers	.. .. .	1,198,022.	19.	3
Issued Capital—350,000 Shares at £5 per Share fully paid	.. .. .	1,750,000.	0.	0	Cheques and Bills of other Banks	.. .. .	204,431.	14.	9
Paid Up Capital	.. .. .	1,750,000.	0.	0	Balances with and due from other Banks	.. .. .	1,151,960.	14.	0
Reserve Funds (used in the business of the Bank)	.. .. .	860,000.	0.	0	Money at Short Call—				
Final Dividend Proposed	.. .. .	43,750.	0.	0	(i) London	.. .. .		
Balance of Profit and Loss Account	.. .. .	22,596.	16.	5	(ii) Elsewhere	.. .. .		
Total Shareholders' Funds	.. .. .	2,676,346.	16.	5	Treasury Bills—				
Interminable Inscribed Deposit Stock	.. .. .	3,005,496.	4.	0	(i) Australian Government	.. .. .		
Deposits, Bills Payable and other Liabilities including Provisions for Contingencies	.. .. .	10,024,015.	3.	0	(ii) Other Governments	.. .. .		
Notes in Circulation	.. .. .				Public Securities (excluding Treasury Bills)—				
Balances Due to other Banks	.. .. .	4,156.	12.	4	(i) Australian Government Securities (under cost or face value)	.. .. .	2,255,205.	14.	3
NOTE.—All assets and liabilities are expressed in Australian currency.					(ii) Other Government Securities	.. .. .		
					(iii) Local and Semi-Governmental Authorities' Securities	.. .. .		
					Special War-Time Deposit Account with Commonwealth Bank of Australia	.. .. .	485,000.	0.	0
					Bills Receivable and Remittances in Transit	.. .. .	733,669.	19.	2
					Loans, Advances and Bills Discounted (After deducting provision for debts considered bad or doubtful)	.. .. .	6,043,638.	8.	0
					Bank Premises, Furniture and Sites (At cost less amounts written off)	.. .. .	9,036,485.	11.	9
					All other Assets	.. .. .	589,187.	10.	3
							40,703.	5.	9
							£15,710,014.	15.	9
					Contingent Liabilities (under letters of credit, guarantees, etc.)	.. .. .	£350,000.	11.	2
							£350,000.	11.	2

1. DOUGLAS STUART FORBES, General Manager, do solemnly and sincerely declare as follows:—

1. The foregoing balance-sheet is the balance sheet prepared as at the close of business on the 30th June, 1942 by The Queensland National Bank Limited in accordance with the form specified by the Treasurer under the provisions of Regulation 12 of the National Security (War-Time Banking Control) Regulations.

2. The contents of the said balance sheet are to the best of my knowledge and belief true and correct in every particular.

AND I make this solemn declaration by virtue of the "Statutory Declarations Act" 1911-1922 conscientiously believing the Statements contained therein to be true in every particular.

Declared at Brisbane the 16th day of July, 1942.

D. S. FORBES.

Before me, F. PACE, a Justice of the Peace in and for the State of Queensland.

We Report that in our opinion the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the affairs of the Bank according to the information and explanations given to us, and as shown by the books on the 30th June, 1942.

We have obtained all the information and explanations we have required.

LANCE A. JONES, F.F.I.A.

Auditors.

E. D. SUMMERSON, F.C.A. (Aust.)

16th July, 1942.

ON REVERSE]

This is the paper writing marked with the letters "AS" mentioned and referred to in the affidavit of Fred Pace and produced and shown to him at the time of swearing the said affidavit at Brisbane in the State of Queensland this eleventh day of August, 1942, before me:

F. PACE,

A. L. RAFF, J.P.,

Deponent.

A Justice of the Peace.

W. HAMILTON HART—Chairman of Directors.

W.M. A. JOLLY—Director.

" BA "

Schedule containing the rates of exchange between Australia and London.

EXCHANGE RATES ON LONDON.

REFERENCE—RECORDS OF ASSOCIATED BANKS (VICTORIA)

Exhibits.

" BA "

Schedule containing the rates of exchange between Australia and London.

MOVEMENTS IN RATES.

		BUYING		SELLING	
		<i>(Sight)</i>		<i>(Sight)</i>	
<i>During year 1872—</i>					
(No movement during Year)		Par		(No movement during Year)	35/- premium
10	<i>During year 1878—</i>				
(No movement during Year)		10/- premium		(No movement during Year)	50/- premium
<i>During year 1893—</i>					
(No movement during Year)		Par		(No movement during Year)	30/- premium
<i>From 1897 to 1928 inclusive—</i>					
		BUYING		SELLING	
<i>Date</i>		<i>Sight</i>	<i>T/T</i>	<i>Sight</i>	<i>T/T</i>
	January 1897	Par		25/- premium	
	February	"		27/6 "	
(September 1897—May 1898—no agreement between banks)					
20	May 1898	5/- premium		30/- premium	
	May	Par		30/- "	
	October	"		22/6 "	
	December	2/6 discount		20/- "	
	March 1899	Par		25/- "	
	September	2/6 discount		20/- "	
	October	5/- "		17/6 "	
	October	5/- "		20/- "	
	November	7/6 "		20/- "	
	November	10/- "		20/- "	
30	December	15/- "		20/- "	

Note.—T/T selling rates not quoted prior to this date. T/T buying rates not shown in Associated Banks record until December 1920, but for purposes of this list have been computed on basis shown on p. 350 of Official Year Book No. 25 of 1932 after verifying the reliability of such basis.

		BUYING		SELLING	
<i>Date</i>		<i>Sight</i>	<i>T/T</i>	<i>Sight</i>	<i>T/T</i>
	March 1900	10/- discount	7/6 discount	20/- premium	22/6 premium
	March	5/- "	2/6 "	20/- "	22/6 "
	April	5/- "	2/6 "	22/6 "	25/- "
	July	Par	2/6 premium	22/6 "	25/- "
40	August	"	5/- "	22/6 "	27/6 "
	September	5/- discount	Par	22/6 "	27/6 "
	October	5/- "	2/6 "	20/- "	27/6 "
	December 1 1900	5/- "	Par	20/- "	25/- "
	March 1901	5/- "	2/6 discount	22/6 "	25/- "
	April 1901	2/6 "	Par	22/6 "	25/- "
	October	5/- "	"	20/- "	25/- "
	December	7/6 "	"	17/6 "	25/- "
	April 1902	5/- "	2/6 discount	22/6 "	25/- "

