

A Court of Directors at the Bank
on Thursday, the 15th December 1898.

Present.

Lugh Colin Smith, Esq: Governor,
Samuel Stewart Gladstone, Esq: Deputy Governor,
Charles George Arbuthnot, Esq: The Hon. Evelyn Hubbard,
William Middleton Campbell, Esq: Frederick Sully Jackson, Esq:
Alfred Clayton Cole, Esq: Reginald Eden Johnston, Esq:
Sir Mark Wilks Collet, Bart: Rt. Hon: William Lidderdale,
Walter Cunliffe, Esq: Edgar Lubbock, Esq:
James Pattison Currie, Esq: Samuel Hope Morley, Esq:
Henry Riversdale Grenfell, Esq: Augustus Prevost, Esq:
John Saunders Gilliat, Esq: Rt. Hon: Lord Revelstoke,
Everard Alexander Hambro, Esq: and
William Douro Hoare, Esq: Alexander Falconer Wallace, Esq:

The proceedings of the last Court were
read.

Discounts and
Advances to
Bill Brokers, &c.

The weekly Statement of Discounts and
Advances granted to Bill Brokers, &c., was read.

Ordered.

8 15th Dec^r 1898.

Ordered,

Bank notes, etc.
lost, etc.

Committee of Treasury.

At the recommendation of the

That £ 131. 6. 6 be paid for sundry
Post Dividend warrants and Bank notes as detailed
in the Governor's Declaration Book; the vouchers
relating thereto having been examined and
security given to indemnify the Bank.

Minute of the
Committee of
Treasury recom-
mending the
appointment of
a Gate Porter, etc.

The following Minute of the Committee
of Treasury having been read;

" Committee of Treasury,
" 11th December 1898.

" It was agreed to recommend to the Court
" of Directors that Thomas Gare, the junior Gate
" Porter, be appointed the fourth Gate Porter in the
" room of Edward Ketherclift, deceased; and that

" David Arthur Clarke, a House Porter and
" Watchman, be appointed a Gate Porter in the
" room of Gare.

" Bank of England."

agreed to.

The Court agreed thereto.

Report of the
Audit Committee
on the Audits
taken

The following Report of the Audit
Committee having been read;

" The

15th Dec^r 1898.

taken by the
Audit Department
during the month
of November last.

"The Audit Committee

"Report to the Court of Directors

"That they have had before them the
"various Audits taken during the month of November
"last by the Audit Department, at the Committee's
"desire and under written instructions from the
"Governor, as follows;

"On the 3rd

"The usual fortnightly Audit of Notes and Coin in the
"Treasury, Safes nos. 66, 77 and 19 being selected.

"On the 23rd

"A special Audit of the London Discounted Bills as
"on the evening of the 22nd November.

"On the 30th

"A verification of the contents of all parcels
"containing Securities belonging to the Governor and
"Company of the Bank of England.

"An Audit of the Advances made in the Chief
"Cashier's Office against the lists compiled by them,
"as on the evening of the 22nd November.

"The Committee have also had before them the
"Report on the Audit of the Western Branch, dated
"the 4th November.

"J. S. Gladstone.

"Bank of England,

"8th December 1898."

approved.

The Court approved thereof.

A Court of Directors at the Bank
on Thursday, the 22nd December, 1898.

Present,

Hugh Colin Smith, Esq. Governor,
Samuel Stewart Gladstone, Esq. Deputy Governor,
Charles George Arbuthnot, Esq. William Douro Hoare, Esq.
Herbert Brooks, Esq. The Hon. Evelyn Hubbard,
William Middleton Campbell, Esq. Frederick Hutt Jackson, Esq.
Alfred Clayton Cole, Esq. Reginald Eden Johnston, Esq.
Sir Mark Wilks Collet, Bart. Rt. Hon. William Lidderdale,
Walter Cunliffe, Esq. Edgar Lubbock, Esq.
James Pattison Currie, Esq. Samuel Hope Morley, Esq.
Henry Riversdale Grenfell, Esq. Augustus Prevost, Esq.
John Saunders Gilliat, Esq. Albert George Sandeman, Esq.
Everard Alexander Hambro, Esq. Alexander Falconer Wallace, Esq.

The proceedings of the last Court
were read.

The weekly Statement of Discounts and
Advances granted to Bill Brokers, etc., was read.

Mr. Jackson reported the Out Cash to have
been taken in and found right.

Ordered,

Discounts and
Advances to
Bill Brokers, etc.

Out Cash.

nd 22nd Dec^r 1898.

Ordered.

Bank notes, &c.
lost, &c.

At the recommendation of the Committee of Treasury,

That £78.1.4 be paid for sundry, Post Dividend warrants and Bank notes, as detailed in the Governor's Declaration Book; the vouchers relating thereto having been examined, and security given to indemnify the Bank.

Audit of Securities.

A Report from the Committee of Daily Waiting was read stating that they had audited the Securities contained in Drawers Nos. 1 and 54 and had satisfied themselves that the same were in the safe custody of the Chief Cashier.

Audit of Securities at the Western Branch.

A Report from Mr. Cunliffe was read, stating that he had audited the Securities at the Western Branch, comprised in the Sections numbered 26 and 36 and had found the same in the safe custody of the Agent.

Minute of the Committee of Treasury recommending an appointment in the Chief Cashier's Office.

The following Minute of the Committee of Treasury, having been read;

" Committee of Treasury.
" 16th December 1898.

" It was agreed to recommend to the Court
" of Directors, that Herbert George De Fraine, a 4th Class
" Clerk in the Bill Office, be appointed an Assistant
" in the Chief Cashier's Office, as the additional
" Assistant

22nd Dec^r 1898

" Assistant sanctioned by the Court of the 10th
 " March last, - the appointment to date from the
 " 12th July last, since when De Haime has been
 " constantly employed on the duties of the post.
 " Bank of England."

agreed to.

The Court agreed thereto.

Minute of
 the Committee
 of Treasury
 recommending
 that A. A. Farrow,
 of the Dividend
 Office, be allowed
 to retire with a
 pension.

The following Minute of the Committee
 of Treasury having been read;

" Committee of Treasury,
 " 21st December 1898.

" A letter was read from Arthur Alexander
 " Farrow, a 5th Class Clerk in the Dividend Office, in
 " which he tendered his resignation on the ground of
 " ill health. Farrow has for some time suffered from
 " nervous prostration and mental depression, and the
 " Bank Medical Officer does not consider that he can
 " be again an efficient clerk. In view of his service
 " of 10 $\frac{1}{2}$ years, and all the circumstances of the case,
 " it was agreed to recommend to the Court, that
 " Farrow's resignation be accepted and that he be
 " granted during pleasure a pension, according to scale,
 " of £ 37: 8:- being $\frac{15}{75}$ of his salary of £ 187.
 " Bank of England."

agreed to.

The Court agreed thereto.

The

22nd Dec^r 1898.

Minute of the
Committee for
Branch Banks
recommending
appointments,
etc.

The following Minute of the Committee
for Branch Banks having been read;

"Committee for Branch Banks,
"15th December 1898.

"Resolved,

"That it be recommended to the Court of
"Directors to make the following appointments, viz^t:

"At the Law Courts Branch, consequent on the
"appointment of Archer V. Smith, a 3rd Class Clerk, to
"the In Tellers Office,

"The Clerks below Smith to be moved up in
"rotation, and

"Samuel Canham Hastings, a 5th Class Clerk in
"the Private Drawing Office, to be a 4th Class Clerk.

"At the Manchester Branch, consequent on
"the death of Frank Aubusson, a 1st Class Clerk,

"The Clerks below Aubusson to be moved up
"in rotation, and

"Ernest Smetham Booty, an Assistant at the
"Liverpool Branch, to be a 4th Class Clerk.

"Also, that at the Hull Branch the Staff
"be strengthened by an additional Assistant, in view
"of the heavy increase of work (consequent on the
"opening of the Hull Corporation Account).

"S. S. Gladstone.

"Bank of England."

agreed to.

The Court agreed thereto.

The

22nd Decr 1898.

Report of the
Committee for
Branch Banks
on the case of
James Robert Sugars,
of the Newcastle
Branch.

The following Report of the Committee
for Branch Banks having been read;

"The Committee for Branch Banks
"Report to the Court of Directors.

"That they have had before them a
"memorandum from the Newcastle Agent in regard
"to James Robert Sugars, who was appointed a 4th
"Class Clerk at the Branch in August last. The
"Agent states that Sugars, who has previously suffered
"from throat ailments, is continually affected in health
"by the cold climate of Newcastle, and this is confirmed
"by a medical certificate which recommends the south
"of England as more suitable for him.

"The Agent adds that Sugars is of little use
"at the Branch; that, while sufficiently satisfactory, so
"long as he can be employed on the same kind of
"work, he has neither the versatility required of a Clerk
"at a Branch Office, nor, apparently, the desire to
"attain it; and that he is consequently quite unfitted
"to take his place as a 4th Class Clerk at the Branch.

"Under these circumstances the Committee
"recommend to the Court that Sugars be recalled to
"the Head Office, and placed on the Unattached List;
"and they suggest that a special report should be
"made upon him in six months time. Pending this
"report they think that he might be allowed to retain
"£48 of his additional salary, which will then be equal
"to that which he received as a 3rd Class Clerk in the
"Accountant's Bank Note Office before he was appointed
"to the Branch.

"S. S. Gladstone
"Bank of England."

approved.

The Court approved thereof,

The

22nd Dec^r 1898

Minute of
the Committee
of Inspection
for the Cashier's
Offices, recom-
mending appoint-
ments.

The following Minute of the Committee
of Inspection for the Cashier's Offices having been
read;

"Committee of Inspection
"for the Cashier's Offices,
"15th Dec^r 1898.

"Resolved,

"That it be recommended to the Governor
"to propose to the Court of Directors to make the
"following appointments, vizt.

"In the Private Drawing Office, to fill
"the vacancies caused by the dismissal of G. F. Pitcairn,
"a 4th Class Clerk, and the proposed appointment of
"A. G. Birmingham, a 4th Class Clerk, to the Dividend
"Pay Office,

"Arthur Julian Colburn and Donald Matthews
"Knackenzie, 5th Class Clerks, to be 4th Class Clerks;

"Allan Clifford Swinton and Reginald Sydney Kohn,
"Assistants, to be 5th Class Clerks; and

"William Henry Hofland and George Hamilton
"Wilkinson, Clerks Unattached, to be Assistants.

"In the Bill Office, to fill the vacancy
"caused by the resignation of Reginald Arden, a 2nd
"Class Clerk,

"Samuel Self, a 3rd Class Clerk, to be a 2nd
"Class Clerk;

"Alfred Henry Dyer, a 4th Class Clerk, to be a
"3rd Class Clerk;

"Herbert William Brent, an Assistant, to be a
"4th Class Clerk, and

"Edgar Dane Ferrier Rowe, a Clerk Unattached,
"to be an Assistant;

"In

22nd Dec^r 1898.

" In the Dividend Pay Office, to fill the
 " vacancy caused by the appointment of Henry George,
 " a Senior Clerk, to a Cashiership :-

" B. W. C. L. S. Hahnemann, a 1st Class Clerk, to
 " be Senior Clerk,

" George Walter City, a 2nd Class Clerk, to be a 1st
 " Class Clerk;

" Alfred Edward Keeld, a 3rd Class Clerk, to be a
 " 2nd Class Clerk;

" Andrew John Mitchell, a 4th Class Clerk, to be
 " a 3rd Class Clerk;

" Henry Edward Hibbert, a 5th Class Clerk, to be
 " a 4th Class Clerk; and

" August Edwin Gimmingham, a 4th Class Clerk in
 " the Private Drawing Office, to be a 5th Class Clerk.

" S. Hope Morley.

" Bank of England."

agreed to.

The Court agreed thereto.

A Court of Directors at the Bank

on Thursday, the 29th December, 1898.

Present,

Augh Colin Smith, Esq: Governor,
 Charles George Arbuthnot, Esq: John Saunders Gilliat, Esq:
 Herbert Brooks, Esq: William Douro Hoare, Esq:
 William Middleton Campbell, Esq: Frederick Huth Jackson, Esq:
 Alfred Clayton Cole, Esq: Reginald Eden Johnston, Esq:
 Sir Mark Luke Collet, Bart: Rt. Hon. William Lidderdale.
 Walter Cunliffe, Esq: Samuel Hope Morley, Esq:
 James Pattison Currie, Esq: Augustus Prevost, Esq:
 Henry Riversdale Grenfell, Esq: Albert George Sandeman, Esq:

The proceedings of the last Court
 were read.

The weekly Statement of Discounts
 and Advances granted to Bill Brokers, etc., was
 read.

Ordered,

at the recommendation of the Committee
 of Treasury,

That

Discounts and
 Advances to
 Bill Brokers, etc.

Bank Notes, etc,
 lost, etc.

29th Dec: 1898.

That £23:12:5 be paid for a Post Dividend Warrant and sundry Bank notes as detailed in the Governor's Declaration Book; the vouchers relating thereto having been examined and security given to indemnify the Bank.

Minute of the Committee of Treasury recommending an appointment in the Secretary's Office.

The following Minute of the Committee of Treasury having been read;

" Committee of Treasury,
" 28th December 1898.

" It was agreed to recommend to the Court
" of Directors that Richard Oswald Mills, a 4th Class
" Clerk in the Private Drawing Office, be appointed
" Junior Clerk in the Secretary's Office, to fill the
" vacancy resulting on the recent retirement of Mr.
" Glennie, the Secretary.

" Bank of England."

agreed to.

The Court agreed thereto.

Letter from the Chancellor of the Exchequer applying for the usual Quarterly Advances.

The following Letter from the Chancellor of the Exchequer having been read;

" Treasury,
" Whitehall, S. W.
" 24th December 1898.

" Gentlemen,

" As it will be necessary to obtain
" Advances in the ensuing Quarter under the authority
" of the Act 29 and 30 Vict. c. 39, s. 12, in order to
" meet the excess of the charge beyond the income

" of

29th Dec. 1893.

" of the Consolidated Fund in Great Britain for
 " the Quarter ending 31st instant, I have to
 " request that you will be good enough to move
 " your Court to authorize such advances.

" The amounts advanced will bear the
 " rate of interest contemplated by the Treasury
 " Minute of 2nd July 1892 (that is half the
 " published Bank Rate current on the day on
 " which the money is received into the Exchequer
 " Account) and they will be repaid with the
 " interest due thereon, in the course of the
 " ensuing Quarter as is required by the abovenamed
 " Act.

" I am,

" Gentlemen,

" Your obedient Servant,

" M. C. Hicks Beach.

" The Governor and
 " Deputy Governor,
 " Bank of England."

Proposition
 agreed to.

The Court agreed to the proposition
 contained therein.

Resolved,

That a House Porter and watchman
 be chosen in the room of David Arthur Clarke,
 appointed a Gate Porter.

David Carpenter
 elected a House
 Porter, etc.

Then David Carpenter, having been
 recommended by the Governor, was elected a House
 Porter

29th Dec^r. 1898.

* Carpenter was allowed the wages of £77 a year although he did not reach the age of 29 till 3 days later.

Porter and watchman to the Bank, during pleasure, at the wages of £77^{*} a year; the said David Carpenter having previously signed the Declaration approved by the Court of the 28th April 1842.

Loans to Clerks,
etc. on Security,
renewed till
31st March, 1899.

The Governor laid before the Court a list of loans to Agents, Clerks and Pensioners on Security, amounting to £5835 at the Head Office and £11,500 at the Branches; and it was agreed that the same be renewed till the 31st March next.

W^g
S^g

A Court of Directors at the Bank
on Thursday, the 5th January, 1899.

Present,

Hugh Colin Smith, Esq. Governor,	
Samuel Stewart Gladstone, Esq. Deputy Governor,	
Charles George Arbuthnot, Esq.	The Hon. Evelyn Hubbard,
Herbert Brooks, Esq.	Fredrick North Jackson, Esq.
William Middleton Campbell, Esq.	Reginald Eden Johnston, Esq.
Alfred Clayton Cole, Esq.	Rt. Hon. William Lidderdale,
Sir Mark Lubbock Collet, Bart.	Edgar Lubbock, Esq.
Walter Cunliffe, Esq.	Samuel Hope Morley, Esq.
James Pattison Currie, Esq.	Robert Lydston Newman, Esq.
Henry Riversdale Grenfell, Esq.	Augustus Prevost, Esq.
John Saunders Gilliat, Esq.	Rt. Hon. Lord Revelstoke.
Everard Alexander Hambro, Esq.	and
William Douro Hoare, Esq.	Alexander Falconer Wallace, Esq.

The proceedings of the last Court
were read.

The weekly Statement of Discounts
and Advances granted to Bill Brokers, &c., was
read.

Ordered,

Discounts and
Advances to
Bill Brokers, &c.

5th Jan: 1899.Bank Notes, etc.
lost, etc.

Ordered,

At the recommendation of the
Committee of Treasury,

That £55:16:3 be paid for sundry
Post Dividend warrants and Bank Notes as detailed
in the Governor's Declaration Book; the vouchers
relating thereto having been examined, and security
given to indemnify the Bank.

Audit of
Securities.

A Report from the Committee of Daily
writing was read, stating that they had audited
the Securities contained in Drawers Nos. 11 and 17,
and had satisfied themselves that the same were
in the safe custody of the Chief Cashier.

F. A. Rowlandson
quits the Bank
at his request.

Frederic Arnold Rowlandson, of the
Private Drawing Office, at his request, had leave to
quit the service of the Bank.

Permission given
for the insertion
of the Bank's
name in a
Prospectus about
to be issued by
Messrs Chamberlain
& Hookham.

On an application from Messrs Chamberlain
and Hookham, Limited, good customers of the
Birmingham Branch, it was agreed to allow the
name of the Bank, as Bankers of the Company,
to appear on a Prospectus about to be printed by
them in regard to an issue of 5% Cumulative
Preference Shares, on the understanding that applications
for Shares should not be received by the Bank.

5/2/99

A Court of Directors at the Bank
on Thursday, the 12th January, 1899.

Present,

Hugh Colin Smith, Esq. Governor,
Samuel Stewart Gladstone, Esq. Deputy Governor,
Charles George Arbuthnot, Esq. The Hon. Evelyn Lubbock,
Herbert Brooks, Esq. Reginald Eden Johnston, Esq.
William Middleton Campbell, Esq. Rt. Hon. William Lidderdale,
Alfred Clayton Cole, Esq. Edgar Lubbock, Esq.
Sir Mark Wilks Collet, Bart. Samuel Hope Morley, Esq.
Walter Cunliffe, Esq. Robert Lydston Newman, Esq.
James Pattison Currie, Esq. Augustus Prevost, Esq.
Henry Riversdale Grenfell, Esq. Rt. Hon. Lord Revelstoke,
John Saunders Gilliat, Esq. Albert George Sandeman, Esq.
Everard Alexander Hambro, Esq. and
William Douro Hoare, Esq. Alexander Falconer Wallace, Esq.

The proceedings of the last Court
were read.

The weekly Statement of Discounts and
Advances granted to Bill Brokers, &c. was read.

Ordered,

12th Jan: 1899.

Bank notes, &c
lost, &c.

Ordered,

At the recommendation of the
Committee of Treasury,

That £39.5.11 be paid for sundry
Post Dividend warrants and Bank notes, as detailed
in the Governor's Declaration Book; the vouchers
relating thereto having been examined and security
given to indemnify the Bank.

Audit of
Securities at
the Western
Branch.

A Report from Mr. Jackson was read,
stating that he had audited the Securities at the
Western Branch comprised in the sections numbered
23 and 25 and had found the same in the safe
custody of the Agent.

Report of
the Committee
for the Exam-
ination of
Clerks on the
Clerks elected
the 17th December
1896, &c.

The following Report of the Committee for
the Examination of Clerks having been read;

" The Committee for the Examination of Clerks

" Report to the Court of Directors,

" That they have considered the Two Years'
" Reports on the undermentioned Clerks who were elected
" on the 17th December 1896, viz:

" Charles Arthur Hunt,

" John Dawson Squibb,

" Joseph Sturdy,

" Edward Cyril Turton Landow,

" George

^{the}
12th Jan^y 1899.

- " George Cropley Foreman,
- " Allan Clifford Swinton,
- " William Edward Clayton Kunow,
- " Reginald Sydney Williams,
- " Sidney John Ambler,
- " Arthur George Titheridge,
- " Reginald Sydney Aorn.

" Of these, the case of Squibb, on medical grounds,
 " has called for the special consideration of the
 " Committee. Squibb, who is reported to be in all
 " other respects an excellent Clerk, commenced to
 " show signs of lung trouble in July last and has
 " been absent from that date until the 27th ultimo -
 " 5½ months - on consecutive periods of sick leave.
 " He has now returned from the Cape and his
 " doctor reports him fit for work, but there can be
 " no doubt that, as the Bank Medical Officer advises,
 " the trouble, though now quiescent, may recur.
 " The Committee are of opinion that it would not be
 " in the interests either of the Bank or of Squibb
 " himself to retain him in the service, and that
 " he therefore must be called upon to send in his
 " resignation. They suggest that in these circumstances
 " assistance might be afforded to Squibb, at the
 " discretion of the Governor, to enable him to obtain
 " employment abroad in some more suitable climate.

" The Reports upon the remaining Clerks are on
 " the whole very satisfactory, and the Committee
 " recommend that they be now confirmed in the
 " service and admitted to the benefits of the Clerks'
 " Guarantee Fund under the usual conditions.

" The Committee have also considered the Six
 " Months'

12th Jan^y 1899.

" Months' Reports upon the Clerks elected the 17th

" June last, viz:—

" Hugh Noel Page,

" Douglas Sydney Okes Tucker,

" Christopher Douglas Taylor,

" William Harry Hopland,

" Wingate Lawford,

" George Hamilton Wilkinson,

" Charles Richard Seymour Cox,

" Bernard James Rogers,

" Roderick Roope Dockery,

" Owen George Scudamore Croft,

" Augustus Horatio Irby,

" George Surefor Valentine Jeroise,

" Archibald Patrick Ward,

" Stanley Christopher Tiddy,

" William Morris Caldwell,

" Edward Lodington, Junior,

" Sydney Arthur Wilson,

" Irby's handwriting was reported as poor, and
 " Dockery's as wanting in neatness; and these two
 " Clerks have accordingly been admonished and the
 " absolute necessity for improvement in this respect
 " impressed upon them. Apart from this the
 " reports are quite satisfactory and the Committee
 " recommend that all these Clerks be continued in
 " the service.

" The Committee have also had before them
 " Special Six Months' Reports upon the following Clerks
 " who were elected the 2nd December 1897:—

" Stephen

12th Jan^y: 1899.

" Stephen Winthrop
 " Charles Cyril Lynch Adams,
 " Argent Critchett Spink,
 " Edward Walter Jeffery.

" Winthrop's Reports now appear perfectly
 " Satisfactory, and similarly those on Spink, except
 " as regards his handwriting, which is still below
 " the standard. He has therefore been cautioned in
 " regard to this. Those on Adams and Jeffery, while
 " giving evidence of considerable improvement, and a
 " desire to do their best, shew them to be at present
 " still below the average as Clerks; and they have
 " accordingly been warned that continued improvement
 " must be shown if they are to secure their ultimate
 " Confirmation in the Service. Meanwhile the Committee
 " recommend that these Clerks be continued in the
 " Service.

" S. J. Gladstone.

" Bank of England.
 " 5th January 1899."

approved.

The Court approved thereof.

Notice by the
 Governor of a
 Resolution as
 to Ex-Directors.

The Governor gave notice that he would
 at the next Court move a Resolution in regard to
 Ex-Directors in the ensuing year.

Permission
 given for the
 insertion of the
 Bank's name
 in a Prospectus
 about to be
 issued by Crocker
 Sons & Co.

On an application from Messrs Crocker, Sons
 and Company, of Friday Street, London, customers of
 the Bank, it was agreed to allow the name of
 the Bank to appear as Bankers of the Company on

a

1 12th Jan^y: 1899.

a Prospectus about to be issued by them upon their conversion into a Limited Liability Company, in regard to an issue of Mortgage Debenture Stock, on the understanding that applications should not be received by the Bank, and that the Bank should not be asked to supply applicants with Prospectuses, etc.

W. S. C.

A Court of Directors at the Bank
on Thursday, the 19th January, 1899.

Present,

Augh Colin Smith, Esq: Governor,
Samuel Newark Gladstone, Esq: Deputy Governor,
Charles George Arbuthnot, Esq: Reginald Eden Johnston, Esq:
William Middleton Campbell, Esq: At: Hon: William Lidderdale,
Sir Mark Lubbock Collet, Bart. Edgar Lubbock, Esq:
Walter Cunliffe, Esq: Samuel Hope Morley, Esq:
James Pattison Currie, Esq: Robert Lydston Neuman, Esq:
Henry Riversdale Grenfell, Esq: Augustus Prevost, Esq:
Everard Alexander Hambro, Esq: At: Hon: Lord Revelstoke,
William Douro Hoare, Esq: Albert George Sandeman, Esq:
The Hon: Evelyn Hubbard, Alexander Falconer Wallace, Esq:

The proceedings of the last Court
were read.

Resolution
as to
Ex-Directors.

With reference to the notice given
by the Governor at the last Court, it was

Resolved,

That there be two Ex-Directors in the
ensuing year.

The

The
19th Jan: 1899.

Discounts & Advances
to Bill Brokers, &c.

The weekly Statement of Discounts
and Advances granted to Bill Brokers, &c., was read.

Out-cash

Mr. Hoare reported the Out Cash to
have been taken in and found right.

Ordered,

Bank notes, &c.

Loth, &c.

At the recommendation of the Committee
of Treasury,

That £ 174. 14s. 5 be paid for a Stock
Certificate Coupon and Sundry Post Dividend warrants
and Bank notes, as detailed in the Governor's
Declaration Book; the vouchers relating thereto
having been examined and security given to
indemnify the Bank.

Audit of
Securities.