<i>Exhibits.</i>		BUYING				SELLING		
" BA "		<i>Date</i>	<i>Sight</i>	<i>T/T</i>	<i>Sight</i>	<i>T/T</i>		
Schedule containing the rates of exchange between Australia and London, <i>continued.</i>	October	5/- discount	Par	20/- premium	25/- premium			
	February 1903	2/6 "	"	22/6 "	25/- "			
	May	Par	2/6 premium	22/6 "	25/- "			
	October	5/- "	Par	20/- "	25/- "			
	November	10/- "	"	15/- "	25/- "			
	1st May 1904	5/- "	2/6 discount	20/- "	22/6 "			
	October	Par	5/- premium	12/6 "	17/6 "			
	12th May 1906	"	7/6 "	10/- "	17/6 "	10		
	12th July	2/6 "	Par	15/- "	17/6 "			
	September	5/- "	"	12/6 "	17/6 "			
	October	7/6 "	"	10/- "	17/6 "			
	January 1907	10/- "	"	7/6 "	17/6 "			
	May	7/6 "	"	10/- "	17/6 "			
	September	5/- "	"	12/6 "	17/6 "			
	October	10/- "	"	7/6 "	17/6 "			
	14th November	5/- "	5/- premium	12/6 "	22/6 "			
	March 1908	2/6 "	5/- "	15/- "	22/6 "			
	September	5/- "	5/- "	12/6 "	22/6 "	20		
	29th October	7/6 "	2/6 "	10/- "	20/- "			
	November	10/- "	2/6 "	7/6 "	20/- "			
	March 1909	5/- "	2/6 "	12/6 "	20/- "			
	30th September	10/- "	Par	7/6 "	17/6 "			
	April 1910	5/- "	"	12/6 "	17/6 "			
	4th August	10/- "	2/6 discount	7/6 "	15/- "			
	September	15/- "	2/6 "	2/6 "	15/- "			
	April 1911	10/- "	2/6 "	7/6 "	15/- "			
	October	15/- "	2/6 "	2/6 "	15/- "			
	April 1912	10/- "	2/6 "	7/6 "	15/- "	30		
	April	10/- "	Par	7/6 "	17/6 "			
	23rd May	5/- "	2/6 premium	12/6 "	20/- "			
	4th October	10/- "	Par	7/6 "	17/6 "			
	November	15/- "	"	2/6 "	17/6 "			
	16th October	17/6 "	2/6 discount	Par	15/- "			
	19th August 1914	15/- "	5/- "	15/- "	25/- "			
	29th September 1914	10/- "	Par	20/- "	30/- "			
	24th October	10/- "	5/- premium	20/- "	35/- "			
	12th May 1915	7/6 "	2/6 "	22/6 "	32/6 "			
	30th September	5/- "	7/6 "	20/- "	32/6 "	40		
	January 1916	2/6 "	7/6 "	22/6 "	32/6 "			
	23rd February 1916	Par	12/6 "	25/- "	37/6 "			
15th November	7/6 "	5/- "	20/- "	32/6 "				
29th May 1917	15/- "	2/6 discount	15/- "	27/6 "				
3rd October	20/- "	7/6 "	10/- "	22/6 "				
12th January 1920	20/- "	12/6 "	10/- "	17/6 "				
8th October	20/- "	Par	10/- "	30/- "				
14th October	12/6 "	2/6 "	20/- "	30/- "				
30th October	2/6 "	10/- premium	27/6 "	40/- "				
10th December	7/6 premium	20/- "	37/6 "	50/- "	50			
23rd December 1921	Par	15/- "	30/- "	45/- "				
17th February 1922	5/- discount	10/- "	25/- "	35/- "				
March 1922	5/- "	5/- discount	25/- "	35/- "				
6th April	10/- "	Par	20/- "	30/- "				
15th May	15/- "	5/- discount	15/- "	25/- "				
14th July	20/- "	12/6 "	10/- "	17/6 "				
8th September	25/- "	17/6 "	2/6 "	10/- "				
10th October	27/6 "	20/- "	2/6 discount	5/- "				
7th November	32/6 "	25/- "	2/6 "	5/- "				
14th January 1924	37/6 "	30/- "	15/- "	10/- discount	60			
22nd February	42/6 "	35/- "	20/- "	15/- "				
10th March	47/6 "	40/- "	25/- "	20/- "				

	Date	BUYING		SELLING		Exhibits.
		Sight	T/T	Sight	T/T	
	8th May	57/6 discount	50/- discount	35/- discount	30/- discount	" BA " Schedule containing the rates of exchange between Australia and London, continued.
	5th September	62/6 "	55/- "	40/- "	35/- "	
	29th September	67/6 "	60/- "	45/- "	40/- "	
	15th October	77/6 "	70/- "	55/- "	50/- "	
	6th May 1925	30/- "	15/- "	17/6 "	10/- "	
	10th June	17/6 "	5/- "	17/6 "	Par	
	December	20/- "	5/- "	7/6 "	Par	
10	9th June 1926	17/6 "	5/- "	5/- "	2/6 premium	
	July	15/- "	2/6 "	2/6 "	5/- "	
	August	12/6 "	Par	Par	7/6 "	
	October	17/6 "	5/- "	5/- "	2/6 "	
	20th April 1927	10/- "	2/6 premium	2/6 premium	10/- "	
	27th June	7/6 "	5/- "	5/- "	12/6 "	
	8th July	5/- "	7/6 "	7/6 "	15/- "	
	November 1927	7/6 "	7/6 "	7/6 "	15/- "	
	19th March 1928	5/- "	10/- "	12/6 "	20/- "	

These rates continued for remainder of 1928.

	Date	BUYING		SELLING	
		Sight	T/T	Sight	T/T
	July 1929	Par	15/- premium	17/6 premium	25/- premium
	September	5/- premium	20/- "	22/6 "	30/- "
	October	10/- "	25/- "	26/3 "	35/- "
	18th December	17/6 "	32/6 "	33/9 "	42/6 "
	28th January 1930	25/- "	40/- "	43/9 "	52/6 "
	17th February	35/- "	50/- "	53/9 "	62/6 "
	10th March	55/- "	70/- "	73/9 "	82/6 "
	25th March	107/6 "	122/6 "	121/3 "	130/- "
30		Per £100	Per £100	Per £100	Per £100
	9th October	£107/17/6	£108/10/-	£108/15/-	£109/-/-
	6th January 1931	£114/ 7/6	£115/-/-	£115/ 5/-	£115/10/-
	13th January	£117/ 7/6	£118/-/-	£118/ 2/6	£118/ 7/6
	17th January	£124/ 7/6	£125/-/-	£125/ 5/-	£125/10/-
	29th January	£129/ 7/6	£130/-/-	£130/ 5/-	£130/10/-
	1st October	£129/ 7/6	£130/-/-	£130/ 5/-	£130/10/-
	3rd December	£124/ 7/6	£125/-/-	£125/ 5/-	£125/10/-
	12th March 1932	£124/10/-	£125/-/-	£125/ 5/-	£125/10/-
	19th March	£124/11/3	£125/-/-	£125/ 5/-	£125/10/-
40	23rd April	£124/12/6	£125/-/-	£125/ 6/3	£125/10/-
	14th May	£124/13/9	£125/-/-	£125/ 7/6	£125/10/-
	2nd July	£124/15/-	£125/-/-	£125/ 7/6	£125/10/-
	18th August 1934	£124/13/9	£125/-/-	£125/ 7/6	£125/10/-

	Date	Mail Boat	Air Mail	T/T	Sight	T/T
		Sight	Sight			
	12th Jan. 1935 ..	£124/13/9	£124/16/3	£125/-/-	£125/ 8/9	£125/10/-
	8th Aug. 1938 ..	£124/13/9	£124/16/3	£125/-/-	£125/10/-	£125/10/-
	16th Sept. 1939 ..	£124/ 6/3	£124/13/9	£125/-/-	£125/ 8/9	£125/10/-
	11th Nov. 1939 ..	£124/11/3	£124/16/3	£125/-/-	£125/10/-	£125/10/-
50	14th June 1940 ..	£124/11/3	Not quoted	£125/-/-	£125/10/-	£125/10/-

Via Sing. Via N.Z.
America

26th Oct. 1940 ..	£124/10/-	£124/11/3	£124/15/-	£125/-/-	£125/10/-	£125/10/-
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<i>Exhibits.</i>	<i>Date</i>	<i>Mail Boat Sight</i>	<i>Via N.Z. America</i>	<i>T/T</i>	<i>Sight</i>	<i>T/T</i>
" BA "	24th May 1941 ..	£124/ 8/9	£124/15/-	£125/-/-	£125/10/-	£125/10/-
Schedule containing the rates of exchange between Australia and London, <i>continued.</i>	1st Nov. 1944 ..	£124/ 8/9	<i>Via Ceylon</i> £124/12/6	£125/-/-	£125/10/-	£125/10/-
	17th Nov. 1945 ..	£124/12/9	*£124/16/9	£125/-/-	£125/10/-	£125/10/-
			* Air Mail Sight.			

ON REVERSE]

The paper writing on this and the three preceding sheets numbered 325 to 327 is the paper writing marked with the letters " BA " mentioned 10 and referred to in the affidavit of Fred Pace and produced and shown to him at the time of swearing the said affidavit at Brisbane in the State of Queensland this eleventh day of August, 1949, before me :

F. PACE,
Deponent.

A. L. RAFF, J.P.
A Justice of the Peace.

“ BB ”

**Copy of Certificate No. 13898 issued to The National Mutual Life Association of Australasia
Limited in respect of Stock transferred by it to London in 1944.**

Exhibits

“ BB ”
Copy of
Certificate
No. 13898
issued to
The
National
Mutual
Life
Association
of
Australasia
Limited
in respect
of Stock
transferred
by it to
London in
1944,
3rd
November
1944.

20 15898

SHARE CERTIFICATE

3, PRINCES STREET

LONDON

The Queensland National Bank, Limited.

INCORPORATED IN QUEENSLAND



REGISTERED OFFICERS AND DIRECTORS



Bearing Interest at the rate of 3½ per Cent per annum payable on the 31st day of March and the 30th day of September in each year

This is to Certify that *The National Mutual Life Association of Australasia Limited* of 56 Abchurch Lane, London E.C. 4, of Two hundred and thirty three thousand five hundred and fifty five pounds, of the above stock which stock is constituted pursuant to the provisions of the Act in that behalf sanctioned by the Supreme Court of Queensland on the 12th day of May 1897 and is issued subject to the provisions and conditions therein and in the Schedule thereto respectively combined

GIVEN under the common seal of the Queensland National Bank, Limited at London this 3rd day of December 1946.

A. M. Irving

LONDON MANAGER

DIRECTOR

NOTE THE BANK WILL NOT REGISTER A TRANSFER OF ANY STOCK WITHOUT THE PRODUCTION OF THE CERTIFICATE RELATING TO SUCH STOCK WHICH CERTIFICATE MUST BE Surrendered BEFORE ANY TRANSFER WHETHER OF THE WHOLE OR ANY PORTION THEREOF CAN BE REGISTERED OR BEFORE A NEW CERTIFICATE CAN BE ISSUED IN EXCHANGE. A FEE NOT EXCEEDING 2/6 WILL BE CHARGED ON THE REGISTRATION OF ANY TRANSFER.

This is the paperwriting marked with the letters "BB" mentioned and referred to in the affidavit of Fred Pace and produced and shown to him at the time of swearing the said affidavit at Brisbane in the State of Queensland this eleventh day of August, 1949, before me:

F. PACE

Deponent

A.L. RAFF J.P.

A Justice of the Peace.

" BC "

Exhibits.

Copy of Agreement between Frederick Ewen Loxton, the Q.N. Bank and The National Bank of Australasia Limited.

" BC "
Copy of
Agreement
between
Frederick
Ewen
Loxton,
the Q.N.
Bank and
The
National
Bank of
Australasia
Limited,
26th March
1947.

AN AGREEMENT made the Twenty-sixth day of March One thousand nine hundred and forty-seven Between: FREDERICK EWEN LOXTON of Brisbane in the State of Queensland (hereinafter called " the Vendor ") on behalf of himself and all other members of The Queensland National Bank Limited who assent to this Agreement of the first part, the said THE QUEENSLAND NATIONAL BANK LIMITED (hereinafter called " the Q.N. Bank ") of the second part and THE NATIONAL BANK OF AUSTRALASIA LIMITED hereinafter called " the National Bank ") of the third part
10 Whereby it is agreed as follows :—

1. The Vendor and each other member of the Q.N. Bank who assents to this Agreement (hereinafter referred to as " Selling Shareholders ") agrees to sell and the National Bank agrees to purchase the whole of the shares of each Selling Shareholder in the Q.N. Bank Provided always that such sale shall be ex a $1\frac{3}{4}\%$ dividend to be declared in respect of the three months period to the Thirty-first day of March One thousand nine hundred and forty-seven, which dividend belongs to the Selling Share-
20 holders.

2. Any shareholder of the Q.N. Bank may assent to this Agreement by signing an Assent in the form set out in the Schedule hereto, or in such other form as the Q.N. Bank considers appropriate in special circumstances, and delivering the same to the Q.N. Bank at its Head Office in Brisbane or at any of its Branches or at the London Office of the Q.N. Bank. Each assenting shareholder shall also at the same time sign and deliver as aforesaid the form of Proxy also set out in the said Schedule and deposit with the Q.N. Bank his share certificate/s in respect of his shareholding in the Q.N. Bank together with properly executed transfer/s
30 in favour of the National Bank by those Selling Shareholders who come within the provisions of Section 6 hereof such share certificate/s and transfer/s to be held by the Q.N. Bank on behalf of the Selling Shareholder until the provisions of this Agreement have been carried into effect.

3. This Agreement shall become effective when the Q.N. Bank has received at its Head Office in Brisbane or at any of its Branches or at its London Office Assents to this Agreement in one of the forms aforesaid together with Proxies in the form set out in the said Schedule signed by Selling Shareholders holding in the aggregate not less than 262,501 shares of Five pounds (£5) each in the Q.N. Bank and together with the share
40 certificates held by such Selling Shareholders respectively together with transfers in favour of the National Bank by those Selling Shareholders who come within the provisions of Section 6 hereof.

4. When this Agreement becomes effective :—

(i) The Q.N. Bank shall notify the National Bank and each Selling Shareholder that this Agreement has become effective.

Exhibits.

“ BC ”

Copy of
Agreement
between
Frederick
Ewen
Loxton,
the Q.N.
Bank and
The
National
Bank of
Australasia
Limited,
26th March
1947,
continued.

(ii) The Q.N. Bank shall forthwith convene an extraordinary general meeting of the Q.N. Bank for the purpose of submitting special resolutions to alter the Articles of Association of the Q.N. Bank to provide :—

(A) that there shall not be any limitation of the number of shares which can be held by any one shareholder,

(B) that on a show of hands any member present in person shall have one vote and on a poll every member present in person or by proxy or attorney shall have one vote for every share of which he is the registered holder,

(C) that the requisitionists for a general meeting of the Q.N. Bank shall be one or more members of the Q.N. Bank holding in the aggregate not less than 3,000 shares, and

(D) that at any general meeting a poll may be demanded by any one member.

10

(iii) Each Selling Shareholder irrevocably consents to the exercise by his proxy exclusively of his right of attending and voting at that extraordinary general meeting or at any adjournment thereof in favour of the said special resolutions.

5. If the said special resolutions are duly carried :—

20

(i) The Q.N. Bank shall notify the National Bank and each Selling Shareholder of that fact.

(ii) Except as provided in Section 6 hereof, the National Bank shall forthwith allot to each Selling Shareholder five shares of £1 each in the capital of the National Bank credited as fully paid up and ranking for dividend from the First day of April One thousand nine hundred and forty-seven in exchange for each £5 share of each such Selling Shareholder in the Q.N. Bank. The National Bank shall not be obliged to hand over the scrip for the shares so allotted except in exchange for properly completed transfers of shares in the Q.N. Bank with relative share certificates.

30

6. In any case where a Selling Shareholder is legally precluded from exchanging shares in the Q.N. Bank for shares in the National Bank or in any case where in the opinion of the National Bank special circumstances exist the National Bank shall pay to such Selling Shareholder the sum of £8 in Australian currency for each of his £5 shares in the Q.N. Bank in lieu of allotting shares in the National Bank and the provisions of Section 5 hereof shall (with necessary alterations) apply.

7. The National Bank shall forthwith convene an extraordinary general meeting of the National Bank for the purpose of submitting special resolutions to alter the Articles of Association of the National Bank to provide :—

40

(A) for the subdivision of its shares into shares of £1 each face value,

(B) that the Board of Directors of the National Bank shall be nine in number in lieu of seven as at present.

Exhibits.

“ BC ”

Copy of Agreement between Frederick Ewen Loxton, the Q.N. Bank and The National Bank of Australasia Limited, 26th March 1947, *continued.*

8. Either Bank may by notice in writing to the other Bank rescind this Agreement if the consent of the Capital Issues Board to the necessary issue of shares by the National Bank is not given or if the other Bank has not on or before the Fifteenth day of July One thousand nine hundred and forty-seven altered its Articles of Association in manner contemplated under Sections 4 (ii) and 7 respectively.