A Report from the Committee of Daily
writing was read, stating that they had audited
the Securities contained in the Drawers Nos. 15
and 21, and had satisfied themselves that the
same were in the safe custody of the Chief
Cashier.

Minute of the
Committee of
Treasury recom-

mending a gift
of £ 105. to Mr.
W. E. de B. Fenwick,
Sub-agent at the
Portsmouth Branch.

The following Minute of the Committee
of Treasury, having been read, -

" Committee of Treasury,

" 18th January 1899.

" It was agreed to recommend to the Court
of Directors, that a gift of £ 105 be made to Mr.

" W.

19th Jan: 1899.

"K. E. de B Fenwick, Sub Agent at the Portsmouth
"Branch, who has recently incurred, through illness,
"heavy medical and surgical expenses, amounting
"to fully that sum.

"Bank of England."

agreed to.

The Court agreed thereto.

The following Minute of the Committee
of Treasury having been read;—

Minute of the
Committee of
Treasury recom-
mending that
A. A. C. Wing of
the Post Warrant
Office, be allowed
to retire with
a pension.

"Committee of Treasury.
"18th January 1899.

"A letter was read from Arthur A. C. Wing,
"a 2nd Class Clerk in the Postal Warrant Office,
"tendering his resignation on account of ^{his} failing
"health, and asking that he might be granted a
"pension in view of his service of 26 years. Wing,
"who is 46 years old, and was formerly a very
"able Clerk, has for some time been incapable of
"any but the simplest duties, and the Bank
"Medical Officer has certified that the state of
"his brain rendered him unfit for responsible
"work. It was agreed to recommend to the Court
"that Wing's resignation be accepted, and that,
"in view of his service of 26 years, he be granted,
"during pleasure, a pension - according to scale -
"of £ 139: 14: - a year, being $\frac{31}{75}$ of his salary of
"£ 338.

"Bank of England."

agreed to.

The Court agreed thereto.

The

19th Jan: 1899.

Minute of the
Committee for
Branch Banks
recommending
an appointment.

The following Minute of the Committee
for Branch Banks having been read:

" Committee for Branch Banks,
" 16th January, 1899.

" Resolved,

" That it be recommended to the
" Court of Directors to make the following appointment,
" vizt.

" At the Newcastle Branch,

" George Richmond Flowers, an Assistant at
" the Branch, to be a 4th Class Clerk, in the place
" of J. A. Sugars, who has been recalled to London.

" S. S. Gladstone.

" Bank of England."

agreed to.

The Court agreed thereto.

Report of the
Audit Committee
on Audits taken
by the Audit
Department
during the
month of
December last.

The following Report of the Audit
Committee having been read; -

" The Audit Committee

" Report to the Court of Directors.

" That they have had before them the
" various Audits taken during the month of December
" last, at the Committee's desire and under written
" instructions from the Governor, as follows; -

" On the 19th

" The usual weekly Audit of Securities in the
" Treasury,

19th Jan^{ry} 1899.

" Treasury, Sections nos. 39 and 56 being selected.

" On the 20th,

" An Audit of the Securities held in the Chief
" Cashier's Office against Loans made to the
" Stock Exchange on account of Customers.

" An Audit of the Securities held in the Branch
" Banks Office against Loans made to the Stock
" Exchange on account of the Branches.

" On the 21st,

" An Audit of the Bullion in the Bullion Office.

" An Audit of the Boxes containing notes which
" are deposited nightly in the Treasury by the
" Issue and Banking Offices.

" On the 22nd,

" The usual fortnightly Audit of Notes and Coin
" in the Treasury, Safes nos. 70, 97 and 39 being
" Selected.

" On the 29th,

" An Audit of the Account of Petty Cash in the
" Chief Cashier's Office and relative Offices, as on the
" evening of the 24th December.

" On the 31st,

" An Audit of the Accounts of the General Ledger
" in the Chief Accountant's Office.

" S. S. Gladstone.

" Bank of England,

" 12th January 1898."

approved.

The Court approved thereof.

The

19th Jan: 1899.

Bank Provident
Society - Annual
Statement of
Accounts, etc.

The Statement of the Accounts of the Bank Provident Society for the year ended the 30th November last was laid before the Court, and it was agreed that Mr. Prevost, the Deputy Governor Elect for the ensuing year, be requested to attend the meetings of the Managers of the Society.

It was proposed by the Governor,

The rate of Discount
reduced from
4 to 3½ per cent.

That the rate of Discount on Bills not having more than 95 days to run be reduced from 4 to 3½ per cent.

And the Question being put thereon,

The same was Carried.

The auditing of
Securities on Stock
Exchange Settling
Days.

The Governor mentioned to the Court that the Chief Cashier had represented to him the great inconvenience attaching to Audits of Securities on Stock Exchange Settling Days; and it was agreed that it be an instruction to the Secretary, when notifying the Committee of Daily, waiting that an Audit is to be taken, to inform them if a Settling Day falls within the period of their Audit.

Notice of Motion
by Mr. Cunliffe
in regard to the
rate of interest
on continuous
Advances.

Mr. Cunliffe gave notice that, at the next Court, he would move a Resolution regarding the rate of interest to be charged on continuous Advances to private customers.

A Court of Directors at the Bank
on Thursday, the 26th January, 1899.

Present.

Lugh Colin Smith, Esq. Governor,
Samuel Stewart Gladstone, Esq. Deputy Governor,
Charles George Arbuthnot, Esq. Reginald Eden Johnston, Esq.
Herbert Brooks, Esq. Rt. Hon. William Lidderdale,
Alfred Clayton Cole, Esq. Edgar Lubbock, Esq.
Sir Mark Wilks Collet, Bart. Samuel Hope Morley, Esq.
Walter Cunliffe, Esq. Robert Lydston Kewman, Esq.
James Pattison Currie, Esq. Augustus Prevost, Esq.
Henry Riversdale Grenfell, Esq. Rt. Hon. Lord Revelstoke,
John Saunders Gilliat, Esq. Albert George Sandeman, Esq.
William Douro Moore, Esq. and
The Hon. Evelyn Hubbard, Alexander Falconer Wallace, Esq.

The proceedings of the last Court were read.

The weekly Statement of Discounts and Advances granted to Bill Brokers, etc., was read.

Ordered,

At the recommendation of the Committee of Treasury,

That

Discounts and
advances to
Bill Brokers, etc.

Bank notes, etc.
lost, etc.

26th Jan^y: 1899.

That £ 628:1:5 be paid for sundry Post Dividend warrants and Bank notes, as detailed in the Governor's Declaration Book; the vouchers relating thereto having been examined and security given to indemnify the Bank.

Audit of Securities at the Western Branch.

A Report from Mr. Campbell was read, stating that he had audited the Securities at the Western Branch comprised in the Sections numbered 2 and 11 and had found the same in the safe custody of the Agent.

Report of the Committee on Advances at the Head Office.

The following Report of the Committee on Advances at the Head Office having been read;

" The Committee on Advances
" at the Head Office

" Report to the Court of Directors

" That they have examined the lists and cards kept in the Chief Cashier's Office, showing the amount of each kind of Security held by the Bank against Advances, and find that:-

" The total amount under advance on the evening of the 23rd November 1898, was £ 3,473,791, as compared with a sum of £ 4,348,010, on the 24th May last, on which figures the Committee made their previous Report.

" Against these Advances Securities were held as follows, viz:-

" Negotiable _____ £ 4,937,586.

" Not Quoted _____ 1,163,482.

" £ 6,101,068 "being

26th Jan^y 1899

" being an increase during the half year of £592,357.

" This increase is the result of the following changes in the classes of Securities held, -

" In English and Indian Govt. Securities a decrease of	£51,909.
" Colonial Securities, an increase of	£275,018.
" English Railway Securities, an increase of	82,382.
" Foreign Government Securities, a decrease of	49,250.
" American Railway Bonds, an increase of	315,820.
" Argentine - do - do - , a decrease of	17,380.
" Other Securities, an increase of	37,676.

" Of the above, Securities classed as

" Negotiable", show an increase of	£390,082.
" Not Negotiable", show a decrease of	89,000.
" Not quoted, show an increase of	291,275.

" but under the heading of "Not Quoted" are included the following Securities, viz: -

- " £200,000. A Resolution of the Corporation of Birkenhead.
- " £350,000 A similar Resolution of the North British Railway Company.
- " £100,000 £4 per cent. Guaranteed Debentures of the New Zealand Government, and
- " £300,000 Title Deeds of Messrs Samuel Allsopp & Sons, Limited.

" The Committee notice that the classification no longer includes Securities styled "Not Negotiable". Their last Report included two amounts of £85,000 and £4,000 respectively, under this heading. The Advance against the £85,000 has been paid off, and the £4,000, which is a guarantee of Lord Rothschild on behalf of the United Synagogue Account, has been transferred to the Not Quoted list.

" They also notice

" An increase of Advances against Title Deeds, and
" an

26th Jan: 1899.

" an Advance to a Railway Company, not a
 " Customer, of £ 300,000 on the security of their own
 " Stock (which, however, is guaranteed by the
 " North British Railway) the margin being somewhat
 " under 10%.

" J. Hope Morley,

" Bank of England,

" for the Chairman.

" 16th January 1899."

approved.

The Court approved thereof.

Ordered,

At the recommendation of the
 Committee of Treasury,

General Court
 for a Dividend
 appointed.

That a General Court to consider of a
 Dividend (which will also be a Half yearly
 General Court) be held at the Bank on Thursday,
 the 16th March next.

Balance of the
 Bank Stock
 Ledgers to be
 struck, etc.

That with a view to the preparation of
 a Dividend the Balance of the Stock Ledgers of
 Bank Stock be struck on the night of Thursday
 the 16th March next, and that the Dividend
 warrants be delivered on Wednesday the 5th April
 next.

General Court
 for the Election
 of Governors and
 Directors
 appointed, etc.

That a General Court for the Election of a
 Governor and Deputy Governor be held at the
 Bank on Tuesday the 11th April next, and for
 the Election of Directors on Wednesday, the 12th
 April.

That

26th Jan^r 1899.

That printed lists of the Proprietors for the Election be delivered on Friday, the 24th March next.

That the usual Advertisements be given thereof.

Resolved,

That Mr. Arbuthnot, Mr. Wallace, Mr. Johnston and Lord Revelstoke be appointed a Committee to examine the state of the Discounts of this House and of the Branches, and to report thereon to the Court.

The following Minute of the Committee of Treasury having been read;

" Committee of Treasury,
" 25th January 1899.

" On an appeal from George Frederic Pitcairn, formerly a Clerk in the Private Drawing Office, who was dismissed from the Service last month for an infraction of the Rule forbidding Clerks to have dealings with professional money-lenders, for some assistance to enable him to join a relation in South Africa, it was agreed to recommend to the Court to place a sum of £50 - being a Quarter's salary - in the Governor's hands for the purpose in Question.

" Bank of England."

The Court agreed thereto.

Mr.

Special
Discount
Committee
Appointed.

Minute of
the Committee
of Treasury
recommending
a grant of
£50 for the
benefit of
G. F. Pitcairn
formerly a Clerk
in the Bank.

agreed to.

26th Jan^y 1899.

Mr. Cunliffe's
Motion deferred
and the matter
referred to a
Committee.

Mr. Cunliffe brought forward the question of the interest charged on continuous Advances to private customers, and it was agreed that the Motion thereon, of which he had given notice at the last Court, should be deferred for a fortnight, and that in the meantime the matter be enquired into by a Committee, to consist of the following, vizt. Mr. Lidderdale, Mr. Prevost, Mr. Wallace, Mr. Johnston and Mr. Cunliffe.

26th
Jan^y

A Court of Directors at the Bank
on Thursday, the 2nd February, 1899.

Present,

Hugh Colin Smith, Esq. Governor,
 Samuel Stuart Gladstone, Esq. Deputy Governor,
 Charles George Arbuthnot, Esq. Reginald Eden Johnston, Esq.
 Herbert Brooks, Esq.^{re} Rt. Hon. William Lidderdale,
 Alfred Clayton Cole, Esq. Edgar Lubbock, Esq.
 Sir Mark Wilks Collet, Bart. Samuel Hope Morley, Esq.
 Walter Cunliffe, Esq. Robert Lydston Newman, Esq.
 James Pattison Currie, Esq. Augustus Prevost, Esq.
 Henry Riversdale Grenfell, Esq. Rt. Hon. Lord Revelstoke,
 John Saunders Gilliat, Esq. Albert George Sandeman, Esq.
 William Doro Hoare, Esq. and
 The Hon. Evelyn Hubbard, Alexander Falconer Wallace, Esq.

The proceedings of the last Court were read.

Discounts and Advances to Bill Brokers &c. and Advances granted to Bill Brokers, etc. was read.

Ordered,

At the recommendation of the Committee of

Bank Notes, &c.
lost, etc.

2nd Feb. 1899

of Treasury,

That £73.7.5 be paid for sundry Post Dividend warrants and Bank notes as detailed in the Governor's Declaration Book; the vouchers relating thereto having been examined and Security given to indemnify the Bank.

Audit of Securities.

A Report from the Committee of Daily Writing was read, stating that they had audited the Securities contained in drawers nos. 44 and 49 and had satisfied themselves that the same were in the safe custody of the Chief Cashier.

Report from the Committee for Law Suits on the Dishonoured Bills under Discount.

The following Report from the Committee for Law Suits having been read;

" The Committee for Law Suits

" Report to the Court of Directors,

" That they have investigated the accounts
 " of Dishonoured Bills under Discount in London
 " and at the Branches, and it appears that in
 " London on the 30th June 1898 there was an
 " outstanding debt of £1972:15:1 being the balance
 " which had not been written off to the debit of
 " 'Profit and Loss'. £548:13:3 has since been received,
 " leaving an outstanding balance of £1424:1:10.
 " It is not expected that anything further of
 " importance will be received, and it is therefore
 " suggested

2nd Feb: 1899.

" suggested that the balance should be written
" off to " Profit and Loss."

" No firm having a Discount Account in
" London failed during the past half year.

" A sum of £ 1571. 14. 5 has been received
" during the past half year in respect of balances
" carried to " Profit and Loss". This amount (less
" £ 512. 16. 4 expenses of recovery, allowed by the
" Governor) say £ 1058. 18. 1 has been carried to
" " Profit and Loss"

" At the Branches.

" There was an outstanding Balance on the
" 30th June 1898 of £ 230. 10. 4 at the Manchester Branch.
" £ 59. - . 1st has since been received, leaving an
" outstanding balance of £ 171. 10. 3. It is not expected
" that anything further of importance will be
" received, and it is therefore suggested that the
" balance should be written off to " Profit and Loss".

" No firm having a Discount Account at
" the Branches failed during the past half year.

" £ 26. 7. 9 has been received during the
" past half year in respect of balances carried to
" " Profit and Loss".

" For the Chairman,
" Evelyn Hubbard.

" Bank of England,
" 30th January 1899."

Approved, and
the balances
carried to
" Profit and Loss"

The Court approved thereof, and
Ordered,

That from the outstanding balances
of Dishonoured Bills under Discount there be
written

2nd Feb: 1899.

written off and carried to the debit of 'Profit
'and Loss' the following amounts, viz: -

in London £ 1424: 1: 10
at the Branches 171: 10: 3

John Dawson Squibb,
Clerk Unattached;
his resignation
accepted.

John Dawson Squibb, an Unattached
Clerk, tendered his resignation; and the same
was accepted.

It was proposed by the Governor,

The Rate of
Discount reduced
from 3½ to 3
per cent.

That the Rate of Discount on Bills not
having more than 95 days to run be reduced
from 3½ to 3 per cent.

And the Question being put thereon,

The same was Carried.

A Court of Directors at the Bank
on Thursday, the 9th February, 1899.

Present.

Hugh Colin Smith, Esq. Governor,	
Samuel Stewart Gladstone, Esq., Deputy Governor,	
The Right Hon. Lord Aldenham,	The Hon. Evelyn Lubbock,
Charles George Arbuthnot, Esq.	Reginald Eden Johnston, Esq.
Herbert Brooks, Esq.	Rt. Hon. William Lidderdale,
Alfred Clayton Cole, Esq.	Edgar Lubbock, Esq.
Sir Mark Wilks Collet, Bart.	Samuel Hope Morley, Esq.
Walter Cunliffe, Esq.	Robert Lydston Newman, Esq.
James Pattison Currie, Esq.	Augustus Prevost, Esq.
Henry Riversdale Grenfell, Esq.	Rt. Hon. Lord Revelstoke,
John Saunders Gilliat, Esq.	Albert George Sandeman, Esq.
William Douro Spare, Esq.	Alexander Falconer Wallace, Esq.

The proceedings of the last Court
were read.

The weekly Statement of Discounts
and Advances granted to Bill Brokers, etc., was
read.

Ordered.

Discounts
and Advances
to Bill Brokers,
etc.

9th Feb^y 1899.

Bank notes
lost, etc.

Ordered,

At the recommendation of the
Committee of Treasury,

That £55 be paid for sundry Bank
Notes, as detailed in the Governor's Declaration
Book; the vouchers relating thereto having been
examined, and security given to indemnify the
Bank.

Minute of
the Committee
of Treasury
recommending
a donation
towards the
expenses of the
Yorkshire
Agricultural Socy's
Show at Hull.

The following Minute of the Committee
of Treasury having been read;

" Committee of Treasury.
" 8th February 1899.

" On an application from the Agent of
" the Hull Branch, it was agreed to recommend to the
" Court of Directors that a donation of £25 be made
" towards the expenses of the Yorkshire Agricultural
" Society's Show, to be held this year at Hull.

" Bank of England."

agreed to.

The Court agreed thereto.

Report of the
Committee
appointed to
examine the
state of the
Discounts.

The following Report of the Committee
appointed to examine the state of the Discounts
having been read;

" The Committee appointed to examine
" the state of the Discounts

" Report

9th Feb^r 1899.

" Report to the Court of Directors,

" That the statements of the Discount operations
" and Advances upon Bills in London, and of Advances
" made in the Discount Office on "floaters" for the
" past year have been examined, and that they show
" the following results, vizt.:

- " 1. The number of Discounters was 128, of whom 47
" had Drawing Accounts only.
- " 2. The number of Bills Discounted was 12,016.
- " 3. The amount discounted was £10,724,637:13:3^{d.}
" of which £301,640 was with Discounters having
" drawing accounts only, and of which £911,192:16:6^{d.}
" was discounted under the Bank Rate.
- " 4. The weekly Average amount held in Bills Discounted
" (including Bills to an amount of £6,322,260:18:-
" brought forward from the previous year) was
" £1,661,217:17:-
- " 5. The amount received as Discount was £37,590:13:5^{d.}
- " 6. The amount advanced on Bills for short periods
" was £29,904,650.
- " 7. The interest on such Advances amounted to
" £114,31:8:7.
- " 8. The Amount Advanced on "floaters" was £41,476,000
" Such Advances being made for an average of 3
" to 4 days.
- " 9. The interest on these Advances amounted to
" £12,755:-:1^{d.}

" For a comparison with the operations of
" previous years the Committee refer to their detailed
" table of Accounts since 1844.

" Compared with the operations of the
" previous

9th Feb^r 1899.

" previous year; those of last year show

" an Increase in

- | | |
|--|--------------|
| " 1. The number of Bills Discounted | 599. |
| " 2. The amount of Advances on Bills £ | 19,809,250.- |
| " 3. The amount of Advances on Floaters | 21,010,000.- |
| " 4. The weekly average amount held in
" Bills Discounted | 646,502:13:4 |
| " 5. The amount received as discount | 5992:16:7 |
| " 6. The interest on advances on Bills | 5843:12:9 |
| " 7. The interest on Advances on Floaters | 1865:5:6 |

" and a Decrease in

- | | |
|--|---------------|
| " 1. The number of Discounters | 7 |
| " 2. The amount discounted | £ 686746:19:3 |
| " 3. The amount discounted under
" the Bank Rate | 60771:15:9 |
| " 4. The amount discounted for persons
" having Drawing Accounts only | 42880:-:- |

" The Bills Discounted amounting to
 " £10,724,637:13:3 had an average currency of
 " 41½ days, and the business done was equivalent to
 " a continuous Advance of £1,211,532 for the year,
 " upon which the receipt of £37,590:13:5 as
 " Discount, yields a rate of £3:2:-½ per cent per
 " annum against £2:4:10¼, the average rate
 " earned during the past 5 years.

" The entire Discount of £10,724,637:13:3
 " was made at the various rates, and to the several
 " amounts, as described in the accompanying paper
 " marked "M.f".

" The

th 9th Feb^r 1899.

" The amount of £911,925.16.6 was
 " discounted at the various rates below the published
 " Bank Rate, as described in the accompanying
 " paper marked 'I'.

" The Committee refer to the accompanying
 " paper marked 'X' for a monthly account of the
 " number and amount of Bills brought in for
 " Discount, the number and amount rejected or
 " withdrawn, and the number and amount discounted.

" The Books containing the figures against the
 " names of Discounters, as to the amount of credit
 " allowed to each, have been carefully revised, and
 " those accounts which, in the opinion of the
 " Committee, require alteration, as well as those
 " which they think should be closed and made
 " dormant, are submitted to the Directors in the list
 " marked 'A'.

" The Committee have further to Report,

" That they have examined the state of the
 " Discounts and Advances upon Bills at the various
 " Branches, and the following is the result of their
 " investigation :-

- " 1. The number of Discounters in 1898 was . . . 259.
- " 2. The number of Bills discounted was . . . 15,994.
- " 3. The amount discounted was £11,781,073, of
 " which £3,872,264 was for persons having Discount
 " Accounts, and the remainder vizt. £7,908,809 for
 " Discounters having Drawing Accounts only, which
 " included, however, £2,860,834 discounted on behalf
 " of Bankers.
- " 4. The weekly Average amount held in Bills Discounted
 " £2,671,023.
- " 5. The amount received as Discount . . . 74,640
- " 6. The amount advanced on Bills . . . 1,669,200.

" 7.

9th Feb: 1899.

" 7. The amount received as Interest on Advances
" on Bills £3975.

" Compared with the year 1897, these operations
" show

" an Increase in

" 1. The number of Bills Discounted 639.

" 2. The amount received as Discount . . . £17,248.

" 3. The amount advanced on Bills 8,145.

" 4. The amount received as Interest on
" Advances on Bills 95

" and a Decrease in

" 1. The number of Discounters 5

" 2. The amount discounted £632,095

" 3. The weekly average amount held in
" Bills Discounted 126,275

" The total amount of £11,781,073 Discounted
" and charged at rates varying from $\frac{7}{8}$ ths per cent.
" to 5 per cent was apportioned to the respective
" Branches as detailed in the Branch Banks Office
" Annual Returns Book no. 3.

" A Statement of the amount Discounted at
" each Branch on account of Bankers and Traders
" respectively during the past year, will be seen in
" the paper marked 'G'.

" The amount of Bills Discounted being
" £11,781,073 the business done was equivalent to a
" continuous Advance of £2,671,023 upon which the
" receipt of £74,640 as Discount yields a rate of
" £2.16. $6\frac{1}{4}$ per cent per annum - taking credit for
" £350 rebated to Bankers in commutation of the
" One per cent Composition payable to them under
" Act 7 and 8 Vict. cap. 32, against £2.1. $3\frac{1}{4}$ in 1897.

" No

9th Feb. 1899.

" No firm having a Discount Account at any
 " of the Branches suspended payment during the
 " past year. The amount standing to the debit of
 " the account of 'Discounted Bills unpaid' on the
 " 31st December 1898, was £ 171. 10. 3 which will be
 " written off 'Profit and Loss' on the 28th instant.

" The Committee have had before them the
 " Agents' reports as to the degree of credit allowed to
 " each of the Discounters at the several Branches,
 " and they recommend that various accounts thereof
 " be closed, etc., as detailed in the accompanying
 " papers marked '1' and '2'.

" Charles G. Arbuthnot,

" Chairman.

" Bank of England.

" 6th February 1899."

approved.

The Court approved thereof.

Mr. Cunliffe's
 Motion again
 postponed.

Mr. Cunliffe's Motion in regard to
 continuous Advances to private Customers, of which
 he had given notice a fortnight ago, was again
 by leave postponed for a week.

A Court of Directors at the Bank
on Thursday, the 16th February, 1899.

Present.

Augh Colin Smith, Esq: Governor,
Samuel Stewart Gladstone, Esq: Deputy Governor,
The Right Hon: Lord Aldenham, Reginald Eden Johnston, Esq:
Herbert Brooks, Esq: Rt: Hon: William Lidderdale,
Alfred Clayton Cole, Esq: Edgar Lubbock, Esq:
Sir Mark Wilks Collet, Bart: Samuel Hope Morley, Esq:
Walter Cunliffe, Esq: Robert Lydston Newman, Esq:
James Pattison Currie, Esq: Augustus Prevost, Esq:
Henry Riversdale Grenfell, Esq: Rt: Hon: Lord Revelstoke,
John Saunders Gilliat, Esq: Albert George Sandeman, Esq:
William Douro Hoare, Esq: and
The Hon: Evelyn Hubbard. Alexander Falconer Wallace, Esq:

The proceedings of the last Court
were read.

The weekly Statement of Discounts
and Advances granted to Bill Brokers, etc., was
read.

Out Cash

Mr. Newman reported the Out Cash
to have been taken in and found right.

Ordered,

16th Feb: 1899.

Ordered,

Bank notes, &c.
lost, &c.At the recommendation of the Committee
of Treasury,

That £169.5.6 be paid for sundry Post
Dividend warrants and Bank Notes, as detailed
in the Governor's Declaration Book; the vouchers
relating thereto having been examined and
security given to indemnify the Bank.

Audit of
Securities.

A Report from the Committee of Daily
waiting was read, stating that they had
audited the Securities contained in Drawers
numbered 40 and 45, and had satisfied
themselves that the same were in the safe
custody of the Chief Cashier.

Audit of
Securities at
the Western
Branch.

A Report from Mr. Soare was read
stating that he had audited the Securities at
the Western Branch comprised in the Sections
Nos. 31 and 38, and had found the same in the
safe custody of the Agent.