9. Unless by the Thirty-first day of May One thousand nine hundred and forty-seven or by such later day as may be mutually agreed between the said Banks Selling Shareholders holding in the aggregate not less than 262,501 shares of Five pounds (£5) each in the Q.N. Bank have assented to this Agreement and have deposited with the Q.N. Bank their share certificates in respect of their shareholding in the Q.N. Bank together with transfers in favour of the National Bank by those Selling Shareholders who come within the provisions of Section 6 hereof then this Agreement shall be cancelled and any assent thereto shall be of no effect.

10. The rescission or cancellation of this Agreement under Sections 8 or 9 shall not give rise to any claim by any of the parties hereto for 20 compensation expenses or otherwise.

11. If this Agreement is rescinded or cancelled any share certificates transfers and assents deposited with the Q.N. Bank shall be returned to the Selling Shareholders respectively.

12. It is expressly agreed that notwithstanding anything hereinbefore contained the said Frederick Ewen Loxton shall not incur any personal liability under this Agreement in respect of the breach of or non-observance or non-performance of any of the provisions of this Agreement by any Selling Shareholder.

13. In this Agreement the singular number includes the plural and 30 the masculine gender imports as well the feminine and neuter genders, and Selling Shareholder includes the executors administrators and transferees of a Selling Shareholder.

14. All costs and expenses of and incidental to this Agreement and to any documents and transfers to give effect thereto (including all duties of whatever nature or kind payable in respect thereof) shall be borne and paid by the National Bank.

In witness whereof the parties hereto have executed these presents the day and year first hereinbefore written.

Exhibits.

THE SCHEDULE hereinbefore referred to

“ BC ”

FORM OF ASSENT

Copy of Agreement between Frederick Ewen Loxton, the Q.N. Bank and The National Bank of Australasia Limited, 26th March 1947, *continued.*

The Chairman of Directors,
The Queensland National Bank Limited,
Brisbane.

I/We acknowledge receipt of your circular letter of 26th March, 1947, submitting a proposal for the union of the activities of this institution with those of The National Bank of Australasia Limited.

I/We am/are willing to accept Five fully paid £1 shares of The National Bank of Australasia Limited in exchange for each of my/our £5 fully paid shares in The Queensland National Bank Limited in terms of the endorsed agreement to which I/we assent. 10

I/We hand you herewith Proxy in accordance with the Articles of Association, enabling you or your deputy to vote on my/our behalf in accordance with the endorsed agreement.

I/We also hand you herewith the relative Share Certificate/s for my/our shares in The Queensland National Bank Limited to be held and dealt with by you in accordance with the endorsed agreement And I/We hereby irrevocably appoint Frederick Ewen Loxton, William Alfred Jolly, Ernest Edward Duckett White, Henry Cooke Morrow and Alexander Russell Kelly all of Brisbane in the State of Queensland, the Directors of The Queensland National Bank Limited jointly or any two of them my/our Attorneys to transfer my/our said shares to The National Bank of Australasia Limited in accordance with the endorsed Agreement. 20

Signature of Shareholder

FORM OF PROXY

THE QUEENSLAND NATIONAL BANK LIMITED

I/We _____ of _____
 being a member of The Queensland National Bank Limited and entitled
 to _____ votes hereby appoint Frederick Ewen Loxton, the
 Chairman of Directors, or failing him the Director who for the time being
 is Chairman of Directors or the Chairman of the meeting as my/our proxy
 to vote for me/us and on my/our behalf at any general meeting of the
 Company that may be held before the 31st day of December, 1947, and
 10 at any adjournment of any such meeting.

As witness my/our hand this.....day of.....1947.

Signed by the said

In the presence of

}

 }

Witness's Signature.....

NOTE.—A witness is necessary, but any person can witness the shareholder's signature.

Signed Sealed and Delivered by the said Frederick Ewen Loxton in the presence of :

(Sgd.) F. E. LOXTON

20 (Sgd.) D. S. FORBES.

Given under the Common Seal of The
 Queensland National Bank Limited
 this Twenty-sixth day of March, 1947,
 by order of the Board of the Twenty-
 sixth day of March, 1947

Seal

(Sgd.) F. E. LOXTON

(Sgd.) W. A. JOLLY
Directors

(Sgd.) D. S. FORBES
General Manager.

30

Exhibits.

“ BC ”
 Copy of
 Agreement
 between
 Frederick
 Ewen
 Loxton,
 the Q.N.
 Bank and
 The
 National
 Bank of
 Australasia
 Limited,
 26th March
 1947.
continued.

Exhibits.
 ———
 " BC " }
 Copy of }
 Agreement }
 between }
 Frederick }
 Ewen }
 Loxton, }
 the Q.N. }
 Bank and }
 The }
 National }
 Bank of }
 Australasia }
 Limited, }
 26th March }
 1947, }
continued.

The Common Seal of The National Bank
 of Australasia Limited was hereunto
 affixed by order of the Directors in
 the presence of :

} Seal

(Sgd.) H. D. GIDDY

(Sgd.) FRANK G. CLARKE
 Directors

(Sgd.) L. J. MCCONNAN
 Chief Manager.

ON REVERSE]

10

The paper writing contained on this and the five preceding sheets numbered 333 to 337 is a copy of an Agreement marked with the letters " BC " mentioned and referred to in the affidavit of Fred Pace and produced and shown to him at the time of swearing such affidavit at Brisbane in the State of Queensland this eleventh day of August, 1949, before me :

F. PACE
 Deponent

A. L. RAFF, J.P.,
 A Justice of the Peace.

“ BD ”

Exhibits.

Copy of Notice to Dissenting Shareholders of the Q.N. Bank.

FORM No. 10

THE COMPANIES ACT OF 1931

(QUEENSLAND).

“ BD ”
Copy of
Notice to
dissenting
share-
holders of
the Q.N.
Bank,
31st July
1947.

NOTICE TO DISSENTING SHAREHOLDERS (PURSUANT TO SECTION 163)

RE—THE QUEENSLAND NATIONAL BANK LIMITED

NOTICE BY THE NATIONAL BANK OF AUSTRALASIA LIMITED

To.....
10
(The registered holder(s) of shares of £5 each in

The Queensland National Bank Limited.)

WHEREAS on the Twenty-sixth day of March 1947 THE NATIONAL BANK OF AUSTRALASIA LIMITED (hereinafter called “ the National Bank ”) incorporated in the State of Victoria and having its registered office and chief office at 271–279 Collins Street, Melbourne in the said State and carrying on business in Queensland where its registered office is at 180–182 Queen Street, Brisbane MADE AN OFFER to all holders of shares in THE QUEENSLAND NATIONAL BANK LIMITED (hereinafter called
20 “ The Q.N. Bank ”) incorporated in the State of Queensland and having its registered office and principal office at 308–322 Queen Street, Brisbane in the said State TO ALLOT Five shares of One pound each in the capital of the National Bank credited as fully paid up and ranking for dividend from the First day of April 1947 IN EXCHANGE for each fully paid Five pound share of each shareholder in the Q.N. Bank (or in any case where a shareholder accepting the offer is legally precluded from exchanging shares in the Q.N. Bank for shares in the National Bank or in any case where in the opinion of the National Bank special circumstances exist to pay to each such shareholder the sum of Eight pounds in Australian
30 currency for each of his Five pound shares in the Q.N. Bank in lieu of allotting shares in the National Bank.)

AND WHEREAS up to the Thirtieth day of June 1947 being a date within four months of the date of making thereof, such offer was approved by the holders of not less than nine-tenths in value of the shares in the Q.N. Bank.

NOW THEREFORE the National Bank in pursuance of the provisions of Section 163 of “ The Companies Act of 1931 ” HEREBY GIVES YOU NOTICE that it the National Bank desires to acquire the shares in the Q.N. Bank held by you.