Minutes of
the Committee
of Treasury
recommending
the investment
of £2570 in Consols
for the benefit
of Messrs. Smith
Payne & Smiths in
respect of certain
Notes past proceeds
of a forgery upon
that firm.

P.T.O.

The following Minute of the Committee
of Treasury having been read;

"Committee of Treasury,
"15th February 1899.

"The Committee had before them an
application from Messrs. Smith Payne & Smiths, Bankers,
"in

16th Feb^r 1899.

*
With reference to
the question of the
release of the stock
which was raised
in April 1911 -
see memorandum
"Altered Notes re"
Box, No 8.

" in regard to a sum of money obtained from them
" in 1879 by forged Bills of Exchange.

" Of the notes stopped at the Bank in
" connexion with the robbery, an amount of
" £2640 remains outstanding in the Bank Books
" with the exception of one note still unrepresented,
" all these have been presented at the Bank and
" returned unpaid on the ground that the
" numbers had been altered. By a decision of
" the Court of Appeal in 1881 (*Suffell v. Bank of*
" *England*) the Bank are relieved of the obligation
" to pay these altered notes; and they are further
" advised, that they are debarred from paying
" them out of the Issue Department.

" Mess^{rs} Smith Payne & Smiths now refer
" to the fact that the Bank cannot ever be
" called on to pay the notes, and ask for the
" consideration of the Bank, with a view to the
" value of the notes being restored to them.

" Of the above mentioned sum of £2640,
" £70 is to be deducted in respect of two of the
" altered notes in regard to which the Bank
" have made charitable allowances to distressed
" holders, the two altered notes in question
" having been returned to the Bank.

" The Committee recommend to the Court
" that, having regard to all the circumstances,
" the sum of £2570, being the amount of the
" notes still in other hands, be set aside from
" the Bank's own funds to be invested in
" Consols for the benefit of Mess^{rs} Smith Payne &
" Smiths, and during the pleasure of the Court,
" with a reservation on the part of the Bank -
" in view of the possible reversal of the decision
" of the Court of Appeal in "*Suffell v. The Bank*,"
and

16th Feb: 1899.

" and other contingencies - of their full liberty
 " of action with regard to the disposal of the
 " said Concoils or any portion of them, and the
 " interest thereon.

" The Committee are further of opinion
 " that when the Bank are re-imbursed from the
 " Issue Department in respect of these notes, under
 " the 'Dead notes' provision of the Act of 1892
 " (which will be in about 20 years time) the
 " stock might be transferred to Messrs. Smith
 " Payne & Smiths, under the usual indemnity.
 " Bank of England."

agreed to

The Court agreed thereto.

The following Report of the Audit
 Committee having been read;

" The Audit Committee
 " Report to the Court of Directors,

" That they have had before them the
 " various Audits taken during the month of January
 " last, at the Committee's desire and under written
 " instructions from the Governor, as follows:-

" Weekly Audits of Securities in the Treasury.

- " On the 6th Sections Nos. 3, 36^a and 52 being selected.
 " " " 12th Sections Nos. 43, 46, 54 and 61 being selected.
 " " " 30th Sections Nos. 31, 35 and 86 being selected.

" Fortnightly Audits of notes and Coin in the Treasury.

- " On the 5th Safes Nos. 59, 119 & 46 being selected.
 " " " 13th " " 68, 118 and 41 being selected.

" On

Report of the
 Audit Comm^{ee}
 on the Audits
 taken by the
 Audit Dept.
 during the
 month of
 January last.

16th Feb^y 1899.

" On the 2nd,
 " An Audit of the General Security Paper, India Interest
 " Bill Paper and Public Revenue Paper in the Cashier's
 " Store Office.

" On the 3rd,
 " An Audit of Stock Certificates in the Chief Cashier's
 " Office.

" On the 6th,
 " An Audit of the 'Sundry Securities acquired on
 " 'account of unpaid Advances' against the list supplied
 " by the Chief Cashier, together with the relative accounts
 " in the General Ledger.

" On the 12th,
 " An Audit of the Government Stock Certificate
 " Paper in the Cashier's Store Office.

" On the 19th,
 " An Audit of Securities at the Western Branch,
 " Miscellaneous Section No. 10 being selected.

" On the 21st,
 " An Audit of the following Accounts in the
 " Secretary's Office, viz: Directors' Fund, Samaritan
 " Fund, Clerks' Guaranteed Fund, Stamps on Indemnity
 " Bonds and Stamps on Clerks Security Bonds.

" On the 24th,
 " An Audit of Blank Warrants in the various
 " Stock Offices, and in the Chief Accountant's Office.

" On the 28th,
 " An Audit of the Bank Post Bills and Sixty Days
 " Bills in the Public Drawing Office.

" On the 30th,
 " An Audit of Securities at the Law Courts Branch,
 " Section No. 7 being selected.

" Bank of England. S. S. Gladstone.
 " 9th February 1899."

approved.

The Court approved thereof.

16th Feb. 1879.

Report of the
Special Comm^{ee}
appointed by
the Court of the
26th ultimo to
consider the
question of the
interest charged
on continuous
Advances to
private Customers.

The following Report of the Special Committee appointed by the Court of the 26th ultimo, to consider the question of the interest charged on continuous Advances to private Customers, having been read;

" The Special Committee appointed by the
" Court of the 26th ultimo to consider the
" question of the interest charged on Continuous
" Advances to Private Customers

" Report to the Court.

" That they have had before them all the
" Advances to Private Customers which have been
" in existence for one year and upwards.

" They find that the general practice at the
" Head Office is to charge Bank Rate, though a
" little more has in a few cases been obtained. No
" minimum charge has been fixed.

" At the Country Branches the present practice
" is to charge $\frac{1}{2}$ % or more above Bank Rate, with
" a minimum of 3%.

" The Committee while not disposed to recommend
" a hard and fast rule, are of opinion that the
" Bank Rate as a maximum for such Advances
" is an inadequate charge, and, further, that
" except under very special circumstances 3% should
" be the minimum.

" As regards the existing continuous accounts
" the Committee suggest that the Governor should
" take the list into serious consideration with the
" view of reducing the amount outstanding, without
" pressing

16th Feb: 1899.

" pressing unduly, upon debtors by stringent action.
 " The present condition of the Stock Markets would
 " seem favourable to this course.

" Lists of the Advances referred to herein
 " accompany this Report.

" W^m. Lidderdale,

" Chairman.

" Bank of England,

" 15th February 1899."

approved.

The Court approved thereof.

Mr. Cunliffe's
 motion by leave
 withdrawn.

Mr. Cunliffe's motion in regard to the
 foregoing question, which had been postponed to
 the present date, was then by leave withdrawn.

A Court of Directors at the Bank
on Thursday, the 23rd February, 1899.

Present,

Samuel Stewart Gladstone, Esq. Deputy Governor,	
Charles George Arbuthnot, Esq.	The Hon. Evelyn Hubbard,
Herbert Brooks, Esq.	Reginald Eden Johnston, Esq.
Alfred Clayton Cole, Esq.	Hon. William Lidderdale,
Sir Mark Wilks Collet, Esq.	Edgar Lubbock, Esq.
Walter Cunliffe, Esq.	Samuel Hope Morley, Esq.
James Pattison Currie, Esq.	Robert Lydston Newman, Esq.
Henry Riversdale Grenfell, Esq.	Augustus Prevost, Esq.
John Saunders Gilliat, Esq.	Hon. Lord Revelstoke,
William Douro Hoare, Esq.	Albert George Sandeman, Esq.

The proceedings of the last Court
were read.

Discounts and
Advances to
Bill Brokers, &c.

The weekly Statement of Discounts and
Advances granted to Bill Brokers, &c., was read.

Ordered,

Bank Notes, &c.
lost, &c.

at the recommendation of the Committee
of Treasury,

That

23rd Feb. 1899.

That £ 74: 18: 9 be paid for sundry Post Dividend warrants and Bank notes as detailed in the Governor's Declaration Book; the vouchers relating thereto having been examined and security given to indemnify the Bank.

Ordered.

Salaries to be advanced.

That the Salaries of the Clerks be advanced from the 1st March next, as per the accompanying list marked "A"

Resolved.

R. G. Veasey,
Principal of the
Power of attorney
Office, pensioned.

That a pension of £ 433: 6: 8 being $\frac{50}{75}$ of his salary, be granted, during pleasure, to Robert George Veasey, Principal of the Power of Attorney Office, from the 24th instant, when he attains the age of 65 years.

Minute of
the Committee
of Treasury
recommending
sundry additions
to Salaries, &c.

The following Minute of the Committee of Treasury having been read;

" Committee of Treasury.
" 22nd February 1899.

" On proposals from the Chief Cashier, Chief Accountant and Secretary, it was agreed to recommend the Court of Directors to grant additions to Salaries, etc. as follows:—

" In the Chief Cashier's Office,

" Mr. H. W. Stuart to be appointed to the post of

23rd Feb: 1899.

" Librarian now proposed to be created, with an
 " additional salary of £20 per annum, such
 " salary to cease in the event of his resigning the
 " duties, such duties to be performed after office
 " hours if necessary.

" Mr. Herbert King's Ordinary Salary to be
 " advanced two years in anticipation of his maximum.

" Mr. F. A. Rumsey, Chief Clerk, to be granted
 " a gratuity of £30 in recognition of the extra
 " duties and responsibilities thrown upon him in
 " connection with the issue of Jubilee Medals.

" Gratuities of £20 each to be granted to
 " A. W. J. Berkley and F. D. C. Baly in recognition
 " of the extra work and long hours imposed upon
 " them in consequence of the largely increased
 " Loans to Stockbrokers.

" In the Discount Office,

" A personal additional salary of £100 to be
 " granted to Mr. J. J. Child, Deputy Principal.

" In the Chief Accountant's Office,

" The salary of Mr. E. L. Foreman, First Clerk in
 " the Chief Accountant's Office, to be raised from £560,
 " its present amount, to £600 - his pay, attaching
 " 'to the Office' being increased by £50 (from £200
 " to £250) and his personal salary, decreased by £10
 " (from £80 to £70)

" In the Accountant's Bank note Office,

" Mr. Charles Penn, the Principal, to be granted
 " a personal additional salary of £50.

" The salary attaching to the Office of Superintendents
 " and Senior Clerks throughout the Department to be
 " raised by £12, viz that of the Superintendents from

23rd Feb. 1899.

" £128 to £140, and that of the Senior Clerks from
 " £108 to £120. The three Senior Clerks W. O. Wheeler,
 " Mr. B. Phillips and A. Bisgood, who are in receipt of
 " £12 per annum "Long Service Pay" which they would
 " lose through their salaries becoming £400, to be
 " allowed to retain the £12 as 'personal additional'
 " salary.

" In the Secretary's Office,

" The Salary attaching to the post of 'Register Clerk'
 " to be raised from £10, at which sum it was fixed
 " on the creation of the post in 1892, to £30 per
 " annum.

" Bank of England."

agreed to.

The Court agreed thereto.

Minutes of
 the Committee
 of Treasury
 recommending
 that C. E. Forster,
 a Cashier, be
 allowed to retire
 with a pension.

The following Minute of the Committee
 of Treasury having been read;

" Committee of Treasury,
 " 22nd February 1899.

" A letter from Mr. Charles Edward Forster, a
 " Cashier (late of the Hull Branch) was read, in which
 " he tendered his resignation on account of failing health,
 " after ^{nearly} 43 years service. It was agreed to recommend
 " to the Court that Mr. Forster's resignation be accepted
 " as from the end of the month, and that in view
 " of all the circumstances of his case he be granted,
 " during pleasure, the maximum pension according
 " to scale, vizt. £333:6:8 being $\frac{50}{75}$ of his salary of £500.
 " Bank of England."

agreed to.

The Court agreed thereto.

The

23rd Feb. 1899.

Minute of
the Committee
for Branch
Banks recom-
mending addition
of salary.

The following Minute of the Committee
for Branch Banks having been read;

" Committee for Branch Banks,
" 17th February, 1899.

" The Committee considered the Salaries of the
" Agents and Subagents at the Branches, and it was

" Resolved,

" That it be recommended to the Court of
" Directors,

" That the salary of Mr. R. J. West, Agent at
" the Leeds Branch, be raised from £1400 to £1500,
" and

" That the salary of Mr. A. A. Erskine, Agent
" at the Newcastle-upon-Tyne Branch, be raised
" from £1200 to £1400.

" These additions to take effect as from the
" 1st March next inclusive.

" J. S. Gladstone.

" Bank of England."

agreed to.

The Court agreed thereto.

Evelyn Tucker,
a woman Clerk,
quits the Bank
at her request.

Evelyn Tucker, a woman Clerk, at her
request, had leave to quit the Service of the Bank,
at the end of the present month.

The following letter from Messrs. Freshfield
having been read;

Letter from
Messrs. Freshfield
with Agreement
in regard to the
purchase by the
Bank of an
Adventurer's Share
in the New River Co.,
to be sealed.

" New

23rd Feb. 1899.

" New Bank Buildings,
 " 31, Old Jewry, E.C.,
 " 22 February, 1899.

" Dear Sir,

" We beg to hand to you the Agreement
 " for the sale and purchase of an Adventurer's share
 " in the New River Company.

" The Agreement is in our opinion satisfactory
 " and we advise that the Bank should seal it in
 " the usual way.

" We are, Dear Sir,

" Yours faithfully,

" Freshfields.

" The Secretary,

" Bank of England."

approved, and
 the Agreement
 sealed.

The Court approved thereof and the
 Agreement in question was sealed with the
 Common Seal in Court.

Mr. Chubb's
 Historical Index
 completed;

Donations granted
 to him and Mr.
 Bowman.

Letters of thanks from
 Mr. Chubb & Mr. Bowman
 were laid before the Court
 of the 2nd March.

The Deputy Governor acquainted the
 Court that the manuscript Historical Index which
 Mr. Chubb (late Secretary) and Mr. Bowman (late
 Deputy Secretary) had been engaged in preparing from
 the "Card Index" already compiled by them, was
 now complete in four volumes, and in the Secretary's
 hands; and it was

Resolved

That a sum of Five hundred Guineas
 be placed to the credit of the Banking Account
 of each of these gentlemen, in recognition of their
 services in the matter.

with

rd
23 Feb. 1899.

Letter from
Messrs. Smith,
Payne & Smiths
concurring in
the conditions
under which
a sum of money
was invested
in Consols for
their benefit.

(Messrs. Smith Payne & Co's
letter put up with
minutes of 16 Feb.')

with reference to the Resolution of the
last Court regarding the investment of a sum of
money in Consols for the benefit of Messrs. Smith
Payne and Smiths, Bankers, the Deputy Governor
informed the Court that a letter had been received
from that firm thanking the Directors for their
action and concurring in the conditions under
which the investment was made.

A Court of Directors at the Bank
on Thursday, the 2nd March, 1899.

Present,

Hugh Colin Smith, Esq. Governor,	
Samuel Stewart Gladstone, Esq. Deputy Governor,	
Rt. Hon: Lord Aldenham,	The Hon: Evelyn Hubbard,
Charles George Arbuthnot, Esq.	Reginald Eden Johnston, Esq.
Herbert Brooks, Esq.	Rt. Hon: William Lidderdale,
Alfred Clayton Cole, Esq.	Edgar Lubbock, Esq.
Sir Mark Wilkes Collet, Bart.	Samuel Hope Morley, Esq.
Walter Cunliffe, Esq.	Robert Lydston Newman, Esq.
James Pattison Currie, Esq.	Augustus Prevost, Esq.
Henry Riversdale Grenfell, Esq.	Rt. Hon: Lord Revelstoke,
John Saunders Gilliat, Esq.	Albert George Sandeman, Esq.
William Douro Hoare, Esq.	Alexander Falconer Wallace, Esq.

The proceedings of the last Court
were read.

The weekly Statement of Discounts
and Advances granted to Bill Brokers, etc. was read.

Ordered.

Discounts and
Advances to Bill
Brokers, etc.

^{nd.}
2nd March 1899.

Ordered,

Bank Notes
lost, etc.

At the recommendation of the Committee
of Treasury,

That £ 150 be paid for sundry Bank
Notes as detailed in the Governor's Declaration
Book, the vouchers relating thereto having been
examined, and security given to indemnify the
Bank.

Audit of
Securities.

A Report from the Committee of Daily
Waiting was read, stating that they had audited
the Securities contained in the Drawers Nos. 42
and 59, and had satisfied themselves that the
same were in the safe custody of the Chief Cashier.

Audit of
Securities at
the Western
Branch.

A Report from Mr. Hubbard was read,
stating that he had audited the Securities at the
Western Branch comprised in the Sections numbered
5 and 14, and had found the same in the safe
custody of the Agent.

Audit of
Securities at
the Law Courts
Branch.

A Report from Mr. Cole was read, stating
that he had audited the Securities at the Law
Courts Branch comprised in the sections numbered
4 and 9 and had found the same in the safe
custody of the Agent.

The

2nd March 1899

Quarterly Report
of the Committee
for the House
and Servants.

The following Report of the Committee
for the House and Servants having been read;

"The Committee for the
"House and Servants

"Report to the Court of Directors,

"That the Deputy Chief Accountant has
"certified the payment of £5752:6:3 entered in
"General Cash Books and Ledgers, all being for
"Accounts ordered by the Committee to be paid in
"November last; and that the Chief Accountant has
"certified the payment of £8952:4:6 as ordered
"by the Governors to be paid during the Quarter.

"The Secretary has certified that the Chief
"Cashier has produced Vouchers for £8306:8:3
"disbursed by him as payments in Petty Cash during
"the Quarter, and has produced his Cash Statement,
"showing a balance in his hands on the 10th instant
"of £2899:7:4.

"The Committee have passed the Accounts
"of the wages of the Servants of this House, as
"follows, vizt:

"London	£ 53879:7:6
"Branches	20503:4:2
	<hr/>
	£ 74382:11:8

"and have ordered payment of the Pensions
"amounting to £15448:19:9 for the Quarter ending
"the 28th February 1899.

"They have also ordered the payment of
"the Tradesmen's Bills and sundry Disbursements
"for the Quarter, as follows, vizt:

"London	£ 6900:18:-
"Branches	1239:4:1
	<hr/>
	£ 8140:2:1

From

2nd March 1899.

" From a Return made by the Superintendent
 " of the Printing Department, it appears that
 " 4,253,400 Bank notes have been printed, numbered
 " and examined during the Quarter ended the 31st
 " January 1899, and that the cost of materials (not
 " including paper) and mechanical labour only was
 " 2.6½ per 1000.

" From the same Return it appears that
 " 3,009,000 India notes of 10 Rupees and upwards
 " have been printed numbered and examined during
 " the same period and that the average cost of
 " materials (not including paper) and mechanical
 " labour only was 2:7³/₄ per 1000; and that 2,732,000
 " India notes have been printed in green only, at
 " a cost of 2:1¹/₂ per 1000.

" It also appears that 23,500,000 Postal
 " Orders have been printed, numbered and examined,
 " cut and packed, during the Quarter at a cost of 9⁴/₁₀
 " per 1000.

" The Clerk of works reports that the Electric
 " Alarms to the several Gates have been tried once
 " every week, those to the Residences, etc., once a
 " month during the past Quarter, and were all in
 " working order; also that the Fire Hydrants were
 " tried on the 20th instant, and the Fire Engines on
 " the 21st instant, and were all found in working
 " order.

" The Gate Porter reports that the House
 " Porters and Watchmen have been regular in their
 " attendance at the Bank, and that they attended
 " for instruction with the Fire Engines on the 21st
 " instant under the superintendence of the Clerk of
 " works; that the Passages and Avenues about the
 " Building have been kept clean and free from
 " obstruction; and that the Telephonic Communications
 " from the Front Lodge to the Fire Brigade and Police
 " Stations

2nd March 1899.

" Stations was in good working order. Also that
 " the health of the men under his charge has
 " been good.

" S. S. Gladstone

" Bank of England,

" 24th February 1899."

approved.

The Court approved thereof.

Quarterly
 Reports.

The Quarterly Reports of the Committee of
 Treasury, the Committee for Building, the Committee
 for Branch Banks and the two permanent
 Committees of Inspection were read and approved.

Minute of
 the Committee
 of Treasury
 recommending
 that A. J. Mellor,
 Chief Clerk, at the
 Plymouth Branch,
 be appointed a
 Cashier.

The following Minute of the Committee of
 Treasury having been read;

" Committee of Treasury,
 " 10th March 1899.

" It was agreed to recommend to the Court
 " that Arthur Thomas Mellor, Chief Clerk at the
 " Plymouth Branch, be appointed a Cashier in the
 " room of Charles Edward Forster, who was pensioned on
 " the 23rd ultimo.

" Bank of England."

agreed to

The Court agreed thereto and the said
 Arthur Thomas Mellor was then empowered to
 sign Bills and notes for the Governor and Company
 of the Bank of England; and it was

Ordered,

That his appointment be advertised in the
 London

2nd March 1899. London Gazette of the 3rd instant, and that he be required to give the usual additional security in £1000.

Minute of the Committee of Treasury recommending that Mr. A. W. Hallam, Deputy Principal of the Power of Attorney Office, be granted a personal addl. salary of £100.

The following Minute of the Committee of Treasury having been read;

"Committee of Treasury,
" 10th March 1899.

"On a proposal from the Chief Accountant, it was agreed to recommend to the Court that Mr. A. W. Hallam, Deputy Principal of the Power of Attorney Office, the state of whose health prevented his being recommended for the Principalship now vacant, be granted a personal additional salary of £100.

"Bank of England."

agreed to

The Court agreed thereto.

Minute of the Committee of Inspection for the Cashier's Offices recommending appointments.

The following Minute of the Committee of Inspection for the Cashier's Offices having been read;

"Committee of Inspection,
" for the Cashier's Offices,
" 23rd February 1899.

"Resolved,

"That it be recommended to the Governor to propose to the Court of Directors to make the following appointments, vizt.

"In the Private Drawing Office, to fill the vacancies caused by the appointment of R. C. Mills, a 4th Class Clerk, to the Secretary's Office, of S. C. Hastings, a 5th Class Clerk, to the Law Courts Branch, of E. C. D.
" London

2nd March 1899

" Landon, a 5th Class Clerk, to the Manchester
 " Branch; the resignation of F. A. Rowlandson, an
 " Assistant; and the appointment of J. H. Lakeman
 " and C. F. Blunt, Assistants, to the Newcastle
 " Branch, and of W. A. Hoiland, an Assistant to
 " the Hull Branch:—

" Lionel F. Sandeman, a 5th Class Clerk, to be
 " a 4th Class Clerk; Arthur F. Sawyer, Frederick A.
 " R. Bell and Hubert R. Broad, Assistants, to be 5th
 " Class Clerks;

" Walter John Hodson, Bernard James Rogers,
 " Archibald Patrick Ward, Stanley Christopher Tiddy,
 " William Morris Caldwell, Edward Lodington, Junior,
 " and Sydney Arthur Wilson, Clerks Unattached, to
 " be Assistants.

" In the Bill Office, to fill the vacancy
 " caused by the appointment of A. G. De France, a
 " 4th Class Clerk, to the Chief Cashier's Office:—

" Allan Glen Allan, an Assistant, to be a 4th
 " Class Clerk, and

" Percy Annesley Stutchbury, a Clerk Unattached,
 " to be an Assistant.

" These appointments to date from the 1st March
 " inclusive.

" S. Hope Morley.

" Bank of England."

agreed to.

The Court agreed thereto.

Minute of the
 Committee of
 Inspection for the
 Accountant's Offices
 recommending
 appointments.

The following Minute of the Committee
 of Inspection for the Accountant's Offices having
 been read;

" Committee of Inspection
 " for the Accountant's Offices.
 " 1st March 1899.

" Resolved,

" That it be recommended to the Governor
 " to

2nd March 1899.

" to propose to the Court of Directors to make the
" following appointments, vizt.

" In the Accountants Bank Note Office,

" Bernard A. Windle, an Assistant, to be a 5th
" Class Clerk in the room of A. Mr. Stephenson to be
" transferred to the Consols Office; and

" Desmond Hermann Deane, a Clerk Unattached,
" to be an Assistant, in the room of Windle.

" In the Consols Office,

" Rowland W. Stephenson, a 5th Class Clerk in the
" Accountants Bank Note Office, to be an Assistant,
" in the room of A. Mr. Hughes, to be transferred
" to the L. 2 10 % Office.

" In the L. 2 10. - per cents Office,

" Arthur Mac Gregor Hughes, an Assistant in the
" Consols Office, to be a 5th Class Clerk, in the room
" of C. E. Sarrant to be transferred to the Postal
" Warrant Office.

" In the Dividend Office,

" Mr. Ernest H. Oldham, Assistant Deputy Principal,
" to be Deputy Principal, in the room of Mr. E. J.
" Wheeler to be appointed to the Power of Attorney
" Office.

" Arthur G. Rowlett, a 2nd Class Clerk, to be an
" additional Senior Clerk; the post of 'Accumulative'
" 'Dividend Clerk'; which he at present holds, to
" remain in abeyance for the present.

" Edward A. J. Bouquet, a 3rd Class Clerk, to be a
" 2nd Class Clerk, in the room of Rowlett.

" Leopold B. Aubusson, a 4th Class Clerk, to be a
" 3rd Class Clerk, in the room of Bouquet.

" John E. Hayne, a 5th Class Clerk, to be a 4th
" Class Clerk, in the room of Aubusson.

" Harry W. Lock, an Assistant, to be a 5th Class
" Clerk, in the room of Hayne.

" William

2nd March 1899.

"William S. Page, an Assistant in the Post
Warrant Office, to be a 5th Class Clerk, in the room
of A. A. Garrow, pensioned, and

"William Percy Deaw, a Clerk Unattached (late
an Assistant at the Newcastle Branch) to be an
Assistant in the room of Lock.

"In the Post Warrant Office,

"George S. Budgett, a 3rd Class Clerk, to be a 2nd
Class Clerk, in the room of A. A. C. King, pensioned.