Exhibits.
 "BD"
 Copy of
 Notice to
 dissenting
 share-
 holders of
 the Q.N.
 Bank,
 31st July
 1947,
continued.

AND FURTHER TAKE NOTICE that unless upon an application made to the Court by you on or before the Fifth day of September 1947 being not less than one month from the date of this Notice the Court thinks fit to order otherwise the National Bank will be entitled and bound to acquire the shares held by you in the Q.N. Bank on the terms of the above-mentioned offer approved by the approving shareholders in the Q.N. Bank.

Dated the Thirty-first day of July 1947.

For THE NATIONAL BANK OF AUSTRALASIA LIMITED.

L. J. McCONNAN, 10
 Chief Manager.

ON REVERSE]

This is the paper printing marked with the letters "BD" mentioned and referred to in the affidavit of Fred Pace and produced and shown to him at the time of swearing such affidavit at Brisbane in the State of Queensland this eleventh day of August, 1949, before me,

F. PACE,
 Deponent.

A. L. RAFF, J.P.,
 A Justice of the Peace.

“ BE ”

Exhibits.

Copy of Declaration of Solvency of the Q.N. Bank.

QUEENSLAND.
To Wit.

“ BE ”
Copy of
declaration
of solvency
of the
Q.N. Bank,
10th
September
1947.

THE COMPANIES ACTS 1931 TO 1942.

MEMBERS VOLUNTARY WINDING UP.

DECLARATION OF SOLVENCY PURSUANT TO SECTION 236.

Name of Company : The Queensland National Bank Limited.

Presented by : The Queensland National Bank Limited.

10

DECLARATION OF SOLVENCY.

WE, FREDERICK EWEN LOXTON of care of The Queensland Club Alice Street Brisbane in the State of Queensland Company Director WILLIAM ALFRED JOLLY of Palmer Street Windsor near Brisbane aforesaid Accountant HENRY COOKE MORROW of Graham Street Indooroopilly near Brisbane aforesaid Merchant ERNEST EDWARD DUCKETT WHITE of “ Woodlands ” Greenmount in the said State Grazier and ALEXANDER RUSSELL KELLY of Challinor Street Auchenflower near Brisbane aforesaid Company Secretary being all the directors of The Queensland National Bank Limited DO HEREBY

20 SOLEMNLY AND SINCERELY DECLARE :—

1. That we have made a full inquiry into the affairs of this company and having so done we have formed the opinion that this company will be able to pay its debts in full within a period not exceeding 12 months from the commencement of the winding up.

2. Attached hereto marked “A” is a statement of the affairs of the company pursuant to section 236 subsection 1 of the above Acts showing in summarised form—

30

- (A) The assets of the Company and the total amount expected to be realised therefrom ;
- (B) The liabilities of the Company ; and
- (C) The estimated expenses of the winding up.

AND we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Oaths Act 1867.

Signed and Declared by all the above-named declarants before me at Brisbane this Tenth day of September 1947	}	F. E. LOXTON WM. A. JOLLY E. E. D. WHITE H. C. MORROW A. R. KELLY, Declarants.
--	---	---

40

C. F. WILLIS, J.P.,
A Justice of the Peace.

Exhibits.
 “BE”
 Copy of
 declaration
 of solvency
 of the
 Q.N. Bank,
 10th
 September
 1947,
continued.

LIABILITIES	ASSETS	EXPECTED TO REALISE NOT LESS THAN
AUSTRALIA Interminable Inscribed Deposit Stock Deposits Balances due to other Banks Bills Payable and other Liabilities LONDON Interminable Inscribed Deposit Stock Deposits Bills Payable and other Liabilities Paid-up Capital £1,750,000.	AUSTRALIA Coin and Bullion Australian Notes Cash with Commonwealth Bank Special Account with Commonwealth Bank Balances with and due from other Banks Australian Government securities Loans and Advances Bank Premises and Furniture Shares in other Companies Remittances in Transit Bills Receivable and other Assets LONDON Balances due from other Banks Loans and Advances Bills on hand Bank Furniture & Fittings Cash Other Assets	£ 69,099 404,853 547,021 9,523,000 724,006 3,380,477 10,449,542 565,373 66,950 285,805 117,328 26,183,454 22,909 15,996 71,516 162 399 115 £26,294,551
		£
		69,099
		404,853
		547,021
		9,523,000
		724,006
		3,380,477
		10,449,542
		565,373
		66,950
		285,805
		117,328
		26,183,454
		22,909
		15,996
		71,516
		162
		399
		115
		£26,294,551

Estimated expenses of winding up—£2,000.

London Assets and Liabilities have been included without any conversion to Australian being applied.

ON REVERSE]

The paper writing contained on this and the preceding sheet numbered 341 is a true copy of a declaration of solvency of the Q.N. Bank marked with the letters “BE” mentioned and referred to in the affidavit of Fred Pace and produced and shown to him at the time of swearing such affidavit at Brisbane in the State of Queensland this eleventh day of August, 1949, before me,

F. PACE,
 Deponent.

A. L. RAFF, J.P.,
 A Justice of the Peace.

" BF "

Exhibits.

Copy of Requisition for Extraordinary General Meeting addressed to the Directors of the Q.N. Bank.

" BF "

The Directors,
The Queensland National Bank Limited,
Brisbane.

Copy of Requisition for Extraordinary General Meeting addressed to the Directors of the Q.N. Bank, 10th September 1947.

Dear Sirs,

We the undersigned shareholders in your Bank holding in the aggregate not less than 3,000 shares hereby in pursuance of Article 55 of the Articles of Association of the Bank requisition you to call an
10 extraordinary general meeting of the Bank on Wednesday the 8th day of October 1947 at 3 o'clock in the afternoon for the purpose of considering and if thought fit of passing as a special resolution the following resolution that is to say—

“ That the Company be wound up voluntarily and that Fred Pace of Brisbane in the State of Queensland, Bank Inspector, be appointed liquidator for the purpose of such winding up ”

And also for the purpose of passing a resolution fixing the remuneration of the said Fred Pace as such liquidator.

20 Dated at Brisbane the 10th day of September, 1947.

THE NATIONAL BANK OF AUSTRALASIA LIMITED
by its duly appointed attorney,

R. DOBSON.

GEORGE A. BELL
R. J. MACFARLANE
V. E. BRAND
P. WILLIAMS
D. J. SNOWBALL
J. M. BROWN

R. DOBSON
THOS. EGAN
THOS. MENOUE
E. FLORENCE
G. W. SMITH
R. A. LAWSON
J. W. JOHNSTON
R. T. WALTERS
R. F. PALETHORPE.

30

ON REVERSE]

This is the paper writing marked with the letters " BF " mentioned and referred to in the affidavit of Fred Pace and produced and shown to him at the time of swearing such affidavit at Brisbane in the State of Queensland this eleventh day of August, 1949, before me :

F. PACE
Deponent

A. L. RAFF, J.P.,
A Justice of the Peace.

Exhibits.

" BG "

" BG "
Copy of
Notice
convening
an Extra-
ordinary
General
Meeting
of the
Q.N. Bank,
15th
September
1947.

Copy of Notice convening an Extraordinary General Meeting of the Q.N. Bank.

THE QUEENSLAND NATIONAL BANK LIMITED

General Manager's Office

Brisbane

Queensland.

Notice is hereby given that an Extraordinary General Meeting of The Queensland National Bank Limited will be held at the registered office of the Company 308-322 Queen Street Brisbane on Wednesday the 8th day of October 1947 at 3 o'clock in the afternoon for the purpose of considering and if thought fit passing as a special resolution the following resolution, that is to say—

" That the Company be wound up voluntarily and that Fred Pace of Brisbane in the State of Queensland Bank Inspector be appointed liquidator for the purposes of such winding up "

And also for the purpose of passing a resolution fixing the remuneration of the said Fred Pace as such liquidator.