"Leonard Mr. H. Lee, a 4th Class Clerk, to be a 3rd
Class Clerk in the room of Budgett.

"Charles E. Tarrant, a 5th Class Clerk in the £2.10.-
per Cents. Office, to be a 4th Class Clerk in the room
of Lee, and

"George Copley Foreman, a Clerk Unattached, to
be an Assistant in the room of Page.

"In the Power of Attorney Office,

"Mr. Edward J. Wheeler, Deputy Principal of
the Dividend Office, to be Principal in the room
of Mr. A. G. Veasey, pensioned.

"Evelyn Hubbard,
* for the Chairman.

"Bank of England."

agreed to.

The Court agreed thereto.

The rate of
interest on
Deposits with
the Bank
Provident Society
to be 3 $\frac{1}{2}$ %
until further
notice.

with reference to the Order of Court of
the ^{13th} June 1895, in regard to the Bank Provident
Society, by which it was provided that the rate
of interest to be allowed by the Bank to the
Society on the sums deposited with them should
be subject to annual revision by the Court of
Directors, it was

Resolved

2nd March 1899.

Resolved,

That the rate of interest to be^{so} allowed for the year commencing the 1st instant, and until further notice, be at the existing rate of $3\frac{1}{2}$ per cent.

M. E. Jecks, a
Woman Clerk,
quits the Bank
at her request.

Mildred Emily Jecks, a Woman Clerk, at
her request had leave to quit the Service of the
Bank.

21
24
30th

A Court of Directors at the Bank
on Thursday, the 9th March, 1899.

Present,

Hugh Colin Smith, Esq. Governor,	
Samuel Stewart Gladstone, Esq. Deputy Governor,	
The Rt. Hon. Lord Aldenham,	William Douro Hoare, Esq.
Charles George Arbuthnot, Esq.	The Hon. Evelyn Hubbard,
Herbert Brooks, Esq.	Reginald Eden Johnston, Esq.
Alfred Clayton Cole, Esq.	Rt. Hon. William Lidderdale,
Sir Mark Wilks Colles, Bart.	Edgar Lubbock, Esq.
Walter Cunliffe, Esq.	Samuel Hope Morley, Esq.
James Pattison Currie, Esq.	Robert Lydston Newman, Esq.
Henry Riversdale Grenfell, Esq.	Augustus Prevost, Esq.
John Saunders Gilliat, Esq.	Rt. Hon. Lord Revelstoke.

The proceedings of the last Court
were read.

The Governor laid before the Court
the following minute of the Committee of
Treasury;

Minute of
the Committee
of Treasury
recommending
a Dividend on
Bank Stock.

" Committee

9th March 1899.

Committee of Treasury,
8th March 1899.

Resolved,

That having examined the state of
the Bank's Accounts, the Committee are of opinion
that it will be desirable to recommend to the
General Court on the 16th instant:-

That a Half Year's Dividend of Interest
and Profits be made on the 5th April next, of 5
per cent., without deduction on account of
Income Tax.

"Bank of England."

Consideration
thereof postponed.

and the consideration of the same was
postponed till the following Thursday.

Discounts and
Advances to
Bill Brokers, &c.

The weekly Statement of Discounts and
Advances granted to Bill Brokers, &c., was read.

Ordered,

as the recommendation of the Committee
of Treasury.

That £37:15:- be paid for sundry Post
Dividend warrants and Bank notes, as detailed
in the Governor's Declaration Book; the vouchers
relating thereto having been examined and
security given to indemnify the Bank.

also that £100 be invested in Consols

"Lost

£100 invested in
Consols "Lost note of"
for the benefit of
Edward Hickmott.

9th March 1899.

"Lost note account" for the benefit of Edward Hickmott, in respect of a Bank note for that amount alleged to have been stolen in May, 1895.

Minute of the Committee of Treasury recommending that C. E. Forster, a pensioner, be allowed to commute a part of his pension.

The following Minute of the Committee of Treasury having been read;

" Committee of Treasury,
" 8th March 1899.

" On an application from Mr. Charles Edward Forster, a pensioner - formerly a Cashier - it was agreed to recommend the Court to allow him to commute £51.3.8 of his pension of £333.6.8 into an immediate payment of £550, to enable him to pay off a mortgage on his house.

" Bank of England."

agreed to

The Court agreed thereto.

Minute of the Committee of Treasury recommending that E. L. Mitchell, of the Consols Office, be allowed to retire with a pension.

The following Minute of the Committee of Treasury having been read;

" Committee of Treasury,
" 8th March 1899.

" A letter was read from Ernest Leslie Mitchell, a 2nd Class Clerk in the Consols Office, in which he tendered his resignation on account of ill health. Mitchell, who is 38 years of age, and has been nearly 19 years in the service, has for some time past shown symptoms of brain trouble, and a prolonged leave of absence recently granted him has failed to

9th March 1899.

" to have a beneficial effect. The Bank Medical
 " Officer had certified that Mitchell was never
 " likely to be again an efficient clerk; and in all
 " the circumstances of the case it was agreed to
 " recommend to the Court that his resignation be
 " accepted and that he be granted, during pleasure,
 " a pension of £98:11:4 being $\frac{24}{75}$ of his salary of
 " £308, from the 18th instant, when his sick leave
 " of absence expires.

" Bank of England."

agreed to.

The Court agreed thereto.

Minute of
 the Committee
 of Treasury
 recommending
 further additions
 to Salaries, etc.

The following Minute of the Committee
 of Treasury having been read;

" Committee of Treasury,
 " 8th March 1899.

" With regard to various petitions for increase
 " of salary, etc., together with a Memorandum from
 " the Chief Cashier thereon, which had been referred
 " to the Committee of Inspection for the Cashier's
 " Offices to examine and consider, it was now agreed
 " to recommend to the Court to make the following
 " additions of salary, etc.:-

" In the Private Drawing Office.

" To assist the working of the 'Customers' Box Room'
 " an additional 3rd Class Clerk to be appointed.

" C. C. Noddyon, a 2nd Class Clerk, to be granted a
 " gratuity of £30 in recognition of his labour in
 " preparing the 'Divident Card Record'.

"^x Superintendents on the Cash Side of the House, who
 " have held their posts for 5 years and are 55 years of
 " age

x. Rescinded by
 Order of Court
 of 26 April, 1906

9th March 1899.

" age to be granted a 'personal additional salary' of
 " £30. This to take effect as from the 1st instanc,
 " whereby four Superintendents out of 10 are affected.

" In the Dividend Pay Office,

" The Personal Additional Salaries of Mr. E. E. Gaute,
 " the Principal, and Mr. W. A. Seeb, the Deputy Principal,
 " to be raised from £50 to £100 each.

" Bank of England."

agreed to.

The Court agreed thereto.

The Governor
 reports the
 suspension of
 W. M. Porter, of
 the Private
 Drawing Office;

The Governor reported that he had on the
 2nd instanc suspended Willoughby Montagu Porter, a
 3rd Class Clerk in the Private Drawing Office, and
 laid before the Court the following Report and
 Minute of the Committee of Inspection for the
 Cashier's Offices on the case; -

Report & Minute
 of the Committee
 of Inspection for
 the Cashier's Offices
 on the case.

" The Committee of Inspection
 " for the Cashier's Offices.

" Report to the Governor,

" That by his directions they have investigated,
 " as far as possible, the circumstances connected with
 " a Judgment Summons issued against Willoughby
 " Montagu Porter, a 3rd Class Clerk in the Private
 " Drawing Office.

" Porter's account of the matter is as follows: -
 " He states that some considerable time ago he became
 " security up to £50. for a personal friend of his family.
 " Subsequently his friend's rent appears to have fallen
 " into arrears and Porter's 'guarantee' was handed to
 " the landlord - a pawnbroker and jeweller - who claimed
 " the money from Porter. Acting, as he states, under legal
 " advice

9th March 1899.

" advice, Porter resisted the claim, with the result that
 " eventually a Judgment Summons was taken out against
 " him, and a Subpoena was served upon Mr. Sanders,
 " the Principal, of the Private Drawing Office on behalf
 " of the Plaintiff. On the following day the Subpoena
 " was withdrawn on the plea that it had been served
 " in error, and Porter paid the claim against him,
 " having borrowed the money upon a reversion.

" Porter was called before the Committee and
 " in answer to questions stated that he had never been
 " in any pecuniary embarrassment, that he had
 " received no consideration himself for the 'guarantee'
 " which he had given (the exact nature of which
 " he said he could not remember) and further that
 " he did not realize that in acting as he did he
 " had transgressed Rule 19 of Rules and Orders to Clerks,
 " which provides that 'A Clerk is not allowed to become
 " Security for any person, unless by permission of the
 " Governor.

" In laying the foregoing facts before the
 " Governor the Committee must add that while they
 " consider Porter's Statement presents many unsatisfactory
 " features and his explanations did not impress them
 " favourably, they feel they have no alternative but
 " to accept it. But one fact is clear, viz. that he
 " has committed a breach of Rule 19 of Rules and
 " Orders to Clerks, and the Committee think that from
 " the point of view of discipline some further notice
 " should be taken of the matter. They would suggest
 " that, at the least, Porter should be severely reprimanded.

" Bank of England,

" 23rd February 1899."

" S. Hope Knorley.

" Chairman.

" Committee

9th March 1899.

" Committee of Inspection
 " for the Cashier's Offices,
 " 2nd March 1899.

" With reference to the Committee's Report to
 " the Governor, of the 23rd ultimo, on the case of
 " Willoughby Montagu Porter, of the Private Drawing Office,
 " the Governor having expressed a wish to make a
 " further enquiry, in view of the Committee's statement
 " that Porter's explanation had not impressed them
 " favourably, the Committee met again and conferred
 " with the Governor on the matter.

" The Governor read to the Committee a letter
 " from Messrs. Freshfield giving the result of enquiries
 " they had made at his request with the object of
 " ascertaining how far Porter's statements, as set forth
 " in the Committee's Report, were to be relied upon.
 " From this it appeared that the document described
 " by Porter as a 'guarantee' was in fact a Promissory
 " Note. On the other hand Messrs. Freshfield confirm
 " Porter's statement that he did not receive any of
 " the proceeds.

" The Governor also read to the Committee a
 " letter which Porter had just received from the person
 " to whom he had given the Promissory Note in question.

" Porter was called before the Committee and
 " in answer to questions put to him by the Governor
 " admitted that he was now aware that the so-called
 " 'guarantee' which he had given to his friend was
 " in fact a Promissory Note. He stated that in 1896
 " his friend appealed to him for help to pay his rent,
 " as the bailiffs had taken possession of his Office.
 " Porter could not lend him the money but agreed to
 " guarantee the payment of his rent, and signed a
 " Promissory Note for that purpose.

" He

9th March 1899.

" He pleaded that his statement, when he
 " was last before the Committee, that he could not
 " remember the exact nature of the document, was
 " correct, and denied that he had tried to deceive
 " them in calling it a guarantee for rent, which, in
 " a sense, he said, it was.

" In view of the circumstances set forth above,
 " and of Porter's admission that he had given a
 " Promissory Note, the case is clearly one which comes
 " within the provisions of Rule 14 of Rules and Orders
 " for Clerks. The Committee accordingly, confine
 " themselves to setting forth the facts pursuant to
 " Orders of Court of 12th July 1860 and 18th Oct.^r 1894.

" 7th March 1899.

" It having come to the knowledge of the
 " Governor, through Mess^{rs} Freshfield, that part of the
 " claim against Porter in respect of his Promissory
 " Note, was still outstanding, whereas Porter had
 " distinctly informed the Committee that it had been
 " entirely discharged, the Committee met again by the
 " Governor's desire.

" The Governor informed the Committee of the
 " above fact and stated, further, that Porter (who had
 " been summoned to the Bank) had just admitted -
 " through the Secretary, to the Committee - that he had
 " not been truthful in his previous statements, and
 " he now acknowledged that he was in hopeless pecuniary
 " difficulties.

" After conferring for a time the Committee agreed
 " that it would be useless for them to see Porter again,
 " and they left the matter in the Governor's hands.

" Bank of England."

Resolved,

That the said Willoughby Montagu Porter
 be

the said W. M.
 Porter dismissed.

9th March 1899. be dismissed from the service of the Bank.

Notice of motion
by the Governor
in regard to the
wording of certain
of the Rules and
Orders for Clerks, &c.

The Governor then gave notice that at the next Court he would propose a Resolution affecting the wording of certain of the Rules and Orders for Clerks and of the Governor's Charge to Clerks on Election.

✓
1899

A Court of Directors at the Bank
on Thursday, the 16th March, 1899.

Present,

Augh Colin Smith, Esq: Governor,
Samuel Stuart Gladstone, Esq: Deputy Governor,
Herbert Brooks, Esq: Reginald Eden Johnston, Esq:
alfred Clayton Cole, Esq: Rt: Hon: William Lidderdale,
Sir Mark Wilks Collet Bart. Samuel Hope Knorley, Esq:
Walter Cunliffe, Esq: Robert Lydston Newnan, Esq:
James Pattison Currie, Esq: Augustus Prevost, Esq:
Henry Riversdale Grenfell, Esq: Rt: Hon: Lord Revelstoke,
The Hon: Evelyn Hubbard, and
Frederick North Jackson, Esq: Alexander Falconer Wallace, Esq:

The proceedings of the last Court were read.

The Governor having again laid before the Court the Minute of the Committee of Treasury, recommending a Dividend on Bank Stock, consideration of which was postponed by the last Court;

The Court agreed thereto, and

Resolved,

Minute in
reference to a
Dividend
considered and

agreed to.

16th March 1899.

Resolved,

That the Governor do acquaint the General Court therewith as the opinion of this Court.

Discounts and
Advances to Bill
Brokers, etc.

The weekly Statement of Discounts and Advances granted to Bill Brokers, etc. was read.

Out Cash.

Lord Revelstoke reported the Out Cash to have been taken in and found right.

Ordered,

Bank Notes, etc.
lost, etc.

at the recommendation of the Committee of Treasury.

That £54:4:10 be paid for sundry Post Dividend Warrants and Bank Notes, as detailed in the Governor's Declaration Book; the vouchers relating thereto having been examined and security given to indemnify the Bank.

Audit of
Securities.

A Report from the Committee of Daily Waiting was read stating that they had audited the Securities contained in Drawers Nos. 65 and 71 and had satisfied themselves that the same were in the safe custody of the Chief Cashier.

Minute of
the Committee
of Treasury
recommending
that William
Bartlett

The following Minute of the Committee of Treasury having been read;

" Committee

16th March 1899.

Bartlett, of the
Power of Attorney
Office, be allowed
to retire with
a pension, etc.

" Committee of Treasury.
" 15th March, 1899.

" The Committee have considered the case
" of William Bartlett, a 2nd Class Clerk in the
" Power of Attorney Office, who tenders his resignation
" on account of ill health. Bartlett, who is 37
" years of age, and has been nearly 16 years in the
" Bank, has shown symptoms of brain irritation
" at intervals ever since 1885. In 1895, while
" performing his Office duties, he accidentally struck
" his head violently against a cupboard; since then
" his ailment has much developed. The Bank
" Medical Officer reports his unfitness for clerical
" work.

" Bartlett is a married man with five
" children. All the circumstances of his case have
" been fully investigated by the Committee for the
" Accountant's Offices, and it is with their concurrence
" that ~~the Committee for the Accountant's Offices, and it~~
" ~~is with their concurrence~~ that the Committee now
" recommends to the Court, that Bartlett's resignation be
" accepted; that he be granted during pleasure a pension,
" according to scale, of £83:9:- being $\frac{21}{75}$ of his salary, of
" £298; and that in view of the exceptionally sad
" circumstances of his case he be granted an additional
" allowance of £100 a year for five years, by which
" time some of his children may be in a position to
" assist him - the Governor to decide to whom the
" above pensions shall be paid.*

" It was further agreed to recommend that
" the unpaid balance of an advance of £50 made
" him by the Court a year ago from Petty Cash, viz.
" £27, be written off.
" Bank of England."

agreed to.

The Court agreed thereto.

The

* of
21st March 1899.
The Governor ordered
that Bartlett's
pension & allowance
be paid to his wife.

16th March 1899

Report of the
Audit Comm^{ee}
on the Audits
taken by the
Audit Dept.
during the
month of
February last.

The following Report of the Audit
Committee having been read;

The Audit Committee

Report to the Court of Directors,

That they have had before them the
various audits taken during the month of February
last, at the Committee's desire and under written
instructions from the Governor, as follows:-

Weekly Audits of Securities in the Treasury.

On the 16th Sections nos. 65, 73 and 83 being selected.

" " 23rd do. " 68 and 75 being selected.

On the 15th,

An inspection of the work in the Ledgers and
Pass Books in the Private Drawing Office for the
year 1898

On the 18th,

An Audit of Notes and Coin in the Treasury,
Safes nos. 58, 114 and 88 being selected.

On the 21st,

An Audit of Securities at the Law Courts Branch,
Section No. 5 being selected.

On the 24th,

An Audit of the Stocks of Draft on Demand Paper
and Treasury Bill Paper in the Cashier's Store Office.

On the 27th,

An audit of the Securities held in the Chief Cashier's
Office against Loans made to the Stock Exchange on
account of Customers.

On the 28th,

An Audit of the Securities held in the Branch
Banks Office against Loans made to the Stock
Exchange

16th March 1899.

" Exchange on account of the Branches.

" The Committee have also had before them
" the Report of the Audit of the Birmingham Branch,
" dated the 28th February.

" S. J. Gladstone.

" Bank of England.

" 9th March 1899."

approved.

The Court approved thereof.

Minute of
the Committee
of Inspection
for the
Accountant's
Offices
recommending
appointments.

The following Minute of the Committee
of Inspection for the Accountant's Offices having
been read;

" Committee of Inspection
" for the Accountant's Offices,
" 15th March 1899.

" Resolved,

" That it be recommended to the Governor
" to propose to the Court of Directors to make the
" following appointments, consequent on the retirement
" on a pension, as from the 18th instant, of E. L.
" Mitchell, a 2nd Class Clerk in the Consols Office, and
" the proposed retirement on a pension of William
" Bartlett, a 2nd Class Clerk in the Power of Attorney
" Office:—

" In the Accountant's Bank Note Office.

" Philip Caynton Yonge, an Unattached Clerk, to be
" an Assistant, in the room of A. C. Wood, to be
" appointed to the Cheque Office.

" In

16th March 1899" In the Bank Stock Office,

" John B. Sumner, a 4th Class Clerk in the
 " Consols Office, to be a 3rd Class Clerk, in the room
 " of Fellows, to be appointed to the Consols Office,

" John A. Ross, an Assistant in the Cheque Office,
 " to be a 5th Class Clerk, in the room of Garnett, to
 " be appointed to the Consols Office.

" In the Consols Office,

" Arthur Fellows, a 3rd Class Clerk in the Bank
 " Stock Office, to be a 2nd Class Clerk, in the room
 " of E. L. Mitchell, pensioned.

" Ernest A. Garnett, a 5th Class Clerk in the
 " Bank Stock office, to be a 4th Class Clerk in the
 " room of Sumner, to be appointed to the Bank Stock
 " Office.

" Theodore Saffery, an Unattached Clerk, to be an
 " Assistant, in the room of Hallam, to be appointed
 " to the £2.10.- per Cents. Office.

" In the £2.10.- per Cents. Office,

" Maurice D. Hallam, an Assistant in the
 " Consols Office, to be a 5th Class Clerk, in the room
 " of Swears, to be appointed to the Post Warrant
 " Office.

" In the Power of Attorney Office,

" Augustus Stahlachmidt, a 3rd Class Clerk, to
 " be a 2nd Class Clerk, in the room of W. Bartlett,
 " pensioned.

" Morris S. Kempe, a 4th Class Clerk in the
 " Post Warrant Office, to be a 3rd Class Clerk, in
 " the room of Stahlachmidt.

" In

16th March 1899.

"In the Post Warrant Office,

"Herbert W. Swears, a 5th Class Clerk in the
"£2.10/- per cent. Office, to be a 4th Class Clerk in the
"room of Kempe to be appointed to the Power of
"Attorney Office.

"In the Cheque Office,

"Harry C. Wood, an Assistant in the Accountants
"Bank Note Office, to be an Assistant, in the room
"of Ross to be appointed to the Bank Stock Office.

"The appointment of Fellows, Sumner, Garnett,
"Ross, Wood and Yonge to date from the 18th
"instant, when Mitchell retires.

"Evelyn Hubbard,
"for the Chairman.

"Bank of England."

agreed to.

The Court agreed thereto.

The Governor's
Resolution
affecting the
wording of
certain of the
Rules & Orders
for Clerks deferred.

with regard to the notice given by
the Governor at the last Court, of a Resolution
affecting the wording of certain of the Rules
and Orders for Clerks and of the Governor's
Charge to Clerks on Election, it was agreed to
defer the matter till next Court.

A Court of Directors at the Bank
on Thursday, the 23rd March, 1899.

Present,

Hugh Colin Smith, Esq. Governor,	
Samuel Stewart Gladstone, Esq. Deputy Governor,	
Rt. Hon. Lord Aldenham,	The Hon. Evelyn Hubbard,
Herbert Brooks, Esq.	Frederick Smith Jackson, Esq.
William Middleton Campbell, Esq.	Reginald Eden Johnston, Esq.
Alfred Clayton Cole, Esq.	Rt. Hon. William Lidderdale,
Walter Amliffe, Esq.	Edgar Lubbock, Esq.
James Pattison Currie, Esq.	Samuel Hope Morley, Esq.
Henry Riversdale Grenfell, Esq.	Robert Lydston Newman, Esq.
William Douro Hoare, Esq.	Rt. Hon. Lord Revelstoke.

The proceedings of the last Court were read.

Discounts and
Advances to
Bill Brokers, &c.

The weekly Statement of Discounts and
Advances granted to Bill Brokers, &c., was read.

Ordered,

Bank notes, &c.
lost, &c.

At the recommendation of the Committee
of Treasury,

That

rd
23 March 1899.

That £46:9:4 be paid for a Seven Days Bill and Sundry Post Dividend Warrants and Bank Notes, as detailed in the Governor's Declaration Book; the vouchers relating thereto having been examined and security given to indemnify the Bank.

Audit of Securities at the Western Branch.

A Report from Mr. Johnston was read, stating that he had audited the Securities at the Western Branch, comprised in the Sections numbered 4 and 10 and had found the same in the safe custody of the Agent.

Minute of the Committee of Treasury recommending that Mr. A. C. Dynam, Deputy Principal of the Securities Office, be allowed to retire with a pension.

The following Minute of the Committee of Treasury having been read;

" Committee of Treasury,
" 22nd March, 1899.

" A letter was read from Mr. Arthur Charles Dynam, Deputy Principal of the Securities Office, in which he tendered his resignation as from the 11th proximo, when he will have attained the age of 60 years, and applied for a pension under the provisions of the Order of Court of 17th November 1870. According to the scale, Mr. Dynam's service of 41 years would entitle him to a pension of £306:13:4; but in view of certain special circumstances in his case it was agreed to recommend to the Court to accept his resignation and to grant him, during pleasure, a pension of £333:6:8, being the pension to which he would have been entitled at his present salary

" on

23rd March 1899.

" on the completion of his full term of service.

" Bank of England."

agreed to

The Court agreed thereto.

The Governor reports the suspension of Walter Everard Fry, of the Dividend Office;

The Governor reported that he had, on the 17th instant, suspended Walter Everard Fry, a 4th Class Clerk in the Dividend Office, and laid before the Court the following Report of the Committee of Inspection for the Accountant's Offices on the case:—

Report of the Committee of Inspection for the Accountant's Offices on his case.

" The Committee of Inspection
" for the Accountant's Offices

" Report to the Governor,

" That by his desire they have investigated the case of Walter Everard Fry, a 4th Class Clerk in the Dividend Office, who was suspended by the Governor on the 17th instant, for having, on his own admission, had dealings with Professional Money Lenders.

" The matter was first brought to the knowledge of the Bank through an account in one of the daily papers of an action for assault brought against a money lender of the name of Elliott, in the course of which it transpired that Fry, who was a witness in the case, had borrowed £25 from Elliott upon a bill. On Fry's attention being called to this statement, he admitted that it was true, and he was thereupon suspended.

" The Committee have today had Fry before them and have investigated the facts of the case. Fry has admitted to them that eight years ago he borrowed about £10 from a money lender; that he has, also, recently

^{rd.}
23rd March 1899.

" recently, borrowed a sum of £50 from a Money
" Lender of the name of Crosser, and given him a Bill
" of Sale, though in this case he claims that Crosser
" is a personal friend and that the Bill of Sale was
" given chiefly to protect his property against other
" creditors. Fry also admits, as stated above, having
" borrowed £25 from Elliott, and he further states
" that he owes sums of money to other persons, some of
" whom may be money lenders.

" In view of these circumstances, the Committee
" find that a clear breach of Rule XIV has been
" committed, and they have therefore confined themselves
" to investigating the facts, pursuant to Orders of Court
" of 12th July 1860 and 18th October 1894.

" It may be added that Fry, has been 13 years
" in the service of the Bank, he is 33 years of age and
" his salary is £238.

" Evelyn Subbark,
" for the Chairman.

" Bank of England,
" 22nd March, 1899."

Resolved,

That the said Walter Everard Fry, be
dismissed from the service of the Bank.

The said W. E.
Fry dismissed.

Minute of the
Committee for
Branch Banks
recommending
appointments, etc.

The following Minute of the Committee
for Branch Banks having been read;

" Committee for Branch Banks,
" 17th March 1899.

" It was agreed to recommend to the Court of
" Directors,

" That

23rd March, 1899.

" That at the Liverpool Branch, in view of the
 " great increase of work, the Staff be augmented by an
 " additional Assistant.

" At the Leeds Branch, for similar reasons, that
 " the Staff be increased by an additional 2nd Class Clerk;
 " and that the following promotions be accordingly made
 " at this Branch, viz: -

" Walter Ernest Leffler, a 3rd Class Clerk, to be a 2nd
 " Class Clerk (retaining his post of Security Clerk); and

" Ernest Leeds, a 4th Class Clerk, to be a 3rd Class
 " Clerk.