Dated at Brisbane this 15th day of September, 1947.

By Order of the Board,

D. S. FORBES, 20
General Manager.

308-322 Queen Street,
Brisbane.

ON REVERSE]

This is the paper writing marked with the letters " BG " mentioned and referred to in the affidavit of Fred Pace and produced and shown to him at the time of swearing such affidavit at Brisbane in the State of Queensland this eleventh day of August, 1949 before me :

F. PACE
Deponent

A. L. RAFF, J.P.,
A Justice of the Peace. 30

" BH "

Copy of Notice of Appointment of Fred Pace as Liquidator of the Q.N. Bank.

SCHEDULE

Form No. 14

No. of Company - 50/Bk.1

" THE COMPANIES ACTS 1931 to 1942 "

NOTICE OF APPOINTMENT OF LIQUIDATOR IN A VOLUNTARY
WINDING UP (pursuant to Section 256 (1) and (2))
THE QUEENSLAND NATIONAL BANK LIMITED

Exhibits.

" BH "

Copy of
Notice of
Appoint-
ment of
Fred Pace
as Liquida-
tor of the
Q.N. Bank,
3rd
November
1947.

10 To The Registrar of Companies.

I, FRED PACE, hereby give notice that by resolution of the members of The Queensland National Bank Limited I have been appointed Liquidator as from the thirtieth day of October 1947 and that the situation of the office of such Liquidator is as follows :

308-322 Queen Street, Brisbane.

Dated this Third day of November 1947.

F. PACE,
Liquidator.

20 I, ROBERT BARR TEMPLETON, Deputy Registrar of Companies at Brisbane in the State of Queensland HEREBY CERTIFY that the above is and contains a true copy of the Notice of Appointment of Liquidator of THE QUEENSLAND NATIONAL BANK LIMITED registered in the Office of the Registrar of Companies at Brisbane aforesaid on the Fourth day of November, 1947, AND I FURTHER CERTIFY that I am the Officer to whose custody the said Notice of Appointment of Liquidator is entrusted.

Given under my hand and Seal at Brisbane this Fifth day of November, 1947.

(L.S.)

R. B. TEMPLETON,
Deputy Registrar of Companies.

30 ON REVERSE]

This is the copy Notice of Appointment as Liquidator marked with the letters " BH " mentioned and referred to in the affidavit of Fred Pace and produced and shown to him at the time of swearing such affidavit at Brisbane in the State of Queensland this eleventh day of August, 1949, Before me :

F. PACE
Deponent

A. L. RAFF, J.P.,
A Justice of the Peace.

Exhibits.

" BI "

" BI " Copy of Queensland Government Gazette containing notice of the voluntary winding up of the Q.N. Bank and the appointment of Fred Pace as Liquidator, 12th November 1947.

Copy of Queensland Government Gazette containing notice of the voluntary winding up of the Q.N. Bank and the appointment of Fred Pace as Liquidator.

QUEENSLAND GOVERNMENT GAZETTE.

PUBLISHED BY AUTHORITY.

(Registered at the General Post Office, Brisbane, for Transmission by Post as a Newspaper.)

Vol. CLXIX.)

Wednesday, 12th November, 1947.

(No. 119.)

IN THE MATTER of the QUEENSLAND NATIONAL BANK LIMITED.

At an extraordinary general meeting of the above-named Company 10 duly convened and held at the registered office of the Company, 308-322 Queen Street, Brisbane, on the thirtieth day of October, 1947, the following resolution was duly passed as a special resolution, namely :—

That the Company be wound up voluntarily, and that Fred Pace, of Brisbane, in the State of Queensland, bank inspector, be appointed liquidator for the purposes of such winding up.

Dated at Brisbane this seventh day of November, 1947.

F. E. LOXTON,

Chairman of the Meeting.

Witness to the signature of Frederick Ewen Loxton, the Chairman 20 of the said meeting :—

LAMBERT E. OSBORN,

Solicitor, Brisbane.

1249.

ON REVERSE]

This is the copy Gazette marked with the letters " BI " mentioned and referred to in the affidavit of Fred Pace and produced and shown to him at the time of swearing such affidavit at Brisbane in the State of Queensland this eleventh day of August, 1949. Before me :—

F. PACE,
Deponent.

A. L. RAFF, J.P.,

A Justice of the Peace.

30

" BJ "

Copy Circular Letter issued from London sent to Stockholders of the Q.N. Bank.

THE QUEENSLAND NATIONAL BANK LIMITED.
(Incorporated in Queensland.)
In Voluntary Liquidation.

All letters to be addressed to
" The Manager "
and not to individual
Officers.

10 Telegraphic Address :
" Isonomy, Stock, London."
Telephone :
Monarch 3134.

8 Princes Street, E.C.2.
London, 31st March, 1948.

Exhibits.

" BJ "
Copy
Circular
Letter
issued from
London
sent to
stock-
holders of
the Q.N.
Bank,
31st March
1948.

Dear Sir or Madam,

In accordance with your standing instructions we have forwarded to your bankers a warrant for half-year's interest on the Interminable Inscribed Deposit Stock of the Queensland National Bank Ltd. standing in your name on the Bank's London Register.

20 Such progress has already been made in the union of the activities and interests of the Queensland National Bank Ltd. with the National Bank of Australasia Ltd. that I anticipate being in a position to advise you in the near future as to the steps being taken to pay off the principal money which as you are aware becomes payable in consequence of the winding up of the Queensland National Bank Ltd.

30 I am advised that as liquidator of an Australian Company it might not be correct for me to pay interest except in Australian Currency but the National Bank of Australasia Ltd., as beneficial owner of the shares in the Queensland National Bank Ltd., has indicated to me that it prefers that at this stage the practice heretofore followed be continued and accordingly is bearing the cost of transferring the Australian money to London to meet this warrant.

I am obtaining advice as to my duty in paying off the principal and the course adopted in transferring money to London to meet interest due on 31st March, 1948, is not to be regarded as a precedent in relation to either the principal payment when made or to future interest if any.

Yours faithfully,

F. PACE,
Liquidator.

ON REVERSE]

40 This is the paper writing marked with the letters " BJ " mentioned and referred to in the affidavit of Fred Pace and produced and shown to him at the time of swearing such affidavit at Brisbane in the State of Queensland this eleventh day of August, 1949. Before me :—

F. PACE,
Deponent.

A. L. RAFF, J.P.,
A Justice of the Peace.

Exhibits.

" BK "

" BK "
 Copy of
 Circular
 Letter sent
 to stock-
 holders
 of the
 Q.N. Bank,
 31st March
 1948.

Copy of Circular Letter sent to Stockholders of the Q.N. Bank.

THE QUEENSLAND NATIONAL BANK LIMITED.

In Vol. Liquidation.

31st March, 1948.

Dear Sir/Madam,

Attached hereto is a Warrant in your favour for half-year's interest on the Interminable Inscribed Deposit Stock of the Queensland National Bank, standing in your name.

Such progress has already been made in the union of the activities and interests of The Queensland National Bank Limited with The National Bank of Australasia Limited that I anticipate being in a position to advise you in the near future as to the steps being taken to pay off the principal money, which, as you are aware, becomes payable in consequence of the winding up of The Queensland National Bank Limited. 10

Your attention is drawn to the provisions of the Queensland Stamps Acts, 1894 to 1930 that failure :—

(A) by persons resident in Queensland, or

(B) if resident outside Queensland; if such warrant be negotiated in, or paid to their credit in any Bank or financial institution in Queensland, 20

to issue a duly stamped receipt for warrants amounting to £2 and upwards renders—(1) the payee; (B) the person negotiating in Queensland—liable to a penalty not exceeding £50. The Bank is obliged to demand a duly stamped receipt from persons liable to give a receipt and I must therefore request you to comply with the provisions of the Stamps Acts.