" At the Birmingham Branch,

" That the Staff be modified, by the addition of
 " one Clerk to the 3rd Class, and a reduction of one in
 " the number of the 4th Class, and that, accordingly,

" Francis Hubert Smith, the Senior 4th Class Clerk, be
 " promoted to the 3rd Class.

" At the Plymouth Branch,

" That the following appointments be made,
 " consequent on the appointment of A. J. Mellor, the
 " Chief Clerk, to a Cashiership at the Head Office, viz: -

" Charles Barrington, 1st Class Clerk, to be Chief Clerk;

" Oliver Goldsmith, 3rd Class Clerk, to be 1st Class Clerk,
 " vice Barrington;

" Alfred B. S. Prynce, 4th Class Clerk, to be 3rd Class
 " Clerk, vice Goldsmith; and

" Cecil A. Wilmsht Buxton, a 4th Class Clerk in the
 " Concols Office, to be a 4th Class Clerk, vice Prynce.

" S. S. Gladstone.
 " Bank of England."

agreed to.

The Court agreed thereto.

Lw

rd
23 March 1899

Resolution by
the Governor
in reference to
the Rules and
Orders for Clerks.

In accordance with the notice given by
him to the Court of the 9th instant, the Governor
proposed the following Resolution in reference to
the Rules and Orders for Clerks: -

" That in Rule 14 in regard to Bill transactions
" etc., the words 'any infraction of this Rule will
" 'renders him liable to dismissal' be altered to
" 'will involve immediate dismissal'.

" That to Rule 15 in regard to Betting, etc., the
" following words be added: 'Any infraction of this
" 'rule renders a Clerk liable to immediate dismissal'.

" And, further, that the 5th paragraph of the
" Governor's Charge to Clerks on Election be altered by
" the omission of the words 'in particular..' down
" to '.. dismissal', and the substitution thereof of
" the following words; -

" 'In particular you are to remember that
" 'by the Rules of the Bank any Clerk found to
" 'have had dealings with professional Money Lenders
" 'or to have entered into Bill transactions of
" 'whatever nature, will be forthwith dismissed
" 'the service. You are also prohibited from Betting
" 'and Gambling transactions of any kind, and from
" 'becoming security for any person either in or out
" 'of the Bank, and a breach of either of these
" 'Rules will render you liable to dismissal'."

And the Question being put thereon,

carried.

The same was carried.

It was further agreed that the insertion,
after the two above mentioned Rules, of the Orders
of Court of the 12th July 1860 and the 27th September,

1894.

23rd March 1899 1894 respectively, might now be discontinued.

A matter in connection with a certain Section of Securities at the Western Branch referred to the Committee for Branch Banks.

* See Report with Court Minutes of this date.

Report of Audit of Securities at the Western Branch.

With reference to difficulties experienced by Mr. Newman in auditing a certain Section of Securities at the Western Branch, the Deputy Governor reported* to the Court on the reasons which had led, in March 1896, to the establishment of this particular Section; and it was agreed to refer the matter to the Committee for Branch Banks for their consideration and report.

Mr. Newman then reported that he had audited the Securities at the Western Branch, comprised in the Section numbered 27 and had found the same in the safe custody of the Agent.

23rd 1899

A Court of Directors at the Bank
on Thursday, the 30th March, 1899.

Present,

Lugh Colin Smith, Esq. Governor,
Samuel Stewart Gladstone, Esq. Deputy Governor,
Rt. Hon: Lord Aldenham, William Douro Hoare, Esq.
Herbert Brooks, Esq. The Hon: Evelyn Hubbard,
William Middleton Campbell, Esq. Frederick Hutt Jackson, Esq.
Alfred Clayton Cole, Esq. Reginald Eden Johnston, Esq.
Sir Mark Wilks Collet, Bart. Rt. Hon: William Lidderdale,
Walter Ancliffe, Esq. Edgar Lubbock, Esq.
James Pattison Currie, Esq. Samuel Hope Morley, Esq.
Henry Riversdale Grenfell, Esq. and
John Saunders Gilliat, Esq. Robert Lydston Newmaw, Esq.

The proceedings of the last Court
were read.

Resolved.

That the following Advertisement be
inserted in the Daily Papers:—

House List,
1899.

1899.

30th March, 1899.

" 1899.

" The following is the House List of Governors
" and Directors of the Bank of England for the year
" ensuing:-

" For Governors.

" Samuel Stewart Gladstone, Esq. Governor.

" Augustus Prevost, Esq. Deputy Governor.

" For Directors.

" The Right Hon ^{ble} Lord Aldenham.	Charles Hermann Goschen, Esq.
" Charles George Arbuthnot, Esq.	Everard Alexander Hambro, Esq.
" Henry Cosmo Orme Bonser, Esq.	William Douro Hoare, Esq.
" Herbert Brooks, Esq.	Frederick Hutton Jackson, Esq.
" William Middleton Campbell, Esq.	Reginald Eden Johnston, Esq.
" Alfred Clayton Cole, Esq.	The Rt. Hon ^{ble} William Liddersdale,
" Sir Mark Wilks Collet, Bart.	Samuel Hope Morley, Esq.
" Walter Cunliffe, Esq.	Robert Lydston Newman, Esq.
" James Pattison Currie, Esq.	The Right Hon ^{ble} Lord Revelstoke,
" Benjamin Buck Greene, Esq.	Albert George Sandeman, Esq.
" Henry, Riversdale Grenfell, Esq.	Hugh Colin Smith, Esq.
" John Saunders Gilliat, Esq. M.P.	Alexander Falconer Wallace, Esq.

" The Election for Governor and Deputy Governor
" will be held at the Bank on Tuesday the 11th April,
" and for Directors on Wednesday, the 12th April, from
" eleven o'clock in the forenoon till four in the
" afternoon."

Discounts and
Advances to
Bill Brokers, &c.

The weekly Statement of Discounts
and Advances granted to Bill Brokers, &c., was
read.

Ordered.

10th March 1897.

Ordered,

At the recommendation of the Committee of Treasury,

a Bank note, re-
lost, etc.

That £11:19:1 be paid for sundry Post Dividend warrants and a Bank note, as detailed in the Governor's Declaration Book; the vouchers relating thereto having been examined and security given to indemnify the Bank.

Audit of
Securities

A Report from the Committee of Daily waiting was read, stating that they had audited the Securities contained in Drawers Nos. 8 and 57, and had satisfied themselves that the same were in the safe custody of the Chief Cashier.

Resolved,

An Election
of 26 Clerks
appointed.

That an Election of Clerks, not exceeding 26 in number, be appointed to take place on Thursday, the 11th May, next.

Minutes of
the Committee
for Branch
Banks recom-
mending the
appointment
of a House
Porter, etc., at
the Newcastle-
on-Tyne Branch.

The following Minute of the Committee for Branch Banks having been read;

"Committee for Branch Banks.
" 27th March 1897.

"Resolved,

"That it be recommended to the Court of Directors,

"That

30th March 1899

"That Samuel Benjamin French Savill, a
 "House Porter and Watchman, be appointed to the
 "Newcastle-on-Tyne Branch, in the place of
 "Redmond Teaffey, dismissed.

"S. S. Gladstone.

"Bank of England."

agreed to.

The Court agreed thereto.

Report of the
 Committee for
 Law Suits on
 Messrs. Freshfield's
 Bill for Law Charges.

The following Report of the Committee
 for Law Suits having been read;

"The Committee for Law Suits

"Report to the Court of Directors,

"That they have examined Messrs.
 "Freshfield's Bill for Law Charges for the half
 "year ending 30th September 1898, amounting to
 "£ 717 : 3 : 8, which they find to be composed of
 "the following items, vizt.

"Expenses connected with the affairs of
 "the Parcocha Company, and the Bank's
 "interest therein ————— £ 27 : 16 : —

" — do — do. — the action by Mr.
 "Sargent against the Castle Brewery
 "Company and the Bank to redeem
 "the Debentures of the Company deposited
 "at the Birmingham Branch as Security — : 7 : 9

" — do. — do. — the claim of the Bank
 "against Messrs. W. Leask & Co. and Messrs.
 "Wilson & Co. ————— 23 : 6 : 4

" — do. — do. — the proceedings taken
 "against Mr. James Davis to recover the
 "amount of his overdrawn account at the
 "Western Branch ————— 49 : — : 10

"Carried forward £ 100 : 10 : 11

30th March 1897

270

" Brought forward	£ 100:10:11
" Expenses connected with the Garnishee	
" Summons served upon the Bank at the	
" instance of Mr. W. J. Gibbs, attaching the	
" Salary of Ernest Scollicks	£ 16:19:6
" — do. — do. — the Garnishee Order nisi	
" served upon the Bank attaching the	
" Drawing account of Mr. Alfred Gordon at	
" the Western Branch	2:11:—
" — do. — do. — the purchase of an	
" Adventurer's Share in the New River Coy.	
" from Messrs. Hoare	295:—:—
" — do. — do. — do. — do. Payments	
" in connection therewith	22:5:6
" — do. — do. — the three £100 Bank	
" Notes lost by Mr. Peters, the Trustee for	
" the Loyal Lifford Lodge of Oddfellows	1:—:—
" — do. — do. — the enquiries concerning	
" Edwin Spencer, a discharged Soldier	6:6:6
" — do. — do. — the enquiries as to	
" Dividend warrants reported by Mrs. Cathcart	
" to have been stolen from her rooms	2:11:7
" — do. — do. — the case submitted to	
" Counsel as to the effect of Section 137 of	
" the Lunacy Act 1890, re Catherine Mary	
" Green	47:6:4
" — do. — do. — the case submitted to	
" Counsel to advise on the Bank's liability	
" in respect of boxes and Securities lodged	
" with them for safe custody	25:17:10
" — do. — do. — the notices to quit served	
" upon the tenants of Nos. 1 and 2 Bank	
" Buildings and the question raised as to	
" their validity	14:3:6
" — do. — do. — the questions arising under	
" the Judicial Trustees Act 1897	25:10:—
" Carried forward	£ 560:2:8

30th March 1899.

	Brought forward £ 560:2:8	
" Expenses connected with the case submitted		
" to Counsel to advise as to the liability to		
" Stamp Duty of acknowledgements by letter of		
" money sent by post —————	£ 27:16:-	
" — do. — do. — the means taken to detect		
" and punish frauds and forgeries on the Bank	27:1:1	
" — do. — do. — do. payments in connection		
" therewith —————	11:9:11	
" — do. — do. — General Business ————	90:14:-	
		£ 717:3:8
" Deduct Receipts	13:1:2	
		£ 704:2:6

" In the foregoing account of ———— £ 717:3:8

" The Charges for Drawing		
" Briefs and other General		
" Business amount to ————	£ 439:19:10	
" Personal Attendance	148:11:2	588:11:-
" For Money advanced in		
" Fees to Counsel ————	117:2:8	
" Incidental Expenses ————	11:10:-	128:12:8
		£ 717:3:8

" The Committee may mention that the
 " Charge in connexion with the purchase of the new
 " River Company Share, though made, as far as can be
 " seen, strictly in accordance with the authorized scale,
 " seems to them to be somewhat heavy. In regard to
 " the remainder of the bill, the Committee have
 " satisfied themselves from the Chief Accountant's Report,
 " that the several charges have been made according to
 " the

30th March 1899.

" the usual scale; and they,

" Recommend to the Court of Directors,

" That the sum of £704.2.6 be paid to Messrs.
" Freshfield, being the balance of their present Bill
" for Law Charges to the 30th September last, amounting
" to £717.3.8.

" Certain of the Charges in the above Bill relate
" to losses arising from Advances to Customers for which
" special provision has been made. The Account of
" 'Bad Debt Reserve' in the General Ledger will therefore
" in respect of these charges be debited as under:—

" Respecting the Parcocha Company's
" affairs and the Bank's interest therein £ 27.16.—

" Respecting the action Sargent v. Castle
" Brewery, and the Bank ———— —:7:9

£ 28.3.9

" And an item should be charged to the 'New River
" 'Company' for expenses incurred in the purchase of
" one Adventurer's Share in the New River Company of
" £317.5.6.

" Herbert Brooks.

" Bank of England.
" 23rd March 1899."

approved, &
the amount
ordered to be
paid.

The Court approved thereof, and
Ordered.

That the sum of £704.2.6 be paid
to Messrs. Freshfield, being the balance of their
present

30th March 1899 present Bill for Law Charges to the 30th September last, amounting to £ 717: 3: 8.

Report from the Secretary upon the position of the Directors' Fund, the Samaritan Fund and the Clerks' Guarantee Fund.

The Governor laid before the Court the following Report from the Secretary, upon the position of the Directors' Fund, the Samaritan Fund and the Clerks' Guarantee Fund;—

" In pursuance of the Order of Court of the 7th June 1894, which provided for an Annual Report being made in the month of March by the Secretary on the Directors' Fund, the Samaritan Fund and the Clerks' Guarantee Fund,

" The Secretary, begs to Report as follows;—

" 1. The Directors' Fund.

" The net charge upon the Fund for Annuities to widows, etc. during the past year, ended the 7th January, last, amounted to
£ 6853: 14: 6

" Against an income from Investments, etc. of
7245: 9: 2

" Leaving a surplus for the year of £ 391: 14: 8

" No interest has been received during the past year on the following investments:—

" £ 5000 Jamaica Railway Company 4%	Annual Interest payable
" 1 st Mortgage Bonds (in default since July, 1897)	£ 200.

" £ 2960

30th March 1899

	Annual Interest payable.
" £2960 Colorado Midland Preferred " Stock Shares (received under the " recent re-organization scheme	£ 118.
" £840 Colorado Midland Common Stock " (also received under the recent " reorganization scheme)	£ -
" £2800 Busk Tunnel 7% 1 st Mortgage " Bonds (in default since Jan: 1896)	£ 193.
" £9000 Chicago Great Western 5% " Preference "A" Stock	£ -

" A Dividend at the rate of 4 per cent. per
" annum has, however, been received on the last
" named Stock since the close of the year.

" With regard to the Jamaica Railway Company,
" 4% 1st Mortgage Bonds, it is understood that when
" the Bondholders have obtained control of the line
" (which will probably be in about two months
" time they will approach the Governor of Jamaica,
" who will cause to be issued in exchange for
" each Bond a similar amount of Jamaica
" Government Inscribed Stock, bearing 3½% interest,
" with 1 per cent Sinking Fund, together with a certain
" sum for arrears of Interest.

" During the past year £1200 New South
" Wales 4% Bonds 1910 have been purchased with
" the proceeds of the Colorado Midland 7% Equipment
" Bonds, which were paid off at par, and certain
" Unclaimed Annuities repaid from the Annuity
" Account.

" The number of Annuitants on the Books
" at the Commencement of 1898 was 175. During
" the year 12 Annuities were granted amounting in
" all to £462, and 12 amounting to £449:12:8
" ceased by death. The number of Annuitants, therefore,
" at

30th March 1899

" at the close of the year remained unaltered.
 " The amount of Annuities payable at the present
 " time is £ 6734: 12: 6.

" With respect to the income of the Fund
 " during the current year, an estimate has been
 " made from which it would appear that the
 " Revenue will probably amount to about £ 7,200.
 " Taking the Annuities at their present amount of
 " £ 6734: 12: 6 there would be a surplus of
 " about £ 500.

" 2. The Samaritan Fund.

" The number of Grants made from this Fund
 " during the year 1898 was 10, of which 4 were
 " made to Clerks, 4 to Porters, 1 to a former Clerk (not
 " in receipt of a pension) and 1 to the widow of
 " a Clerk who died in the Service. The highest sum
 " granted was £ 50 and the total amount of the
 " grants £ 216: 10: - against receipts amounting to
 " £ 336: 8: 9.

" The following is a summary of the cash
 " receipts and payments during the year :-

<u>Receipts.</u>	<u>Payments.</u>
" Balance, 1 January 1898 £ 380: 6: 10	" New Grants £ 216: 10: -
" Dividends on £ 891: 16: 4	" Balance,
" Manchester Corporation	31 December 1898. 500: 5: 7
" 3% Stock 25: 17: 2	
" - do - on £ 2502: 12: 6	
" Manchester Corporation	
" 3% Stock, Unclaimed	
" Bullion % 72: 11: 6	
" Deposit Vault Fees 10: 1: 6	
" Secretary's Fees in	
" connection with Stopped	
" Notes (4 Quarters) 78: 12: 6	
" Profit on Sale of Jubilee	
" Medals 13: 15: -	
" Sale of Waste Paper 117: 15: 1	
" - do. old Warrant Boxes 17: 16: -	
" £ 716: 15: 7	£ 716: 15: 7

30th March 1899

" 3. The Clerks Guarantee Fund

" No claims upon the Fund for defalcations have
" arisen during the past year.

" In accordance with the terms of the Resolutions
" of the Court of Directors of the 8th April 1841, under
" which the Fund was established, a sum of £400.
" arising from the accumulated Subscriptions of Clerks
" and interest on the invested Funds of £6000 was
" paid over to the Bank Provident Society on the 17th
" November last.

" The following is a summary of the receipts
" and payments on account of the Fund during the
" year 1898.

<u>Receipts</u>	<u>Payments.</u>
" Balance, 1 Jan: 1898. £ 87:11:7	To the Bank Provident Society (7 th Nov: 1898). £ 400:--
" Dividends on £3000 " New South Wales 4% " Stock ————— 116:--	Balance, 31 st Dec: 1898. 18:11:7
" Dividends on £3000 " New Zealand 4% " Stock ————— 116:--	
" Subscriptions from " Clerks (including " Women Clerks) 99:--	
" £ 418:11:7	£ 418:11:7

" Bank of England,
" March 1899."

" K. Grahame,
" Secretary."

Loans to Clerks,
etc, on Security
renewed till
30th June next.

The Governor laid before the Court a
list of Loans to Agents, Clerks and Pensioners, on
Security, amounting to £5030 at the Head Office and
£10450 at the Branches; and it was agreed that
the same be renewed till ^{they} 30th June next.

A Court of Directors at the Bank
on Thursday, the 6th April, 1899.

Present.

Hugh Colin Smith, Esq: Governor.
Samuel Stewart Gladstone, Esq: Deputy Governor.
Rt. Hon: Lord Alderham, Frederick Huth Jackson, Esq:
Herbert Brooks, Esq: Reginald Edew Johnston, Esq:
William Middleton Campbell, Esq: Rt. Hon: William Lidderdale,
Alfred Clayton Cole, Esq: Edgar Lubbock, Esq:
Sir Mark Wilks Collet, Bart: Samuel Hope Morley, Esq:
Walter Amliffe, Esq: Robert Lydston Newman, Esq:
James Pattison Currie, Esq: Augustus Prevost, Esq:
William Douro Hoare, Esq: and
The Hon: Evelyn Hubbard, Alexander Falconer Wallace, Esq:

The proceedings of the last Court
were read.

Resolution as
to Ex-Directors
selling their
Qualification.

Pursuant to Minutes of Court of the
2nd April 1835 and the 3rd April 1873 the following
Resolution was read, viz:—

"That in the opinion of this Court from
"and after this date Ex-Directors selling the whole
"or any part of their Qualification should not be
"recommended

6th April 1842.

"recommended to the Court of Proprietors for
"re-election."

Discounts and
Advances to
Bill Brokers, &c.

The weekly Statement of Discounts and
Advances granted to Bill Brokers, &c., was read.

Ordered,

Bank Notes,
lost, &c.

At the recommendation of the Committee
of Treasury,

That £235 be paid for sundry Bank
Notes as detailed in the Governor's Declaration
Book; the Vouchers relating thereto having been
examined and Security given to indemnify the
Bank.

Resolved,

Francis Edward
Cannon elected a
House Porter, &c.

That a House Porter and watchman
be chosen in the room of Redmond Jefferies,
dismissed.

Then Francis Edward Cannon, having
been recommended by the Governor was elected a
House Porter and watchman to the Bank during
pleasure, at the wages of £78 a year; the said
Francis Edward Cannon having previously signed
the Declaration approved by the Court of the
28th April 1842.

The Governor
gives notice of a
Resolution in
regard

The Governor gave notice that he would
at the next Court move a Resolution in regard to
that

6th April 1899. that part of the Regulations affecting Discounts
 regards to part of and Advances in the Discount Office which deals
 the Regulations affecting Discounts with Advances on Bills to Bill Brokers, etc.
 and Advances.

Resolved unanimously,

Note of thanks
 to the retiring
 Governor.

That the cordial thanks of this Court be
 given to the Governor, Hugh Colin Smith, Esquire,
 for the ability he has shown in conducting the
 affairs of the Corporation and the unremitting
 attention he has devoted thereto during the period
 in which he has presided over this Court; and
 for the courtesy which has on all occasions marked
 his intercourse with his colleagues.

Mr. Bisset



CONVENTION

RELATIVE

À L'EMPRUNT HELLÉNIQUE GARANTI 2 1/2 P. ‰ OR

DE 1898

AGREEMENT

CONCERNING

THE GREEK GUARANTEED 2 1/2 P. ‰ GOLD LOAN

OF 1898

CONVENTION

passée les trois et quatre mai 1898

Entre :

1. M. D. G. METAXAS, Chargé d'affaires de Grèce dans le Royaume-Uni, d'une part;

Et, d'autre part :

2. Le Gouverneur et la Compagnie de la Banque d'Angleterre, dénommés dans la présente Convention *Banque d'Angleterre*;

3. La Banque Impériale de Russie pour ce qui la concerne et représentant diverses banques russes, savoir : la Banque Russo-Chinoise, la Banque Internationale de Commerce de Saint-Petersbourg, la Banque d'Escompte de Saint-Petersbourg, la Banque Russe pour le Commerce Étranger et la Banque Commerciale de Volga-Kama, dénommées au présent contrat *les Banques Russes* et représentées par S. Exc. Arthur RAFFALOVICH, Conseiller d'État actuel de S. M. l'Empereur de Russie ;

4. Un groupe de banquiers français désignés sur la liste annexée au présent contrat et stipulant chacun pour les sommes indiquées dans ladite annexe, ledit groupe dénommé au contrat *les Banques Françaises*, et représenté par M. le baron Alphonse DE ROTHSCHILD, Commandeur de la Légion d'honneur, Régent de la Banque de France; et M. Eugène GOUIN, Sénateur, Officier de la Légion d'honneur, Président du Conseil d'administration de la Banque de Paris et des Pays-Bas.

AN AGREEMENT

made the third and fourth day of May 1898

Between :

1. M. D. G. METAXAS, Chargé d'affaires of Greece in the United Kingdom, of the first part;

And :

2. The Governor and Company of the Bank of England, in this agreement referred to as the *Bank of England*, of the second part;

3. The Imperial Bank of Russia, for itself and representing the following Banks, that is to say : the Russo-Chinese Bank; the International Bank of Commerce, at Saint Petersburg; the Discount Bank of Saint Petersburg; the Russian Bank for Foreign Trade and the Commercial Bank of Volga Kama, in this agreement referred to as the said *Russian Banks*, of the third part, and represented by H. Exc. Arthur RAFFALOVICH, Actual Councillor of State of H. M. the Emperor of Russia;

4. And a group of French Bankers, named on the list annexed hereto, each of them contracting for himself according to the sum affixed to his name, in this agreement referred to as the said *French Banks*, of the fourth part, and represented by baron Alphonse DE ROTHSCHILD, Commander of the Legion of Honour, Director of the Banque de France, and Eugene GOUIN, Senator, Officer of the Legion of Honour, Chairman of the Council of Administration of the Banque de Paris et des Pays-Bas.

M. D. G. METAXAS, dûment autorisé par le Gouvernement Hellénique à signer un contrat pour réaliser un emprunt de 170,000,000 de francs = 6,800,000 livres sterling = 63,750,000 roubles, devant être employé conformément aux articles 7 et 10 de la loi grecque sur le Contrôle en date du 26 février/10 mars 1898, et aux conditions relatées dans le memorandum joint aux présentes, s'est adressé auxdites Banques d'Angleterre, Banques Russes et Banques Françaises, et les a priées de prendre sur le montant dudit emprunt un capital effectif de 125,000,000 de francs = 5,000,000 livres sterling = 46,875,000 roubles et de l'émettre par souscription publique. Il leur a demandé aussi de se charger de l'administration de cet emprunt, ainsi que du paiement des coupons et du service de l'amortissement.

Lesdites Banques ayant pris, en conséquence, les engagements formulés ci-après,

Il est arrêté et convenu entre les parties ce qui suit :

I. Engagements de la Banque d'Angleterre et des Banques Russes.

1. La Banque d'Angleterre et les Banques Russes souscrivent individuellement et s'engagent à prendre en parts égales £ 3,333,333. 6^s 8^p ou roubles 31,250,000 à réaliser pour le service du Gouvernement Hellénique respectivement sur les places de Londres et de Saint-Pétersbourg, et elles s'engagent à ce que lesdites sommes soient souscrites, prises, offertes et réalisées suivant les termes du memorandum ci-annexé, à un prix à déterminer conformément à l'entente entre les trois Gouvernements garants.

2. La Banque d'Angleterre et les Banques Russes s'engagent à verser ou à faire verser le montant desdites souscriptions aux échéances indiquées dans le memorandum,

M. D. G. METAXAS being duly authorized by the Hellenic Government to sign the contract for the raising of a loan of 170,000,000 francs = 6,800,000 pounds sterling = 63,750,000 roubles, to be employed in accordance with articles 7 and 10 of the Greek Law of Control of the 26th February/10th March 1898, and on the terms expressed in the memorandum of particulars subjoined to these presents, having applied to and requested the said Bank of England, the said Russian Banks and the said French Banks to take of the amount of the said Loan a net capital of frs 125,000,000 = £ 5,000,000 = R. 46,875,000 and to issue the same to public subscription and also to undertake the management of the said loan and the payment of the dividends and the application of the amortization.

The said Banks having in consequence undertaken the engagements hereinafter set forth,

It is contracted and agreed between the parties hereto as follows :

I. Undertakings of the Bank of England and of the Russian Banks.

1. The Bank of England and the Russian Banks hereby severally subscribe for and agree to take in equal shares £3,333,333.6.8 or 31,250,000 roubles proposed to be raised in London and in St Petersburg for the service of the Hellenic Government, and they undertake that the same shall be subscribed for, taken, offered, and raised, on the terms expressed in the memorandum of particulars hereto annexed, at a price to be fixed in accordance with the agreement between the three guaranteeing Governments.

2. The Bank of England and the Russian Banks agree to pay, or to cause to be paid, the deposit and the several instalments of the subscription money in respect of the

sous les conditions et déchéances stipulées dans le même acte.

3. Le montant des sommes à recevoir au compte de l'emprunt sera tenu par la Banque d'Angleterre à Londres et la Banque de Russie à Saint-Petersbourg à la disposition de la Commission Internationale de Contrôle, pour être employé conformément aux articles 7 et 10 de la loi hellénique du 26 février/10 mars 1898.

4. La Banque d'Angleterre à Londres et les Banques russes à Saint-Petersbourg s'engagent à recevoir dans leurs pays respectifs les souscriptions au susdit emprunt ainsi que les versements ultérieurs et à remettre aux souscripteurs les certificats provisoires et les titres définitifs.

La Banque d'Angleterre à Londres et la Banque de Russie à Saint-Petersbourg sont, dans leurs pays respectifs, constituées agents pour l'émission dudit emprunt et chargées du paiement des intérêts, du service de l'amortissement et, en général, de tout ce qui concerne la gestion dudit emprunt.

II. *Engagements des Banques Françaises :*

Attendu qu'il résulte d'un accord intervenu entre le Gouvernement Français et la Banque de France, ainsi que d'une lettre adressée par le Gouverneur de cet établissement à M. le Ministre des Finances, qui a été communiquée par M. le Ministre des Affaires étrangères de France à M. N. Delyanni, ministre de S. M. le Roi des Hellènes en France, et dont copie authentique se trouve annexée au présent contrat, que la Banque de France s'engage :

1. A recevoir en France les souscriptions dudit emprunt et à remettre aux souscripteurs les certificats provisoires et les titres définitifs ;

loan, at the times and subject to the terms, conditions and forfeitures in the said memorandum of particulars contained.

3. The funds to be received on account of the Loan shall be held by the Bank of England in London and the Bank of Russia in Saint Petersburg at the disposal of the International Commission of Control, to be employed in accordance with articles 7 and 10 of the Greek Law of February 26th/March 10th 1898.

4. The Bank of England in London and the Russian Banks in Saint Petersburg will receive in their respective countries the subscriptions for the said Loan and the payments thereof and will issue in their respective countries, Scrip and Bonds to the subscribers for such Loan.

The Bank of England in London and the Bank of Russia in Saint Petersburg are hereby respectively constituted agents in their respective countries for the issue of the said Loan and also for the payment of the dividends thereon and for the redemption and management thereof.

II. *Undertakings of the French Banks :*

Whereas it results from an agreement arrived at between the French Government and the Bank of France, and from a letter addressed by the Governor of that establishment to the Minister of Finance, which letter has been communicated by the French Minister of Foreign Affairs to M. N. Delyanni, Minister of H. M. the King of the Hellenes, in France, and of which an authentic copy is annexed to this present contract, that the Bank of France undertakes :

1. To receive in France, subscriptions to the said loan, and to give to the subscribers provisional scrip certificates and definitive bonds :

2. A conserver le montant des versements reçus et à le tenir à la disposition de la Commission Internationale de Contrôle conformément aux articles 7 et 10 de la loi grecque du 26 février/10 mars 1898;

3. A se charger en France du paiement des intérêts et du service de l'amortissement;

Le tout dans les conditions énoncées aux actes et lettres ci-dessus visés;

Les Banques Françaises s'engagent pour leur part :

1. A garantir la souscription de 41,666,666 fr. 66 à réaliser pour le compte du Gouvernement Hellénique suivant les clauses et conditions du memorandum annexé et à un prix à déterminer conformément à l'entente entre les trois Gouvernements garants;

2. A prendre ou à souscrire la partie de ces 41,666,666 fr. 66, qui n'aurait pas été prise par le public en France, ou la totalité, dans le cas où il n'y aurait aucune souscription.

III. Engagements du Gouvernement Hellénique:

1. Le Gouvernement Hellénique s'engage à créer et à remettre à la Banque d'Angleterre, aux Banques Russes et à la Banque de France, pour être échangés contre les certificats provisoires, les titres définitifs représentant les sommes souscrites, ces remises devant être effectuées au lieu et dans le nombre requis, sans aucun frais pour lesdits établissements ni pour les souscripteurs.

2. Dans le cas où la Banque d'Angleterre, les Banques Russes ou les Banques Françaises ou l'une d'entre elles se trouveraient amenées, en exécution des clauses du présent contrat, à effectuer des versements au lieu et place des souscripteurs en retard,

2. To take charge of the amount of payments received, and to hold the same at the disposal of the International Commission of Control, in conformity with articles 7 and 10 of the Greek Law of February 26th/March 10th 1898.

3. To under take, in France, the payment of interest, and the service of the sinking fund :

All under the conditions established by the acts and letters herein-above cited;

The French Banks undertake on their part :

1. To guarantee the subscription of an effective capital of 41,666,666 fr. 66, to be raised for account of the Hellenic Government, according to the stipulations and conditions of the annexed Memorandum, and at the price which shall be fixed according to the agreement between the three guaranteeing Governments;

2. To take or subscribe such, portion of the 41,666,666 fr. 66 as may not have been taken by the public in France, or, the whole, in case there should not have been any subscription.

III. Undertakings of the Hellenic Government :

The said Hellenic Government agrees to provide and deliver to the Bank of England, the Russian Banks and the Bank of France, to be exchanged against scrip, bonds for the sums subscribed on account of the said Loan, in such amounts and in such places as shall be required, and the same shall be delivered free of charge either to the Banks or to the subscribers.

2. In case the Bank of England, or the Russian, or French Banks, or any or either of them shall be called, in pursuance of the provisions of this contract, to make any payments in place of subscribers in default, there shall be issued to them by

le Gouvernement Hellénique s'engage à leur remettre des titres de l'emprunt pour le montant des sommes qu'elles auraient eu à payer de ce chef, la valeur de ces titres étant décomptée au prix d'émission.

3. Le Gouvernement Hellénique s'engage à allouer et à verser à la Banque d'Angleterre et à la Banque de Russie pour leurs garanties et services relatifs à la souscription de l'emprunt, une commission de $\frac{1}{2}$ p. o/o sur les sommes reçues à Londres et à Saint-Pétersbourg, sauf compte à établir entre la Banque de Russie et les autres Banques Russes.

Il s'engage également à allouer et à verser aux Banques Françaises, sauf compte à établir entre elles et la Banque de France, pour la garantie par elles donnée, et pour leurs services relatifs à l'émission de l'emprunt, une commission de $\frac{1}{2}$ p. o/o sur les sommes reçues à Paris.

4. Le Gouvernement Hellénique s'engage à payer annuellement à la Banque d'Angleterre, à la Banque de Russie et à la Banque de France, en rémunération de leur concours pour le service de l'emprunt, sur le montant total des coupons et des titres amortis qui auront été respectivement payés par elles, une commission de $\frac{1}{8}$ p. o/o.

5. Les sommes nécessaires au paiement des intérêts et au service de l'amortissement seront versées à la Banque d'Angleterre, à la Banque de Russie et à la Banque de France, semestriellement, au plus tard le 17 mars et le 16 septembre (nouveau style), conformément à l'article 25 de la loi grecque du 26 février/10 mars 1898 et aux articles 21, 25 et 26 du Décret royal réglant les conditions de l'émission de l'emprunt.

6. Le Gouvernement Hellénique s'engage

the Hellenic Government, bonds of the Loan for an amount corresponding, at the contract price, with the sums they shall be so called on to pay, be the same more or less.

3. There shall be paid by the said Hellenic Government to the Bank of England and to the Bank of Russia, respectively, in respect of their guarantee and services in and about the issue of the Loan a commission of one half per cent on the amounts received in London and Saint Petersburg, subject to the subsequent settlement of accounts between the Bank of Russia and the other Russian Banks.

There shall also be paid by the said Hellenic Government to the said French Banks, in respect of their guarantee and other services in and about the issue of the Loan, a commission of one half per cent, on the amounts received in Paris, subject to the subsequent settlement of accounts between the said Banks and the Bank of France.

4. There shall be paid annually by the said Hellenic Government to the Bank of England, to the Bank of Russia and to the Bank of France, respectively, in respect of their services in and about the management of the Loan, a commission of one-eighth per cent on the total amount of the coupons and drawn bonds paid by them respectively.

5. The funds for payment of the dividend and the amortization of the principal of the Loan shall be placed in the hands of the Bank of England, of the Bank of Russia and of the Bank of France, on or before the 17th March and the 16th September (new style) half yearly, in manner stipulated in article 25 of the Greek Law of February 26th/March 10th 1898, and in articles 21, 25 and 26 of the Royal Decree determining the terms of the issue of the Loan.

6. All expenses of the issue of the Loan,

à supporter tous les frais d'émission de l'emprunt, y compris la confection des certificats provisoires, titres définitifs et coupons, le timbre des certificats, titres ou coupons, le courtage de $\frac{1}{8}$ p. o/o pour la souscription, la bonification d'escompte aux souscripteurs, l'échange des titres définitifs contre les certificats provisoires, les frais de courtage pour le rachat des titres à amortir au-dessous du pair, les envois d'or, la perte au change et tous autres débours.

Il est expressément stipulé :

a) Que les certificats provisoires émis en France, en Angleterre et en Russie, pourront, au choix de tout souscripteur, être échangés contre des titres définitifs dans l'un quelconque de ces trois Pays, quelle que soit la place où le certificat provisoire aura été émis originairement;

b) Que tous frais supplémentaires résultant de cet échange et provenant soit du droit de timbre sur les certificats provisoires, titres définitifs ou coupons, soit de toute autre cause seront supportés par le Gouvernement Hellénique;

c) Que les frais concernant l'émission, la confection des titres définitifs actuellement émis, ainsi que l'échange des certificats provisoires contre les titres définitifs seront réglés par le Gouvernement Hellénique au plus tard le 1^{er} janvier 1899;

d) Que tous les autres frais seront réglés au fur et à mesure qu'ils auront été exposés et seront remboursés conformément aux dispositions de l'article 25 de la loi grecque du 26 février/10 mars 1898;

e) Que l'escompte bonifié aux souscripteurs qui se libéreront par anticipation sera calculé à raison de $1 \frac{1}{2}$ p. o/o l'an.

including the cost of preparing the scrip certificates, bonds and coupons, and of the stamps either on the bonds, scrip certificates or coupons, of brokerage of one-eighth per cent for the subscription, of discount allowed to subscribers, of exchange of scrip certificates for definitive bonds, of the brokerage for the purchase of bonds below par, for amortization of the Loan, of the transit of gold, of exchange, and all other expenses shall be borne by the said Hellenic Government.

And it is specially provided :

a) That scrip issued to subscribers in France, Great Britain and Russia may, at the option of each subscriber, be exchanged into bonds in either of such countries, without regard to the country in which such scrip was originally issued;

b) And any extra cost consequent on such exchange whether the same shall arise from the stamp duty paid on such scrip, bonds and coupons, or from any other cause, shall be borne by the said Hellenic Government;

c) The expenses which relate to the present issue and the preparation of bonds representing the same, and the exchange of scrip for bonds, shall be paid by the Hellenic Government on or before the 1st day of January 1899;

d) And all other expenses shall be paid as they are established and shall be reimbursed in accordance with chapter VII, article 25 of the Greek Law of February 26th/March 10th 1898;

e) And the discount allowed to subscribers paying in full before the dates fixed, shall be calculated at the rate of one and one half per cent per annum.

Fait

Fait en quadruple expédition
à Paris, le trois mai mil huit cent quatre-vingt-dix-huit.

DE ROTHSCHILD.

Eugène GOUIN.

Le Ministre des Affaires étrangères certifie véritable la signature de MM. DE
ROTHSCHILD et Eugène GOUIN.

Paris, le 3 mai 1898.

Pour le Ministre :

Le Chef de bureau délégué,

H. RAIS.

Fait quadruple à Londres, quatre mai mil huit cent quatre-vingt-dix-huit.

HUGH C. SMITH,

Governor of the Bank of England.

For the State Bank of Russia, the Russo-Chinese Bank, the International Bank of
Commerce, the Discount Bank of Saint Petersburg, the Russian Bank for Foreign
Trade, the Commercial Bank of Volga Kama.

Arthur RAFFALOVICH.

Pour le Gouvernement Hellénique,

D. G. MÉTAXAS.

(Chargé d'affaires de Grèce.)

Je soussigné

Je soussigné Henry DE MERAY, notaire public à Londres par autorité Royale dûment admis et assermenté, certifie et atteste à tous ceux qu'il appartiendra que les signatures « HUGH C. SMITH », « Arthur RAFFALOVICH » et « D. G. MÉTAXAS » qui figurent d'autre part sont bien celles de M. HUGH COLIN SMITH, Gouverneur de la Banque d'Angleterre, de Son Excellence M. Arthur RAFFALOVICH, Conseiller d'État actuel de Sa Majesté l'Empereur de Russie, et de M. Dimitry Georges MÉTAXAS, Chargé d'affaires de Grèce dans le Royaume-Uni et ont été apposées en ma présence et qu'en conséquence toute foi est due auxdites signatures tant en justice que hors. En foi de quoi, je délivre les présentes sous ma signature et mon sceau d'office pour servir et valoir ce que de droit à Londres, le quatre mai mil huit cent quatre-vingt-dix-huit.

Cachet
du Notaire.

*In fide*m : H. DE MERAY.
(Notaire public.)

I hereby certify that I believe the above signature « H. DE MERAY » to be in the true handwriting of Henry DE MERAY Esquire, notary public London.

Whitehall
4 th may 1898.

Charles S. MURDOCH.
(Assistant Under Secretary of State for the Home Department.)

Certified at the Foreign Office for legalization of the foregoing signature.
London May 4 1898.

F. H. VILLIERS.
(Assistant Under Secretary of State for Foreign Affairs.)

MEMORANDUM

RELATANT LES CONDITIONS D'ÉMISSION
DE L'EMPRUNT HELLÉNIQUE GARANTI

2 1/2 P. 0/0 OR DE 1898.

1. L'emprunt sera appelé *Emprunt Hellénique garanti 2 1/2 p. 0/0 or de 1898*.

2. Le capital de l'emprunt s'élèvera à 170,000,000 de francs = 6,800,000 livres sterling = 63,750,000 roubles, et il sera créé la quantité d'obligations nécessaire pour produire ladite somme effective au maximum. Les dépenses matérielles, ainsi que les frais d'émission, de négociation et de commission seront ajoutés au capital effectif.

3. Il sera mis immédiatement en souscription publique la quantité d'obligations nécessaire pour produire une somme nette de 125,000,000 de francs = 5,000,000 de livres sterling = 46,875,000 roubles. Les obligations seront de 2,500 francs = 100 livres sterling = 937.50 roubles; elles seront libellées en français, en anglais, en russe et en grec.

Sur les 45 millions de francs qui restent, une somme de 25 millions de francs sera émise immédiatement en vue d'effectuer le règlement de dettes intérieures, conformément à la loi grecque du 26 février/10 mars 1898; le Gouvernement Hellénique aura le droit d'émettre le solde de 20 millions de francs, au fur et à mesure des besoins intérieurs, la faculté d'émission ne pouvant s'étendre au delà de l'année 1903 et étant subordonnée à l'assentiment de la Commission internationale.

MEMORANDUM

OF CONDITIONS OF ISSUE
OF THE GREEK GUARANTEED

2 1/2 P. 0/0 GOLD LOAN OF 1898.

1. The Loan shall be called the *Greek Guaranteed 2 1/2 p. 0/0 gold Loan of 1898*.

2. The Loan to be for a capital amount of 170,000,000 frs: = £ 6,800,000 = 63,750,000 roubles, and bonds sufficient to produce this net maximum sum are to be provided. The material expenses of issue, of negotiation and of commission will be added to the net capital of the Loan.

3. Bonds will immediately be issued to the public to the amount necessary to produce a net sum of 125,000,000 frs: = £ 5,000,000 = 46,875,000 roubles. The Bonds will be issued in sums of 2,500 frs. = £ 100 = 937.50 roubles. They shall be in the French, English, Russian and Greek languages.

Of the remaining 45,000,000 frs: a sum of 25,000,000 frs: will be issued at once for the settlement of internal debts in accordance with the Greek Law of February 26th/March 10th, and the Hellenic Government will have the right to issue the balance of 20,000,000 frs: as needed to meet internal requirements up to the end of the year 1903, with the sanction of the International Commission.

4. L'intérêt de 2 1/2 p. o/o sera payable semestriellement, par moitié, le 1^{er} avril et le 1^{er} octobre (nouveau style) de chaque année, jusqu'à remboursement du capital. Le premier paiement semestriel sera à l'échéance du 1^{er} octobre 1898.

5. A dater de 1903, le service de l'emprunt sera assuré par une annuité fixe, calculée à raison de 3.60 p. o/o sur le capital nominal, pour couvrir les intérêts et l'amortissement. Pendant les cinq années antérieures à 1903, l'annuité sera de 2.50 p. o/o sur le capital nominal et elle couvrira seulement l'intérêt.

6. L'intérêt et l'amortissement constituent une charge sur les revenus affectés par le Gouvernement Hellénique au service de la dette en or, conformément au chapitre IV, articles 11, 12 et 13 de la loi hellénique du 26 février/10 mars 1898.

La sanction législative de l'emprunt a été donnée par la loi du 21 mars/2 avril 1898.

7. Le paiement régulier de l'annuité indiquée plus haut est garanti par les Gouvernements de France, de la Grande Bretagne et de Russie, collectivement et solidairement, en vertu de la convention signée à Paris le 29 mars 1898.

8. Les dates et la proportion des versements ont été fixées comme suit :

20 p. o/o du capital nominal, à la souscription;
20 p. o/o du capital nominal, le vingt-quatre mai;
20 p. o/o du capital nominal, le huit juin;
20 p. o/o du capital nominal, le cinq juillet;
Le solde du capital souscrit, le cinq août.

Il sera bonifié un escompte calculé à raison de 1 1/2 p. o/o l'an aux souscripteurs qui se libéreront par anticipation.

Les versements successifs ne peuvent être effectués que sur la place où a eu lieu la souscription.

4. The interest to be at 2 1/2 p. o/o payable in equal moities half yearly on the 1st April and the 1st October (new style) until the capital is redeemed. The first payment to become due on the 1st October 1898 (new style).

5. The service of the Loan will, after 1903, be provided for by a fixed annuity calculated at 3.6 p. o/o of the nominal capital to cover interest and amortization. During the five years prior to 1903, the annuity will be 2.5 p. o/o on the nominal capital, covering interest only.

6. The interest and amortization are made a charge on the revenues of the Hellenic Government assigned to the service of the Gold Loans under Chapter IV, articles 11, 12 and 13 of the Greek Law of February 26th/ March 10th 1898.

Legislative sanction to the Loan has been obtained under the Greek Law of March 21st/ April 2nd 1898.

7. The due and regular payment of the above mentioned annuity is guaranteed by the Governments of France, Great Britain and Russia, jointly and severally under the terms of the Convention signed at Paris on the 29th March 1898.

8. The dates of payment and the proportion of the contributions to be paid are as follows :

20 p. o/o of the nominal capital on application.
20 p. o/o of the nominal capital, the twenty-fourth May.
20 p. o/o of the nominal capital, the eighth June.
20 p. o/o of the nominal capital, the fifth July.
Balance of subscribed capital, the fifth August.

Discount will be allowed on payments made in advance at the rate of 1 1/2 p. o/o a year.

The payments of successive instalments can be made only where the application hastak end lace.

9. Les versements des souscripteurs auront lieu : en France, à la Banque de France; en Angleterre, à la Banque d'Angleterre; en Russie, aux Banques Russes. Ces banques délivreront aux souscripteurs des certificats provisoires, avec un coupon au 1^{er} octobre 1898 (nouveau style), lesquels certificats pourront être échangés sans frais contre des titres définitifs avec coupons semestriels, dont le premier sera en date du 1^{er} avril 1899 (nouveau style). Les titres définitifs seront dûment signés par un représentant du Gouvernement Hellénique. Le renouvellement des feuilles de coupons sera opéré sans frais pour le porteur par le Gouvernement Hellénique.

10. Les intérêts échus seront payés : à Paris, par la Banque de France; à Londres, par la Banque d'Angleterre; à Saint-Petersbourg, par la Banque Impériale de Russie; à Athènes, par la Banque Nationale de Grèce, conformément à l'article 22 du Décret royal.

11. L'amortissement de l'emprunt s'effectuera avec le concours de la Commission Internationale, au pair, par voie de tirage, ou, si le cours était inférieur au pair, au moyen de rachats sur le marché.

Les tirages seront semestriels; ils auront lieu le 1^{er} janvier et le 1^{er} juillet (nouveau style) de chaque année.

Le premier tirage aura lieu le 1^{er} janvier 1903 (nouveau style).

Les obligations sorties aux tirages seront remboursées à l'échéance du premier coupon qui suivra le tirage. Le remboursement aura lieu contre remise du titre muni de tous les coupons à échoir après le terme fixé pour le remboursement. Le montant des coupons manquants sera déduit du capital à rembourser.

9. All such payments are to be made to the Banque de France in respect of subscriptions in France, to the Bank of England in respect of subscriptions in Great Britain and to the Russian Banks in respect of subscriptions in Russia, and scrip receipts carrying an interest coupon for 1st October 1898 (new style) will be delivered by the respective Banks to the subscribers to be exchanged free of charge against bonds with coupons for interest payable on the 1st April 1899 (new style) and succeeding half years; such bonds being legalized by the signature of a representative of the Hellenic Government. As the coupons attached to the bonds are from time to time exhausted, the Hellenic Government will supply fresh coupons free of cost to take their place.

10. The interest as it becomes due will be paid in France at the Banque de France, in Great Britain at the Bank of England, in Russia at the Imperial Bank of Russia, and at Athens at the Banque Nationale de Grèce, in accordance with the provisions of article 22 of the Royal Decree.

11. The amortization of the Loan will be effected by the International Commission of Control, either by drawings at par, or if the price is below par, by purchases in the market.

The drawings will be made half-yearly, on January 1st and July 1st (new style) of each year.

The first drawing will take place on January 1st 1903 (new style).

Drawn bonds will be paid on the date when the next coupon becomes payable, after the drawing. Payment will be made on the presentation of the bond with all coupons falling due after the date of payment, attached. The amount of any missing coupons will be deducted from the sums to be paid.

Les numéros des obligations sorties aux tirages ou rachetées au-dessous du pair seront publiés dans le *Journal officiel* de Grèce, dans deux journaux de Paris, deux de Londres et deux de Saint-Petersbourg. Chaque publication rappellera les numéros des obligations sorties aux tirages précédents qui n'auraient pas encore été présentées au remboursement.

L'annulation des titres amortis s'effectuera sous le contrôle de la Commission Internationale, conformément à l'article 25 de la loi grecque du 26 février/10 mars 1898.

12. Les obligations amorties seront annulées et délivrées à un représentant dûment autorisé du Gouvernement Hellénique; les coupons payés seront annulés; ils resteront à la disposition du Gouvernement Hellénique dans les banques chargées du service de l'emprunt, qui ne seront pas tenues de les conserver pendant plus de dix ans.

13. Les obligations seront au porteur; elles pourront être représentées par des certificats nominatifs, conformément à un Règlement qui sera élaboré par le Gouvernement Hellénique, de concert avec la Commission Internationale.

Des dispositions seront prises pour la transformation des obligations en *inscribed stock* à la Banque d'Angleterre chargée d'en payer les intérêts.

14. En cas de retard dans l'un quelconque des versements successifs, le débiteur sera déchu de son droit, et il sera procédé à la vente des obligations représentées par son certificat pour le recouvrement de la somme due. Le reliquat, s'il y a lieu, sera mis à sa disposition.

15. Le capital et les intérêts de cet emprunt demeurent à jamais affranchis de tout impôt hellénique, conformément à l'article 27 de la loi hellénique du 26 février/10 mars 1898.

The numbers of all bonds drawn or bought below par, will be published in the *Journal officiel* in Greece, and in two daily papers in Paris, in two in London, and in two in St Petersburg. Each publication shall give the numbers of bonds drawn on previous occasions but not presented for payment.

The cancelling of drawn bonds will be carried out under the supervision of the International Commission in conformity with article 25 of the Greek Law of February 26th/March 10th 1898.

12. The bonds which may be redeemed by amortization shall be cancelled and delivered to the duly appointed representative of the Hellenic Government and the coupons paid will be cancelled and will remain with the Banks charged with the service of the loan, for not more than ten years; but the same shall be at the disposal of the said Government.

13. The bonds will be to bearer with a right to the holders thereof to exchange the same for nominative certificates, according to a regulation which will be drawn up by the Hellenic Government and sanctioned by the International Commission.

Provision will be made for the exchange of the bonds for inscribed stock at the Bank of England and by whom the dividend will be paid.

14. In case of failure of payment of any instalment at the time appointed for that purpose the defaulter will forfeit his right and the bonds represented by his scrip will be sold for the recovery of the sum due. The balance, if any, will be placed at his disposal.

15. The bonds and coupons of this Loan will at all times now and hereafter be exempt from taxation in Greece, in conformity with article 27 of the Greek Law of February 26th/March 10th 1898.