Yours faithfully,

F. PACE,
 Liquidator.

ON REVERSE]

30

This is the paper writing marked with the letters " BK " mentioned and referred to in the affidavit of Fred Pace and produced and shown to him at the time of swearing such affidavit at Brisbane in the State of Queensland this eleventh day of August, 1949. Before me :—

F. PACE,
 Deponent.

A. L. RAFF, J.P.,
 A Justice of the Peace.

" BL "

Exhibits.

Copy of Circular Letter issued from London sent to Stockholders of the Q.N. Bank.

THE QUEENSLAND NATIONAL BANK LIMITED.

(Incorporated in Queensland)

In Voluntary Liquidation.

8, Princes Street,

London, E.C.2.

30th September, 1948.

" BL "

Copy of
Circular
Letter
issued from
London
sent to
stock-
holders of
the Q.N.
Bank,
30th
September
1948.

DEAR SIR OR MADAM,

10 Attached hereto is a warrant in your favour for half year's interest on the Interminable Inscribed Deposit Stock of the Queensland National Bank Ltd. standing in your name on the Bank's London Register.

Such further progress has been made in the union of the activities of The Queensland National Bank Limited In Voluntary Liquidation with The National Bank of Australasia Limited that I am now able to proceed with arrangements to pay off the principal money secured by this Stock.

20 However, the fact that certain of the Stock is on the Bank's London Register whilst the remainder is on various Australian Registers raises a difficult legal question as to the currency in which it is my duty to redeem the Stock and to pay the interest.

Problems of a somewhat similar nature arose in two other cases in Australia (namely Goldsbrough Mort & Company's case, and Bonython's case, in which cases it was found necessary to seek directions from the Supreme Court of Victoria and the High Court of Australia respectively) and I am advised that I should apply to the Supreme Court of Queensland for directions in the case of the Bank's Stock.

30 I have accordingly instructed my Solicitors to proceed with the necessary application, and they are at present engaged in preparing the papers. This involves a considerable amount of research into the history of the Bank, as it is necessary to place all relevant facts before the Court.

Complete provision has been made for redemption of the whole of the Interminable Inscribed Deposit Stock by retention of sufficient funds in my hands as Liquidator, and in addition an undertaking has been given by The National Bank of Australasia Limited to secure the due payment of all debts and liabilities of The Queensland National Bank Limited In Voluntary Liquidation.

In the meantime the National Bank—as beneficial owner of all the shares in the Queensland National Bank—prefers to continue the practice

Exhibits. heretofore followed in regard to payment of interest, and accordingly the National Bank is bearing the cost of transferring Australian money to London to meet this warrant.

Copy of
Circular
Letter
issued from
London
sent to
stock-
holders
of the
Q.N. Bank,
30th
September
1948,
continued.

Of course this is not to be regarded as a precedent in relation to either the principal payment when made or to future interest if any.

Yours faithfully,

F. PACE,
Liquidator.

ON REVERSE]

This is the paper writing marked with the letters "BL" mentioned 10 and referred to in the affidavit of Fred Pace and produced and shown to him at the time of swearing such affidavit at Brisbane in the State of Queensland this eleventh day of August, 1949.

Before me :

F. PACE,
Deponent.

A. L. RAFF, J.P.,
A Justice of the Peace.

" BM "

Copy of Circular Letter sent to Stockholders of the Q.N. Bank.

THE QUEENSLAND NATIONAL BANK LIMITED.
In Voluntary Liquidation.

30th September, 1948.

Dear Sir or Madam,

Attached hereto is a Warrant in your favour for half-year's interest on the Interminable Inscribed Deposit Stock of The Queensland National Bank Limited standing in your name.

10 Such further progress has been made in the union of the activities of The Queensland National Bank Limited In Voluntary Liquidation with The National Bank of Australasia Limited that I am now able to proceed with arrangements to pay off the principal money secured by this Stock.

However, the fact that certain of the Stock is on the Bank's London Register whilst the remainder is on various Australian Registers raises a difficult legal question as to the currency in which it is my duty to redeem the Stock and to pay the interest.

20 Problems of a somewhat similar nature arose in two other cases in Australia (namely Goldsbrough Mort and Company's case, and Bonython's case, in which cases it was found necessary to seek directions from the Supreme Court of Victoria and the High Court of Australia respectively), and I am advised that I should apply to the Supreme Court of Queensland for directions in the case of the Bank's Stock.

I have accordingly instructed my Solicitors to proceed with the necessary application, and they are at present engaged in preparing the papers. This involves a considerable amount of research into the history of the Bank, as it is necessary to place all relevant facts before the Court.

30 Complete provision has been made for redemption of the whole of the Interminable Inscribed Deposit Stock by retention of sufficient funds in my hands as Liquidator, and in addition an undertaking has been given by The National Bank of Australasia Limited to secure the due payment of all debts and liabilities of The Queensland National Bank Limited In Voluntary Liquidation.

Your attention is drawn to the provisions of the Queensland Stamps Acts 1894 to 1930 that failure—

- (A) By persons resident in Queensland, or
- (B) If resident outside Queensland, if such warrant be negotiated in, or paid to their credit in any Bank or financial institution in Queensland,

Exhibits.

" BM "

Copy of
Circular
Letter
sent to
stock-
holders
of the
Q.N. Bank,
30th
September
1948.

Exhibits.
 "BM"
 Copy of
 Circular
 Letter
 sent to
 stock-
 holders
 of the
 Q.N. Bank,
 30th
 September
 1948,
continued.

to issue a duly stamped receipt for warrants amounting to £2 and upwards renders (A) the payee; (B) the person negotiating in Queensland—liable to a penalty not exceeding £50.

The Bank is obliged to demand a duly stamped receipt from persons liable to give a receipt, and I must therefore request you to comply with the provisions of the Stamps Acts.

Yours faithfully,

F. PACE,
 Liquidator.

ON REVERSE]

10

This is the paper writing marked with the letters "BM" mentioned and referred to in the affidavit of Fred Pace and produced and shown to him at the time of swearing such affidavit at Brisbane in the State of Queensland this eleventh day of August, 1949, before me:

F. PACE,
 Deponent.

A. L. RAFF, J.P.,
 A Justice of the Peace.

" BN "

Copy of Circular Letter issued from London sent to Stockholders of the Q.N. Bank.

THE QUEENSLAND NATIONAL BANK LIMITED.
In Voluntary Liquidation.

8 Princes Street,
London, E.C.2.
31st March, 1949.

Dear Sir or Madam,

Attached hereto is a warrant in your favour for half-year's interest
10 on the Interminable Inscribed Deposit Stock of The Queensland National
Bank Limited standing in your name on the Bank's London Register.

The proceedings being taken with a view to having the question
determined as to the currency in which the principal and interest moneys
represented by The Q.N. Bank's Interminable Inscribed Deposit Stock are
to be paid were fully outlined to you in my circular letter of 16th instant.

In the meantime The National Bank of Australasia Limited—as
beneficial owner of all the shares in the Q.N. Bank—prefers to continue the
practice heretofore followed in regard to payment of interest, and
accordingly the National Bank is bearing the cost of transferring
20 Australian money to London to meet this warrant.

Of course this is not to be regarded as a precedent in relation to either
the principal payment when made or to future interest if any.

Yours faithfully,

F. PACE,
Liquidator.

ON REVERSE]

This is the paper writing marked with the letters " BN " mentioned
and referred to in the affidavit of Fred Pace and produced and shown to
him at the time of swearing such affidavit at Brisbane in the State of
30 Queensland this eleventh day of August, 1949, before me :

F. PACE,
Deponent.

A. L. RAFF, J.P.,
A Justice of the Peace.

Exhibits.

" BN "
Copy of
Circular
Letter
issued from
London
sent to
stock-
holders
of the
Q.N. Bank,
31st March
1949.

“ BO ”
 Copy of
 Circular
 Letter sent
 to stock-
 holders
 of the
 Q.N. Bank,
 31st March
 1949.

“ BO ”

Copy of Circular Letter sent to Stockholders of the Q.N. Bank.

THE QUEENSLAND NATIONAL BANK LIMITED.

In Voluntary Liquidation.

31st March, 1949.

Dear Sir or Madam,

Attached hereto is a Warrant in your favour for half-year's interest on the Interminable Inscribed Deposit Stock of The Queensland National Bank Limited standing in your name.

The proceedings being taken with a view to having the question 10 determined as to the currency in which the principal and interest moneys represented by The Q.N. Bank's Interminable Inscribed Deposit Stock are to be paid were fully outlined to you in my circular letter of 16th instant.

Your attention is drawn to the provisions of the Queensland Stamps Acts, 1894 to 1930 that failure :—

(A) by persons resident in Queensland, or

(B) if resident outside Queensland; if such warrant be negotiated in, or paid to their credit in any Bank or Financial Institution in Queensland,

to issue a duly stamped receipt for warrants amounting to £2 and upwards 20 renders—(A) the payee; (B) the person negotiating in Queensland—liable to a penalty not exceeding £50. The Bank is obliged to demand a duly stamped receipt from persons liable to give a receipt, and I must therefore request you to comply with the provisions of the Stamps Acts.

Yours faithfully,

F. PACE,
 Liquidator.

ON REVERSE]

This is the paper writing marked with the letters “ BO ” mentioned and referred to in the affidavit of Fred Pace and produced and shown to 30 him at the time of swearing the said affidavit at Brisbane in the State of Queensland this eleventh day of August, 1949, before me :

F. PACE,
 Deponent.

A. L. RAFF, J.P.,
 A Justice of the Peace.

“ BP ”

Copy of circular letter sent to all holders of Interminable Inscribed Deposit Stock of the
Q.N. Bank

Exhibits.

“ BP ”
Copy of
Circular
Letter sent
to all
holders of
Inter-
minable
Inscribed
Deposit
Stock of the
Q.N. Bank,
16th March
1949.

The Queensland National Bank Limited

In Voluntary Liquidation

16th March, 1949.

Dear Sir or Madam,

Referring to my circular letter of the 30th September last, I beg to advise that I have instituted the necessary proceedings in the Supreme Court of Queensland to have the question determined as to the currency in which the principal and/or interest moneys secured or represented by or payable in respect of the Interminable Inscribed Deposit Stock of the Q.N. Bank in Voluntary Liquidation is to be paid and the Supreme Court will be moved by Counsel on my behalf on Tuesday the 22nd March next for an order determining the following questions—

1. Whether the registered holders of Interminable Inscribed Deposit Stock issued by the Q.N. Bank pursuant to a Scheme of Arrangement made between the Bank and certain of its creditors and sanctioned by the Supreme Court of Queensland on the 12th May 1897 whose stock was at the date of the commencement of the voluntary winding up of the Bank and was at all times prior thereto registered on the London Register of the said Bank are entitled to be paid on the winding up of the said Bank the principal and/or interest moneys secured or represented by or payable in respect of such stock in English currency or in Australian currency.
2. Whether the registered holders of such stock whose stock was at the date of the commencement of the voluntary winding up of the said Bank registered on the London register of stock kept by the said Bank but which said stock was prior to the date of such voluntary winding up transferred from a Register of stock kept by the said Bank in Australia to the register of such stock kept by the said Bank in London are entitled to be paid on the winding up of the said Bank the principal and/or interest moneys secured or represented by or payable in respect of such stock so transferred in English currency or in Australian currency; and
3. Whether the registered holders of such stock whose stock was at the date of the commencement of the voluntary winding up of the said Bank registered on the register of stock kept by the said bank in Australia are entitled to be paid on the winding up of the said Bank the principal and/or interest moneys secured or represented by or payable in respect of such stock in English currency or in Australian currency.

In relation to such application the Supreme Court has ordered—

(a) that The Scottish Union and National Insurance Company of 35 St. Andrew Square, Edinburgh Scotland, one of the registered holders of Interminable Inscribed Deposit Stock of the said Bank whose stock is registered on the register of stock kept by the said Bank in London may be sued and that the said The Scottish Union and National Insurance Company shall defend on behalf of and for the benefit of all holders of the Bank's Interminable Inscribed Deposit Stock whose stock was at the date of the commencement of the voluntary winding up of the said Bank and was at all times prior thereto registered on the register of stock kept by the said Bank in London; and

(b) that The National Mutual Life Association of Australasia Limited of Melbourne in the State of Victoria a registered holder of Interminable Inscribed Deposit Stock of the said Bank whose stock was at the date of the commencement of the voluntary winding up of the said Bank registered on the register of stock kept by the said Bank in London but part of which said stock was prior to the date of such voluntary winding up transferred by the said The National Mutual Life Association of Australasia Limited from the register of stock kept by the said Bank in Australia to the register of such stock kept by the said Bank in London may be sued and that the said The National Mutual Life Association of Australasia Limited shall defend on behalf of and for the benefit of all stock holders whose stock is registered on the register of stock kept by the said Bank in London and whose stock was prior to the date of the commencement of the voluntary winding up of the Bank transferred from an Australian Register to the said London register and was at the date of the said voluntary winding up registered on the London register of the said Bank; and

(c) That Edward Robert Crouch of Brisbane in the State of Queensland a Solicitor of the Supreme Court of Queensland one of the registered holders of Interminable Inscribed Deposit Stock of the said Bank whose stock is and was at the date of the commencement of the voluntary winding up of the said Bank registered on a register of stock kept in Australia by the said Bank may be sued and that the said Edward Robert Crouch shall defend on behalf of and for the benefit of all holders of Interminable Inscribed Deposit stock whose stock was at the date of the commencement of the voluntary winding up of the Bank registered on a register of stock kept by the said Bank in Australia.

The Scottish Union and National Insurance Company The National Mutual Life Association of Australasia Limited and Mr. Crouch have all agreed to being joined as respondents to the proceedings and to represent the interests of the respective classes of stockholders when the matter comes on for hearing before the Court.

The National Bank of Australasia Limited as the sole shareholder in the Q.N. Bank has also been joined as a respondent and will also be represented at the hearing.

You will see from the above that the interests of all stockholders are being adequately protected by the Court.

Although the Notice of Motion has been taken out for the 22nd instant, the hearing of the matter will not come before the Court before some time in April.

Yours faithfully,

F. PACE,

Liquidator.

This is the paperwriting marked with the letters "BP" mentioned and referred to in the affidavit of Fred Pace and produced and shown to him at the time of swearing the said affidavit at Brisbane in the State of Queensland this eleventh day of August, 1949, before me:

F. PACE

Deponent

A.L. RAFF J.P.

A Justice of the Peace.

In the Privy Council.

ON APPEAL

FROM THE HIGH COURT OF AUSTRALIA IN ITS APPELLATE JURISDICTION

IN THE MATTER of "The Companies Acts 1931 to 1942"
and
IN THE MATTER of The Queensland National Bank Limited (In Voluntary Liquidation)
and
IN THE MATTER of an application by Fred Pace as Liquidator of The Queensland National Bank Limited (In Voluntary Liquidation) for an order under Section 258 of the said Acts to determine questions arising in the winding up of the said The Queensland National Bank Limited.

BETWEEN

THE NATIONAL BANK OF AUSTRALASIA LIMITED *Appellant*

AND

THE SCOTTISH UNION AND NATIONAL INSURANCE COMPANY LIMITED and
THE NATIONAL MUTUAL LIFE ASSOCIATION OF AUSTRALASIA LIMITED and
EDWARD ROBERT CROUCH and
FRED PACE as Liquidator of the said The Queensland National Bank Limited . . . *Respondents.*

RECORD OF PROCEEDINGS

VOLUME 2.

(PAGES 131—355)

MARKBY STEWART & WADESONS,
5 Bishopsgate,
London, E.C.2,
Solicitors for the Appellant.

PARKER GARRETT & CO.,
St. Michaels Rectory, Cornhill,
London, E.C.3,
Solicitors for the Respondents.