16. Il ne pourra être procédé au remboursement total ou à la conversion de l'emprunt garanti or avant le 1^{er} avril 1918 (nouveau style). L'amortissement est réglé par les articles 20 et 21 du Décret royal. Après le 1^{er} avril 1918, le Gouvernement Hellénique, avec l'assentiment de la France, de la Grande-Bretagne et de la Russie, aura le droit d'effectuer la conversion de l'emprunt. Il sera tenu d'exercer cette faculté sur la demande collective des trois Puissances qui s'entendront sur les circonstances dans lesquelles cette demande devra être faite.

17. Les coupons échus et les titres amortis sont payables à Paris, Londres, Saint-Pétersbourg ou Athènes : à Paris, en francs ; à Londres, en livres sterling ; à Saint-Pétersbourg, en roubles à la parité fixe indiquée plus bas ; à Athènes, en drachmes, au change du jour sur Paris.

18. Les taux de change adoptés pour toutes les opérations relatives à l'emprunt ont été établis comme suit respectivement pour Paris, Londres et Saint-Pétersbourg : 2,500 francs = 100 livres sterling = 937.50 roubles.

19. Les intérêts de l'Emprunt or garanti 2 1/2 p. o/o se prescriront par cinq ans.

Le remboursement des titres sortis aux tirages se prescrira par trente ans.

20. Le prix d'émission de l'emprunt sera fixé conformément à l'entente entre les Trois Gouvernements.

16. No redemption other than that set out before will be effected up to the date 1st April 1918 (new style). After that date the Hellenic Government with the consent of France, Great Britain and Russia will have the right to effect the conversion of the Loan. The said Hellenic Government will be bound to exercise this power at the collective request of the three guaranteeing Powers who will come to an agreement as to the circumstances under which this request is to be made.

17. The holder of a drawn bond, or a due coupon, may present his coupon or bond in Paris, London, Saint Petersburg, or Athens for payment. In France the payment will be made and received in francs, in London in pounds sterling, in Russia in roubles, at the rates of exchange hereinafter mentioned; payment will be made in Athens in drachmas, at the exchange of the day on Paris.

18. The rates of exchange for all operations in connection with this Loan are established for Paris, London and Saint Petersburg, respectively, as follows: 2,500 frs. : = £ 100 = 937.50 roubles.

19. Coupons will not be payable after the lapse of five years from the date when the same fell due.

Drawn bonds will cease to be payable after the lapse of thirty years from the date at which they should have been presented for payment.

20. The price of the issue of the Loan will be fixed in accordance with the agreement between the three guaranteeing Governments.

ANNEXES.

- | | |
|--|---|
| I. Engagement des Banques Russes. | I. Undertaking of the Russian Banks. |
| II. Engagement des Banques Françaises. | II. Undertaking of the French Banks. |
| III. Lettres échangées entre le Gouverneur de la Banque de France et le Ministre des Finances de France.
<i>1° Lettre du Gouverneur de la Banque de France;</i>
<i>2° Lettre du Ministre des Finances de France.</i> | III. Letters exchanged between the Governor of the Bank of France and the French Minister of Finance.
<i>1° Letter from the Governor of the Bank of France;</i>
<i>2° Letter from the French Minister of Finance.</i> |
| IV. Protocole de la séance tenue à Paris, le 29 avril 1898, par la Commission Internationale, relativement aux conditions des paiements à effectuer par les Banques chargées de l'émission. | IV. Protocol of the meeting of the International Commission held in Paris, April 29 th 1898, relating to the conditions of payments to be made by the Banks charged with the issue of the Loan. |

ANNEXE N° I.

ENGAGEMENTS DES BANQUES RUSSES.

1. Banque de l'État. . . 2/21 (deux vingt et unièmes).
2. Banque Russo-Chinoise. 1/21 (un vingt et unième).
3. Banque Internationale de Commerce 1/21 (un vingt et unième).
4. Banque russe pour le Commerce étranger. 1/21 (un vingt et unième).
5. Banque d'Escompte. 1/21 (un vingt et unième).
6. Banque de Commerce du Volga Kama. 1/21 (un vingt et unième)

de l'Emprunt Hellénique garanti 2 1/2 0/0 or de 1898.

Pouvoirs donnés par chacune de ces Banques à M. Arthur Raffalovich et complétés par un télégramme de Saint-Petersbourg, 24 avril 1898.

ANNEX N° I.

UNDERTAKINGS OF THE RUSSIAN BANKS.

1. Bank of State. 2/21 (two twenty-oneth).
2. Russo Chinese Bank. . . 1/21 (one twenty-oneth).
3. International Bank of Commerce. 1/21 (one twenty-oneth).
4. Russian Bank for Foreign Trade. 1/21 (one twenty-oneth).
5. Discount Bank 1/21 (one twenty-oneth).
6. Commercial Bank of Volga Kama. 1/21 (one twenty-oneth)

of the Greek Guaranteed 2 1/2 0/0 gold Loan of 1898.

Full powers given by each of these Banks to Mr Arthur Raffalovich and completed by a telegram of Saint Petersburg, April 24th 1898.

Saint-Petersbourg, 26 mars/7 avril 1898.

La Banque de l'État de Saint-Petersbourg charge et autorise par la présente M. Arthur RAFFALOVICH, Conseiller d'État actuel, Agent du Ministère des Finances de Russie à Paris, de signer, au nom de la Banque et sous sa responsabilité, le contrat relatif au syndicat de garantie à constituer pour l'émission de l'Emprunt grec garanti par les Gouvernements de la Russie, de l'Angleterre et de la France et destiné au règlement de l'indemnité de guerre de Turquie ainsi que des arriérés d'intérêts de la Grèce, et cela jusqu'à concurrence de deux vingt et unièmes (2/21) d'un montant total de cent soixante-dix millions de francs (170,000,000 fr.), valeur nominale dont deux tiers environ sont à émettre en ce moment. De même, M. RAFFALOVICH est autorisé à entrer dans tous les arrangements concernant l'émission dudit Emprunt.

Le Gouverneur,

Ed. PLESKE.

Le Chef du Cabinet,

J. NAZIMOFF.

Cachet de la Banque de l'État.

Cachet du Ministère des Affaires étrangères.

N° 44. Vu pour légalisation de la signature au deuxième département du Ministère Impérial des Affaires étrangères.

Saint-Petersbourg, le 26 mars/7 avril 1898.

Le Vice-Directeur,

S. GORAÏNOF.

Saint-Petersbourg, 26 mars/7 avril 1898.

La Banque Russo-Chinoise charge et autorise par la présente S. E. Monsieur Arthur RAFFALOVICH, Conseiller d'État actuel, Agent du Ministère des Finances de Russie à Paris, à signer au nom de la Banque Russo-Chinoise et sous sa responsabilité, le contrat relatif au syndicat de garantie à constituer pour l'émission de l'emprunt grec garanti par les Gouvernements de Russie, d'Angleterre et de France et destiné au règlement de l'indemnité de guerre de la Turquie ainsi que des arriérés d'intérêts de la dette grecque et des déficits budgétaires de la Grèce, et cela jusqu'à concurrence d'un vingt et unième (1/21) d'un montant total de cent soixante-dix millions de francs valeur nominale, dont deux tiers environ sont à émettre en ce moment. De même S. E. Monsieur Arthur RAFFALOVICH est autorisé à entrer dans tous les arrangements concernant l'émission dudit emprunt.

L'Administration de la Banque Russo-Chinoise,
Prince OUKHTOMSKY. ROTHSTEIN.

Cachet
de la Banque Russo-Chinoise.

Je soussigné, François Holm, notaire Impérial public et juré pour les affaires étrangères et celles de la Bourse à Saint-Petersbourg, certifie véritables les signatures apposées d'autre part de Messieurs le Prince Oukhtomsky et Rothstein, membres de l'administration de la Banque Russo-Chinoise, société par actions, ayant son siège à Saint-Petersbourg, quai Anglais, n° 6, lesquels Messieurs Prince Oukhtomsky et Rothstein, élus membres de ladite administration par délibération de la première assemblée générale des actionnaires en date du 9 janvier 1896, sont autorisés, aux termes de la remarque au paragraphe 35 des statuts de cette Banque, à conférer et signer la procuration qui précède.

N° 193.

Saint-Petersbourg, le 26 mars 1898.

En foi de quoi..

Cachet.
François HOLM,
Notaire public,
Saint-Petersbourg.

Signé : François HOLM.
(Notaire de la Bourse.)

I hereby certify the above to be the true signature of François HOLM, notary public of this city.
Saint Petersburg, this 8th day of April 1898.

John MICHELL,
H. M. Consul général.

5 -
Consular Service.
Cachet.

Saint-Petersbourg,
Quittance n° 192,
date 8/4 1898, art 171,
12 francs, perçu.

Ambassade de France.

Vu pour légalisation de la signature de M^e François HOLM, notaire public, apposée ci-contre.

Saint-Petersbourg, le 8 avril 1898.

Pour l'Ambassadeur,

Pour le Consul chargé de la Chancellerie de l'Ambassade de France,

L' E. Chancelier,

(Illisible).

Cachet.
Chancellerie de l'Ambassade de France, Saint-Petersbourg.

Saint-Pétersbourg, 26 mars/7 avril 1898.

La Banque Internationale de Commerce, à Saint-Pétersbourg, charge et autorise par la présente S. E. M. Arthur RAFFALOVICH, Conseiller d'État actuel, Agent du Ministère des Finances de Russie à Paris, de signer au nom de la Banque Internationale de Commerce à Saint-Pétersbourg et sous sa responsabilité.
(comme dans le pouvoir de la Banque Russo-Chinoise.)

L'Administration de la Banque Internationale de Commerce, à Saint-Pétersbourg,

Signé : N. ANZIFOROFF, ROTHSTEIN, A. KOCH.

(Signatures certifiées par M. François HOLM, notaire.)

Saint-Pétersbourg, 26 mars/7 avril 1898.

La Banque Russe pour le Commerce étranger charge et autorise par la présente M. le Conseiller d'État actuel, Agent du Ministère des Finances impériales de Russie, S. E. Arthur Hermanovich DE RAFFALOVICH de signer au nom de la Banque.
(comme dans le pouvoir de la Banque Russo-Chinoise.)

Conseil d'administration de la Banque Russe pour le Commerce étranger,

A. RAFFALOVICH, KOESTLIN, A. POMMER.

(Signatures certifiées conformes par M. François HOLM, notaire.)

Saint-Pétersbourg, 26 mars/7 avril 1898.

La Banque d'Escompte de Saint-Pétersbourg charge et autorise par la présente M. Arthur RAFFALOVICH, Conseiller d'État actuel, Agent du Ministère des Finances à Paris, de signer au nom de la Banque et sous sa responsabilité.
(comme dans le pouvoir de la Banque Russo-Chinoise.)

Banque d'Escompte de Saint-Pétersbourg,

Signé : D. PETROCOCHINO. J. RAMSEYER.

(Signatures certifiées par M. François HOLM, notaire.)

Saint-Pétersbourg, 26 mars/7 avril 1898.

La Banque de Commerce de Volga Kama charge et autorise, par la présente, M. Arthur RAFFALOVICH, Conseiller d'État actuel, etc.
(comme dans le pouvoir de la Banque Russo-Chinoise.)

Banque de Commerce de Volga Kama,

L'Administrateur et Directeur,

A. MOUCHINE.

Signature certifiée par KONRAD A. GOETZ, notaire public à Saint-Pétersbourg, dont la signature est légalisée à l'Ambassade de France.

Saint-Petersbourg, 24 avril 1898.

(Télégramme adressé : Paris, 19, avenue Hoche. Excellence RAFFALOVICH.)

Les Banques soussignées complètent, par la présente, les pleins pouvoirs donnés à M. Arthur RAFFALOVICH, Conseiller d'État actuel, Agent du Ministère des finances de Russie à Paris, pour signer, en leur nom et dans les proportions indiquées, un contrat avec le Gouvernement Hellénique, relatif à l'émission d'un emprunt or 2 1/2 p. 0/0 garanti par les Gouvernements de la Russie, de l'Angleterre et de la France en constatant que le montant de cet emprunt peut être fixé à cent soixante-dix millions de francs (170,000,000 fr.) effectifs, dont cent vingt-cinq millions de francs (125,000,000 fr.) effectifs sont à émettre actuellement par souscription publique, et en autorisant M. Raffalovich de signer en leur nom les engagements y relatifs.

Pour la Banque de l'État,
Édouard DE PLESKE, *Gouverneur.*

Pour la Banque de Volga Kama,
Alex. MOUCHINE.

Pour la Banque Internationale de Commerce de Saint-Petersbourg,
WEBER PFEIFFER.

Pour la Banque d'Escompte de Saint-Petersbourg,
Jules RAMSEYER. Émile RAMSEYER.

Pour la Banque Russe pour le Commerce étranger,
A. RAFFALOVICH. André POMMER.

Pour la Banque Russo-Chinoise,
WEBER PFEIFFER.

(Signatures légalisées par Bureau télégraphique.)

ANNEXE N° II.

ENGAGEMENT DES BANQUES FRANÇAISES.

Les banquiers et établissements de crédit soussignés s'engagent à garantir la souscription qui sera ouverte à Paris par la Banque de France pour l'émission de la portion réservée à la France de l'emprunt grec 2 1/2 p. o/o or garanti solidairement par la France, la Russie et l'Angleterre, et comprenant la quantité de titres nécessaire pour produire une somme effective de 41,600,000 francs environ.

Cet engagement est pris par chacun d'eux jusqu'à concurrence du chiffre maximum indiqué ci-après, savoir :

MM. de Rothschild frères	8,000,000 ^f
Banque de Paris et des Pays Bas	4,000,000
Comptoir National d'Escompte de Paris	4,000,000
Crédit Lyonnais	4,000,000
Société générale pour favoriser le développement du Commerce et de l'Industrie en France . .	4,000,000
Hottinguer et C ^{ie}	2,000,000
A.-J. Stern et C ^{ie}	2,000,000
Banque Internationale de Paris .	2,000,000
Société Générale de Crédit Industriel et Commercial	2,000,000
Demachy et F. Seillière	1,000,000
C. Goguel et C ^{ie}	1,000,000
Heine et C ^{ie}	1,000,000
Mallet frères et C ^{ie}	1,000,000
de Neuflyze et C ^{ie}	1,000,000
Vernes et C ^{ie}	1,000,000
L. et R. Cahen d'Anvers et C ^{ie} .	500,000
Mirabaud Puérari et C ^{ie}	500,000
E. N. Raphaël et C ^{ie}	500,000

ANNEX N° II.

UNDERTAKING OF THE FRENCH BANKS.

The undersigned Bankers and Financial Establishments undertake to guarantee the subscription which will be opened in Paris by the Bank of France, of the portion reserved to France of the Greek Guaranteed 2 1/2 p. o/o gold Loan, which has been jointly guaranteed by the Governments of France, Russia and Great Britain, and of which the number of bonds to be immediately issued shall be sufficient to produce a net sum of approximately 41,600,000 francs.

This undertaking is given by each of the undersigned up to the limit of the sums hereinafter mentioned, namely :

MM. de Rothschild frères	8,000,000
Banque de Paris et des Pays Bas	4,000,000
Comptoir National d'Escompte de Paris	4,000,000 ^f
Crédit Lyonnais	4,000,000
Société générale pour favoriser le développement du Commerce et de l'Industrie en France . .	4,000,000
Hottinguer et C ^{ie}	2,000,000
A.-J. Stern et C ^{ie}	2,000,000
Banque internationale de Paris .	2,000,000
Société générale de Crédit Industriel et Commercial	2,000,000
Demachy et F. Seillière	1,000,000
C. Goguel et C ^{ie}	1,000,000
Heine et C ^{ie}	1,000,000
Mallet frères et C ^{ie}	1,000,000
de Neuflyze et C ^{ie}	1,000,000
Vernes et C ^{ie}	1,000,000
L. et R. Cahen d'Anvers et C ^{ie} .	500,000
Mirabaud Puérari et C ^{ie}	500,000
E. N. Raphaël et C ^{ie}	500,000

Banque Française de l'Afrique du Sud.....	500,000 ^f
Banque Parisienne.....	500,000
Société Marseillaise de Crédit Industriel et Commercial et de Dépôts.....	500,000
Davillier.....	250,000
Crédit Algérien.....	350,000
TOTAL.....	<u>41,600,000^f</u>

Banque Française de l'Afrique du Sud.....	500,000 ^f
Banque Parisienne.....	500,000
Société Marseillaise de Crédit Industriel et Commercial et de Dépôts.....	500,000
Davillier.....	250,000
Crédit Algérien.....	350,000
TOTAL.....	<u>41,600,000^f</u>

En conséquence, ils donnent pouvoir à MM. :

Le baron Alphonse DE ROTHSCHILD, Commandeur de la Légion d'honneur, Régent de la Banque de France;

Eugène GOUIN, Sénateur, Officier de la Légion d'honneur, Président du Conseil d'administration de la Banque de Paris et des Pays-Bas,

De signer, pour leur compte, le contrat à intervenir avec M. D. G. METAXAS, Chargé d'Affaires de Grèce en Grande-Bretagne, au sujet dudit emprunt, s'engageant à accomplir, chacun en ce qui le concerne, les obligations qui en découlent.

Paris, le 2 mai 1898.

(*Suivent les signatures.*)

They therefore give full powers to the Baron Alphonse DE ROTHSCHILD, Commander of the Legion of Honour, Director of the Banque de France, and Eugène GOUIN, Senator, Officer of the Legion of Honour, Chairman of the Council of Administration of the Banque de Paris et des Pays-Bas, to sign for their account the contract concerning this Loan to be made with M. D. G. METAXAS, Chargé d'Affaires of Greece in the United Kingdom, each undertaking in so far as he is concerned, the fulfilment of the obligations resulting therefrom.

Paris, May 2nd 1898.

(*Here follow the signatures.*)

ANNEXE N° III.

ANNEX N° III.

LETTRES ÉCHANGÉES ENTRE LE GOUVERNEUR DE
LA BANQUE DE FRANCE ET LE MINISTRE DES
FINANCES DE FRANCE.

LETTERS EXCHANGED BETWEEN THE GOVERNOR
OF THE BANK OF FRANCE AND THE FRENCH
MINISTER OF FINANCE.

*1^o Lettre du Gouverneur de la Banque de
France.*

*1^o Letter from the Governor of the Bank
of France.*

Paris, le 28 avril 1898.

LE GOUVERNEUR DE LA BANQUE DE FRANCE

à Monsieur le Ministre des Finances.

MONSIEUR LE MINISTRE,

Par votre lettre en date du 13 avril courant, vous avez bien voulu me faire savoir que le Gouvernement attacherait un intérêt considérable à ce que la Banque lui prêtât son concours pour l'émission et le service de l'emprunt que doit contracter le Gouvernement Hellénique, sous la garantie conjointe et solidaire de l'Angleterre, de la Russie et de la France.

Pour permettre à la Banque de se rendre compte de la nature et de la portée des obligations qu'elle serait appelée à contracter, vous avez joint à votre lettre :

a) Un exemplaire du projet de loi adopté par la Chambre des députés et par le Sénat, à l'effet d'approuver la convention de garantie conclue le 29 mars entre les trois Puissances. Ledit projet contenant en annexes la loi votée par le Parlement Hellénique pour approuver le principe de l'emprunt, et la loi du 26 février/10 mars 1898, portant organisation du Contrôle international;

b) Le projet de décret réglant les conditions de l'emprunt;

c) Le recueil diplomatique contenant les travaux de la Commission internationale, instituée à Athènes, en vue de préparer les bases de l'arrangement financier à conclure avec la Grèce.

J'ai placé ces documents sous les yeux du Conseil général en lui faisant part de la demande que vous m'avez fait l'honneur de m'adresser, et je m'empresse de vous informer que, dans sa séance de ce jour, il a décidé de prêter son concours à l'opération financière dont il s'agit, dans les conditions et dans les limites précisées par votre lettre, et que je me permets de rappeler comme il suit :

1^o La Banque se chargera du soin de recueillir les souscriptions et ouvrira à cet effet les guichets de son siège principal et de ses succursales, étant bien entendu qu'elle se

bornera à l'office de caissier, et n'aura à supporter aucune des dépenses relatives à l'emprunt, ni à s'occuper en particulier des frais de publicité.

Pour se rémunérer de l'ouverture de ses guichets, elle aura droit à une commission de $\frac{1}{16}$ p. o/o des sommes encaissées à prélever sur la commission de $\frac{1}{2}$ p. o/o accordée en bloc aux établissements qui ont garanti l'émission;

2° Conformément aux articles 7 et 10 de la loi sur le Contrôle International, elle tiendra intégralement le produit de l'emprunt à la disposition de la Commission Internationale, et lui ouvrira, à cet effet, un compte dans ses écritures;

3° Elle se chargera du service ultérieur de l'emprunt et effectuera le paiement des coupons, et le remboursement des titres sortis aux tirages, moyennant la commission de $\frac{1}{8}$ p. o/o fixée par l'article 22 du projet de Décret Royal mais sous la réserve expresse que les versements prévus pour assurer le service de l'annuité nécessaire au paiement de l'intérêt et de l'amortissement de l'emprunt par les articles 21 et 25 du projet de Décret Royal auront été en temps utile effectués entre ses mains, ou que, le cas échéant, le Trésor français aura assuré le versement préalable des sommes nécessaires pour compléter cette provision de service;

4° Conformément aux articles 3 et 4 du projet de Décret, elle acceptera à ses caisses le dépôt des obligations destinées à couvrir les Banques d'émission de leurs avances en or et se chargera de conserver les planches servant à l'impression des titres et ne se dessaisira de l'un et de l'autre de ces dépôts que sur l'avis conforme de la Commission internationale.

En raison, d'une part, du caractère particulier du dépôt des obligations dont il vient d'être parlé et dont elle n'aura pas à encaisser les coupons, et pour témoigner, d'autre part, du désir qu'elle a de répondre à vos intentions, la Banque consent à ne prélever que la moitié de son droit de garde habituel, et elle ne prélèvera aucun droit pour la conservation matérielle des planches;

5° L'emprunt étant garanti par l'État français, la Banque admettra les titres au bénéfice des avances, au taux ordinaire et à la quotité de 75 p. o/o;

6° En ce qui concerne la question de la délivrance de certificats nominatifs, en échange des obligations au porteur dont le dépôt aurait été effectué à la Banque, l'article 6 du projet de Décret Royal communiqué prévoyant qu'un règlement ultérieur sur la matière sera élaboré en commun par la Commission internationale et par le Gouvernement Hellénique, le Conseil général est d'avis d'attendre la communication de ce document, pour faire une réponse utile à la proposition qui lui a été soumise à ce sujet.

Je me félicite, Monsieur le Ministre, d'avoir pu entrer dans les vues du Gouvernement à l'occasion d'une opération financière dont la Banque apprécie toute l'importance politique, et je vous serais reconnaissant de vouloir bien me confirmer notre accord sur les différents points qui font l'objet de cette lettre.

Veillez agréer, Monsieur le Ministre, l'hommage de ma haute considération.

Signé : G. PALLAIN.

2^e Lettre du Ministre des Finances de
France.

2^o Letter from the French Minister of
Finance.

Paris, le 29 avril 1898.

MONSIEUR LE GOUVERNEUR,

J'ai l'honneur de vous accuser réception de la lettre, en date du 28 avril courant, par laquelle vous me faites connaître que le Conseil général de la Banque de France a décidé de prêter le concours de la Banque à l'émission et au service de l'emprunt hellénique dans les conditions et dans les limites précisées par ma lettre du 13 avril.

Je suis heureux de constater notre accord sur les différents points visés dans votre communication et je remercie la Banque de France de son empressement à seconder, en cette circonstance, les vues du Gouvernement.

Agrérez, Monsieur le Gouverneur, l'assurance de ma haute considération.

Le Ministre des Finances,

Signé : Georges COCHERY.

Pour copie certifiée conforme des deux lettres ci-dessus,

Le Directeur du Mouvement général des fonds,

R. DE TREGOMAIN.

Le Ministre des Affaires étrangères certifie véritable la signature de M. R. DE TREGOMAIN.

Paris, le 3 mai 1898.

Pour le Ministre,

Le Chef de bureau délégué,

H. RAIS.

ANNEXE IV.

PROTOCOLE DE LA SÉANCE TENUE À PARIS, LE 29 AVRIL 1898, PAR LA COMMISSION INTERNATIONALE, RELATIVEMENT AUX CONDITIONS DES PAYEMENTS À EFFECTUER PAR LES BANQUES CHARGÉES DE L'ÉMISSION.

La Commission Internationale examine les conditions dans lesquelles les sommes provenant de l'emprunt à réaliser et qui seront déposées à la Banque de France, à la Banque d'Angleterre et à la Banque de Russie devront être employées aux paiements à faire à la Turquie.

Elle estime qu'il y a lieu d'adopter, en ce qui concerne le premier acompte, le procédé suivant :

Après avis donné par le Gouvernement Hellénique au Gouvernement Ottoman et à la Commission Internationale, le Président de la Commission communiquera aux Légations de France, de Grande-Bretagne et de Russie, la copie certifiée conforme d'un protocole l'autorisant à donner aux Banques susnommées les instructions nécessaires et mentionnant le montant des sommes à payer, ainsi que la date et le lieu des versements. Ce protocole sera transmis télégraphiquement par les soins de chacune de ces Légations aux Banques de leurs pays respectifs, qui devront se conformer aux instructions données.

Les susdites Banques retireront du Gouvernement Ottoman une quittance des sommes payées en triple expédition. Elles conserveront une de ces expéditions et adresseront les deux autres, contre reçu,

ANNEX IV.

PROTOCOL OF THE MEETING OF THE INTERNATIONAL COMMISSION HELD IN PARIS, APRIL 29th 1898, RELATING TO THE CONDITIONS OF PAYMENTS TO BE MADE BY THE BANKS CHARGED WITH THE ISSUE OF THE LOAN.

The International Commission examines the conditions under which the sums realised by the Loan to be raised, and which will be deposited in the Banque de France, in the Bank of England and in the Bank of Russia, are to be employed for the payments to be made to Turkey.

The Commission considers that as regards the first payment, the following procedure should be adopted.

After due notice given by the Hellenic Government to the Ottoman Government and to the International Commission, the President of the said Commission will communicate to the Legations of France, of Great Britain and of Russia, a certified copy of a protocol authorizing him to give the necessary instructions to the above named Banks and mentioning the amount of the sums to be paid as well as the date and place of payment. This protocol will be communicated by telegraph, by each of the Legations named, to the Banks of their respective countries, who shall conform to the instructions given.

The above mentioned Banks will obtain from the Ottoman Government a receipt in triplicate for the sums paid. They will keep one copy thereof and will deliver the other two, against receipt, to the Internatio-

à la Commission Internationale, qui conservera l'une et transmettra l'autre, contre reçu, au Gouvernement Hellénique.

Pour les ordres de paiement ultérieurs, le Président de la Commission, dûment accrédité et autorisé par elle, s'adressera directement aux Banques dépositaires des fonds.

Pour les paiements à faire au Gouvernement Ottoman, les Banques se conformeront aux procédés indiqués ci-dessus.

Communication du présent protocole sera donnée aux Banques ainsi qu'au Gouvernement Hellénique.

nal Commission, which will keep one and will deliver the other, against receipt, to the Hellenic Government.

For subsequent orders for payment, the President of the Commission, duly authorized and accredited by the same, will address himself directly to the Banks, with whom the funds are deposited.

For the payments to be made to the Ottoman Government, the Banks shall conform to the procedure above indicated.

The present protocol shall be communicated to the Banks and also to the Hellenic Government.

Signé : TESTA.

SUZZARA.

DUBOIS DE L'ESTANG.

E. F. G. LAW.

L. BODIO.

RAFFALOVICH.

Signed : TESTA.

SUZZARA.

DUBOIS DE L'ESTANG.

E. F. G. LAW.

L. BODIO.

RAFFALOVICH.

DOCUMENTS JOINTS.

I. DÉCRET ROYAL rendu en Conseil des Ministres à Athènes,
le 22 avril/4 mai 1898, après approbation par les six
Puissances médiatrices.

II. PROTOCOLE de la séance tenue à Londres, le 5 mai 1898,
par les délégués des trois Gouvernements garants, à la
fin de fixer le prix d'émission de l'emprunt.

EMPRUNT HELLÉNIQUE 2 1/2 P. % OR

GARANTI PAR LA FRANCE,

LA GRANDE-BRETAGNE ET LA RUSSIE.

DÉCRET ROYAL

RENDU EN CONSEIL DES MINISTRES

LE 22 AVRIL/4 MAI 1898

APRÈS APPROBATION PAR LES SIX PUISSANCES MÉDIATRICES.

Vu les dispositions ci-après de la loi sur le Contrôle en date du 26 février/10 mars 1898 :

ARTICLE PREMIER.

En conformité de l'article II des Préliminaires de la Paix entre la Grèce et la Turquie signés à Constantinople le 6/18 septembre 1897 par les Puissances médiatrices et de l'article final déclarant exécutoires les clauses dudit Acte, la perception et l'emploi de revenus suffisant au service de l'emprunt pour l'indemnité de guerre et des autres dettes nationales seront placés sous le contrôle absolu d'une Commission internationale des représentants des Puissances médiatrices siégeant à Athènes.

. Le contrôle de cette Commission s'exercera dans les conditions déterminées par la présente loi sur tous les revenus de l'État qui seront affectés au service :

a) De l'emprunt en or qui sera contracté pour le paiement à la Turquie de l'indemnité de guerre fixée à 4 millions de livres turques et des indemnités pour dommages privés évaluées par le Traité de paix à un maximum de 100,000 livres turques ;

b) De l'emprunt de 1833 garanti par la France, la Grande-Bretagne et la Russie ;

c) Des emprunts en or, consolidés ou amortissables, conclus par l'État hellénique à l'étranger de 1881 à 1893 inclusivement ;

d) Des emprunts qui seront contractés en vue de pourvoir aux besoins mentionnés à l'article 10.

ART. 7.

Le produit de l'emprunt pour l'indemnité de guerre et pour les indemnités aux particuliers, mentionnées à l'article 1^{er}, sera tenu intégralement à la disposition de la Commission internationale, qui l'emploiera aux paiements à faire à la Turquie pour compte et conformément aux indications du Gouvernement hellénique.

Le reliquat sera mis à la disposition du Gouvernement pour recevoir l'emploi qui aura été arrêté de concert avec la Commission internationale.

Le service de cet emprunt s'effectuera conformément aux dispositions de la loi qui autorisera son émission avec l'assentiment des Puissances.

ART. 10.

Le Gouvernement hellénique réalisera, au moyen d'un emprunt de 55 millions en or, les sommes nécessaires :

- 1° Pour couvrir le déficit de l'exercice 1897;
- 2° Pour rembourser ou convertir la dette flottante en or s'élevant à 31,375,093 fr. 35;
- 3° Pour subvenir aux paiements à faire en 1898 aux porteurs de la dette actuelle en or, conformément aux articles 1, 14 et 15 du Règlement annexé à la présente loi.

Les déficits de l'année 1898 et des années suivantes pourront également être couverts au moyen d'emprunts dont le maximum est fixé à 20 millions effectifs en or et qui seront émis au fur et à mesure des besoins, avec l'assentiment de la Commission internationale.

Le produit des emprunts prévus par le présent article sera tenu intégralement à la disposition de la Commission internationale, qui l'emploiera de concert avec le Gouvernement hellénique d'après les indications ci-dessus.

Le service de ces emprunts s'effectuera conformément aux dispositions de la loi qui autorisera l'émission du premier emprunt avec l'assentiment des Puissances et des lois qui autoriseront les émissions subséquentes avec l'assentiment de la Commission internationale.

ART. 11.

Sont affectés au service des emprunts visés par les articles 7 à 10 les produits bruts :

	Drachmes.
1° Des monopoles (sel, pétrole, allumettes, cartes à jouer, papier à cigarettes et émeri de Naxos), dont le rendement annuel est évalué à.....	12,300,000
2° Des droits sur le tabac, dont le rendement annuel est évalué à.....	6,600,000
3° Des droits de timbre spécifiés par l'article 17, dont le rendement annuel est évalué à.....	10,000,000
4° Des droits d'importation perçus par la douane du Pirée, dont le rendement annuel est évalué à.....	10,700,000
TOTAL	39,600,000

Seront prélevés sur ces produits bruts, en dehors des frais visés par les articles 4 (*dépenses de la Commission*) et 25 (*voir ci-dessous*) :

- 1° Les commissions allouées à la Société dont il sera parlé à l'article 14 ;
- 2° Les sommes payées par la même Société en exécution des marchés visés à l'article 15 ;
- 3° Les frais de confection des papiers timbrés, timbres mobiles, timbres spéciaux, banderoles et estampilles, dont il sera parlé aux articles 15 et 20.

Les autres frais de perception des impôts et revenus affectés seront payés directement par le Gouvernement hellénique.

ART. 12.

En prévision du cas où, pendant deux semestres consécutifs, les sommes effectivement versées à la Commission internationale sur le produit total des revenus affectés en vertu de l'article précédent n'atteindraient pas 85 p. 0/0 de l'ensemble des évaluations fixées par le même

article, le Gouvernement affecte dès à présent au service de la Dette les droits de douane :

	Drachmes.
1° De Laurium, dont le produit brut est évalué à.....	1,500,000
2° De Patras <i>idem</i>	2,400,000
3° De Volo..... <i>idem</i>	1,700,000
4° De Corfou..... <i>idem</i>	1,600,000

Ces affectations supplémentaires seront applicables successivement et jusqu'à concurrence de la somme nécessaire pour parfaire le total des évaluations fixées par l'article précédent. Leur effet sera suspendu, lorsque le total aura été de nouveau atteint pendant deux années consécutives par l'ensemble des revenus précédemment affectés d'après l'ordre indiqué ci-dessus.

ART. 13.

Si le produit des revenus affectés n'atteignait pas, vingt jours avant l'échéance, la somme nécessaire pour assurer le service des emprunts susvisés, le Gouvernement hellénique serait obligé de verser immédiatement la différence en se conformant aux indications de la Commission internationale.

ART. 14.

La perception des droits et revenus visés par les articles 11 et 12 de la présente loi, y compris l'administration des monopoles de l'État actuellement existants, est confiée à une Société hellénique qui aura son siège à Athènes et sera placée sous le contrôle absolu de la Commission internationale.....

ART. 24.

Toutes les sommes encaissées par la Société visée à l'article 14 seront versées intégralement au moins une fois par semaine à la Caisse du Contrôle, ou, sur l'ordre de la Commission internationale, à la Banque nationale de Grèce, qui les conservera pour le compte de la Commission...

La conversion en or ou en traites sur l'étranger jusqu'à concurrence du service de chaque semestrialité aura lieu dans les quinze jours qui suivront les versements opérés pour le compte de la Commission internationale, en vertu d'ordres arrêtés par elle avec le concours d'un délégué de la Banque nationale.

Celle-ci sera responsable du paiement exact des traites à l'achat desquelles son délégué n'aura pas fait d'opposition...

ART. 25.

La Commission internationale... assurera le service des différents emprunts en or, en se conformant aux dispositions de la présente loi. A cet effet, elle remettra aux établissements payeurs, en temps utile, et au plus tard huit jours avant chaque échéance, les provisions nécessaires au service du coupon et de l'amortissement de la Dette publique en or, y compris la commission de banque.

Elle surveillera l'emploi régulier de ces sommes par lesdits établissements.

Elle opérera, de concert avec le Gouvernement, le rachat ou le tirage des titres qui devront être amortis, en conformité des dispositions du Règlement annexé à la présente loi, ainsi que des lois mentionnées aux articles 7 et 10, et veillera à l'annulation de ces titres.

Les frais de commission des établissements étrangers qui seront chargés de l'encaissement des traites, les frais de transport de l'or à l'étranger et les courtages pour l'achat du change et de l'or seront prélevés sur les revenus affectés.

ART. 27.

Le Gouvernement hellénique ne pourra frapper d'aucun impôt général ou spécial ni les titres, intérêts et remboursements des dettes visées par les articles 7 à 10, ni les sommes provenant des revenus affectés au service de ces dettes.

Vu les articles ci-après de la Convention conclue à Paris, le 29 mars 1898, entre la France, la Grande-Bretagne, la Russie et la Grèce.

ARTICLE I^{er}.

Le Gouvernement hellénique pourra créer, sous la garantie résultant de la présente Convention, à un taux réel d'intérêt qui n'excédera pas $2 \frac{3}{4}$ p. o/o et pour une durée qui ne sera pas supérieure à soixante ans, la quantité de titres nécessaire pour produire une somme effective maxima de 170 millions de francs (6,800,000 livres sterling ou 63,750,000 roubles), qui recevra les emplois prévus par les articles 7 et 10 de la loi sur le Contrôle.

Les conditions de cet emprunt seront arrêtées d'un commun accord par les Trois Puissances garantes et par le Gouvernement hellénique. Elles feront l'objet d'un règlement qui sera sanctionné par Décret Royal rendu en Conseil des Ministres en vertu d'une autorisation législative spéciale.

ART. III.

Les frais d'émission, de négociation et de remise seront ajoutés au capital des emprunts visés dans l'article précédent.

ART. IX.

Les Gouvernements français, britannique et russe s'engagent, soit à garantir conjointement et solidairement, soit à demander à leurs Parlements l'autorisation de garantir conjointement et solidairement le service régulier de l'annuité fixée par l'article IV. (*Voir art. 4 de la loi ci-dessous.*)

ART. XI.

Le Gouvernement hellénique aura le droit, avec l'assentiment des Trois Puissances garantes, d'opérer la conversion de l'emprunt à toute époque à partir du 1^{er} avril 1918....

Vu la loi en date du 21 mars/2 avril 1898 dont les dispositions sont ainsi conçues :

ARTICLE PREMIER.

Le Gouvernement est autorisé à créer, sous la garantie collective de la France, de la Grande-Bretagne et de la Russie, aux clauses et conditions de la Convention ci-annexée conclue à Paris le 17/29 mars 1898 entre ces Trois Puissances et la Grèce, la quantité de titres nécessaire

pour produire une somme effective de 170 millions de francs en or, qui recevra les emplois prévus par les articles 7 et 10 de la loi sur le Contrôle.

ART. 2.

Sur le capital fixé par l'article précédent, il sera immédiatement émis la quantité de titres nécessaire pour produire une somme effective de 150 millions de francs en or.

Un Décret Royal, rendu en Conseil des Ministres après approbation par les Six Puissances médiatrices, déterminera le taux, les conditions et la date de l'émission.

ART. 3.

Les obligations destinées éventuellement à couvrir les déficits des années 1898 et suivantes, dans la limite d'un maximum de 20 millions de francs, seront émises au fur et à mesure des besoins, en vertu d'autorisations législatives spéciales préalablement soumises à l'approbation de la Commission internationale, conformément à l'article 10 de la loi sur le Contrôle.

ART. 4.

Il sera affecté à l'intérêt et à l'amortissement des titres créés en vertu de l'article 1^{er} une annuité fixe, calculée, amortissement compris, à 3 fr. 60 p. 0/0 du capital nominal de l'emprunt. Toutefois, l'amortissement ne commencera qu'à partir de l'année 1903 et, pendant les cinq premières années, l'annuité à la charge du Gouvernement hellénique sera de 2 fr. 50 p. 0/0 du capital nominal de l'emprunt.

Le service de l'annuité sera assuré au moyen d'attributions proportionnelles sur les remises opérées par la Commission internationale, conformément aux articles 24 et 25 de la loi sur le Contrôle et, en cas d'insuffisance de ces remises, au moyen des versements effectués par le Gouvernement hellénique, conformément à l'article 13 de la même loi.

CHAPITRE I^{er}.

CONDITIONS GÉNÉRALES DE L'EMPRUNT.

ARTICLE PREMIER.

Le Ministre des Finances de Grèce est autorisé à créer, sous la garantie collective de la France, de la Grande-Bretagne et de la Russie, aux clauses et conditions de la Convention conclue à Paris, le 17/29 mars 1898, entre ces Trois Puissances et la Grèce, la quantité d'obligations 2 1/2 p. 0/0 nécessaire pour produire une somme effective maxima de 170 millions de francs or.

ART. 2.

Sur le capital fixé par l'article 1^{er}, il sera mis immédiatement en souscription publique la quantité de titres nécessaire pour produire une somme effective de 125 millions de francs, qui sera employée conformément aux prescriptions des articles 7 et 10 de la loi sur le Contrôle.

ART. 3.

Le Gouvernement hellénique émettra, en outre, le nombre d'obligations correspondant à un capital effectif de 25 millions de francs en vue d'effectuer le remboursement ou la conversion de la dette flottante en or, dans les conditions qui seront déterminées par un Décret Royal, préalablement soumis à l'assentiment de la Commission internationale.

Les obligations destinées à couvrir les banques d'émission des sommes en or qui leur ont été empruntées en vertu des lois sur le cours forcé, ainsi que de leurs autres avances en or, resteront déposées à la Banque de France, qui ne pourra s'en dessaisir que sur l'avis conforme de la Commission internationale.

Les coupons de ces obligations seront détachés et remis aux banques d'émission.

ART. 4.

Les obligations destinées éventuellement à subvenir aux déficits des années 1898 et suivantes, dans la limite d'un maximum de 20 millions de francs, seront négociées, au fur et à mesure des besoins, en vertu d'autorisations législatives spéciales, préalablement soumises à l'approbation de la Commission internationale, conformément à l'article 10 de la loi sur le Contrôle.

La faculté d'émettre ces obligations ne pourra pas s'étendre au delà de l'année 1903.

Les planches servant à l'impression des titres seront conservées à la Banque de France et ne pourront être utilisées que sous les conditions indiquées ci-dessus. Elles seront détruites après le 31 décembre 1903, en présence de Délégués du Gouvernement hellénique et des Trois Puissances garantes.

ART. 5.

Les dépenses matérielles des emprunts visés par les articles précédents, ainsi que les frais d'émission, de change, de transport et de négociation, seront ajoutés au capital effectif.

ART. 6.

L'emprunt recevra la dénomination *Emprunt or garanti 2 1/2 p. 0/0*.

Les titres seront libellés en grec, en français, en anglais et en russe; ils porteront l'indication de leur valeur nominale dans la monnaie de chaque pays.

Les obligations seront de 2,500 francs, au porteur. Elles pourront être représentées par des certificats nominatifs, conformément à un Règlement qui sera élaboré par le Gouvernement hellénique, de concert avec la Commission internationale.

ART. 7.

L'amortissement s'effectuera dans les conditions déterminées par les articles 20 et 21. Il ne pourra être procédé au remboursement total ou à la conversion de l'Emprunt garanti or 2 1/2 p. 0/0 avant le 19 mars/1^{er} avril 1918.

ART. 8.

Les opérations relatives à l'emprunt seront décomptées au change fixe de 2,500 francs = 100 livres sterling = 937.50 roubles.

CHAPITRE II.

ÉMISSION DE L'EMPRUNT.

ART. 9

Le souscription publique prévue par l'article 2 sera ouverte simultanément le 10 mai 1898 (nouveau style), à Paris, à Londres et à Saint-Petersbourg.

ART. 10.

Le prix d'émission sera arrêté par un Acte ultérieur du Gouvernement hellénique, après entente avec les Gouvernements des Trois Puissances garantes, et rendu public trois jours au moins avant la date fixée pour la souscription.

ART. 11.

Toute souscription devra être accompagnée d'un versement de garantie fixé à 20 p. 0/0 du capital nominal des obligations souscrites.

Les versements ultérieurs sur les obligations attribuées auront lieu aux dates et dans les proportions ci-après :

20 p. 0/0 du capital nominal, le 24 mai.

20 p. 0/0 du capital nominal, le 8 juin.

20 p. 0/0 du capital nominal, le 5 juillet.

Le solde du capital souscrit, le 5 août.

ART. 12.

Les souscriptions seront constatées au moyen de la délivrance de certificats provisoires au porteur, qui recevront l'indication des versements successivement effectués. Ces certificats seront identiques et négociables sur les trois places.

Ils seront munis de coupons à l'échéance du 1^{er} octobre 1898 (nouveau style).

ART. 13.

Les détails d'exécution relatifs à la souscription et à la répartition des obligations seront réglés d'après les usages de chaque place.

ART. 14.

En cas de retard dans les paiements, le débiteur sera déchu de son droit, et il sera procédé à la vente des obligations représentées par son certificat pour le recouvrement de la somme due. Le reliquat, s'il y a lieu, sera mis à sa disposition.

ART. 15.

L'échange des certificats provisoires contre les titres définitifs aura lieu sans frais pour le public. Les titres définitifs, dûment signés par un Représentant du Gouvernement hellénique, seront munis de coupons à partir de l'échéance du 1^{er} avril 1899 (nouveau style).

ART. 16.

Les frais de l'émission seront couverts au moyen d'obligations négociées sur le marché, en sus du capital prévu par l'article 2.

Ces frais seront réglés par une entente entre le Gouvernement hellénique et les Gouvernements des Trois Puissances garantes.

Ils seront portés à la connaissance de la Commission internationale qui établira le compte général de l'emprunt.

CHAPITRE III.

EMPLOI DU PRODUIT DE L'EMPRUNT.

ART. 17.

Le produit des versements successifs de l'emprunt sera employé par la Commission internationale conformément aux dispositions de la loi sur le Contrôle.

CHAPITRE IV.

SERVICE DE L'EMPRUNT.

ART. 18.

Les coupons semestriels attachés à chaque obligation seront de 31 fr. 25 = 1 £ 5 s., = 11.72 roubles; ils seront payables par les établissements visés à l'article 21 le 1^{er} avril et le 1^{er} octobre (nouveau style) de chaque année.

Les coupons payés seront annulés par l'établissement chargé du paiement et remis aux Consuls de Grèce dans les villes où le paiement aura eu lieu pour servir à la vérification qui en sera faite par la Commission internationale, de concert avec le Gouvernement hellénique.

ART. 19.

Le renouvellement des feuilles de coupon sera opéré sans frais pour le porteur et en franchise de tout impôt grec, contre remise des obligations non sorties aux tirages.

ART. 20.

L'amortissement de l'emprunt s'effectuera au pair par voie de tirage ou, si le cours était inférieur au pair, au moyen de rachats sur le marché.

Les tirages seront semestriels; ils auront lieu le 1^{er} janvier et le 1^{er} juillet (nouveau style) de chaque année.

Le premier tirage aura lieu le 1^{er} janvier 1903 (nouveau style).

Les obligations sorties aux tirages seront remboursées à l'échéance du premier coupon qui suivra le tirage. Le remboursement aura lieu contre remise du titre muni de tous les coupons à échoir après le terme fixé pour le remboursement. Le montant des coupons manquants sera déduit du capital à rembourser.

Les numéros des obligations sorties aux tirages ou rachetées au-dessous du pair seront publiés dans le *Journal officiel* de Grèce, dans deux journaux de Paris, deux de Londres et deux de Saint-Pétersbourg. Chaque publication rappellera les numéros des obligations sorties aux tirages précédents qui n'auraient pas encore été présentées au remboursement.

L'annulation des titres amortis s'effectuera sous le contrôle de la Commission internationale, conformément à l'article 25 de la loi sur le Contrôle.

ART. 21.

Il sera affecté à l'intérêt et à l'amortissement des titres créés en vertu de l'article 1^{er} une annuité fixe calculée sur le capital nominal des emprunts émis : à 2 fr. 50 p. 0/0 jusqu'en 1902; à 3 fr. 60 p. 0/0 à partir de 1903. La portion de l'annuité qui ne sera pas absorbée par le service de l'intérêt sera affectée, à partir de 1903, à l'amortissement de l'emprunt.

Le service de l'annuité sera assuré au moyen d'attributions proportionnelles sur les remises opérées par la Commission internationale, conformément aux articles 24 et 25 de la loi sur le Contrôle, et, en cas d'insuffisance de ces remises, au moyen des versements effectués par le Gouvernement hellénique, conformément à l'article 13 de la même loi.

ART. 22.

Sont chargés du service de l'Emprunt or garanti 2 1/2 p. 0/0 :

- à Athènes, la Banque nationale de Grèce;
- à Paris, la Banque de France;
- à Londres, la Banque d'Angleterre;
- à Saint-Pétersbourg, la Banque impériale de Russie.

Dans le cas où une de ces maisons ou établissements viendrait à se transformer ou à cesser le service de l'Emprunt, le Gouvernement, d'accord avec la Commission internationale, désignera sans retard une autre maison pour être chargée de ce service dans la même ville. Dans le cas où cette désignation n'aurait pas eu lieu dans le délai d'un mois, la Commission internationale prendra les mesures nécessaires pour éviter toute interruption du service de l'Emprunt.

Il sera alloué aux maisons et établissements une commission de $1/8$ p. o/o du montant de leurs paiements.

ART. 23.

Les publications relatives au service de l'Emprunt or garanti $2\ 1/2$ p. o/o se feront aux frais du Gouvernement hellénique.

ART. 24.

Les intérêts de l'Emprunt or garanti $2\ 1/2$ p. o/o se prescriront par cinq ans.

Le remboursement des titres sortis aux tirages se prescrira par trente ans.

CHAPITRE V.

GARANTIE DE L'EMPRUNT

ART. 25.

Dans le cas où le service de l'annuité fixée par l'article 21 ne pourrait être assuré au moyen des remises et versements prévus par le même article, la Commission internationale devrait, quinze jours avant l'échéance du coupon, notifier le montant de l'insuffisance aux Gouvernements des Trois Puissances garantes, par l'intermédiaire de leurs légations à Athènes, afin qu'ils puissent pourvoir en temps utile les établissements chargés du service de l'Emprunt.

ART. 26.

Si la garantie devenait effective, la Commission internationale serait chargée d'assurer le remboursement des avances avec leurs intérêts calculés à $2\ 1/2$ p. o/o au moyen des excédents disponibles sur le produit des revenus affectés et, éventuellement, au moyen des ressources générales de l'État hellénique, dans les conditions qui, le cas échéant, seront arrêtées entre les Trois Puissances garantes et la Grèce.

SÉANCE DU 5 MAI 1898.

PROCOLE

CONCERNANT

LA FIXATION DU PRIX

DE L'EMPRUNT HELLÉNIQUE GARANTI

2 1/2 P. 0/0 OR DE 1898.

Les Délégués de France, de Grande-Bretagne et de Russie,

Après avoir pris connaissance du contrat dont copie est ci-jointe, signé à Paris le 3 mai et à Londres le 4 mai 1898 entre M. D. G. METAXAS, chargé d'affaires de Grèce dans le Royaume-Uni, dûment autorisé par le Gouvernement Hellénique, et les Établissements et Maisons de banque dénommés audit contrat, ainsi que des documents qui y sont annexés,

En exécution de l'article 10 du Décret Royal rendu en Conseil des Ministres à Athènes le 22 avril/4 mai 1898 après approbation par les Six Puissances médiatrices;

Conformément au principe sur lequel l'entente s'est établie entre les trois Gouvernements garants, à savoir : que le prix d'émission sera fixé, dans l'intérêt de la Grèce, au taux le plus élevé que permettra l'état du marché au moment où interviendra l'accord sur le prix.

Et, en vertu des instructions qu'ils ont reçues de leurs Gouvernements respectifs,

Déclarent que le prix de la souscription publique à ouvrir le 10 mai (nouveau style) 1898 sur les trois places de Paris, Londres et Saint-Pétersbourg est fixé respectivement pour chacune d'elles, d'après les taux de change déterminés par l'article 8 du Décret Royal précité :

Pour Paris, à 2,512 fr. 50 par obligation au capital nominal de 2,500 francs ;

Pour Londres, à 100 l. st. 10 s. par obligation au capital nominal de 100 livres sterling ;

Pour Saint-Pétersbourg, à 942 r. 19 c. par obligation au capital nominal de 937 r. 50 c.

Et invitent M. D. G. METAXAS, Chargé d'affaires de Grèce dans le Royaume-Uni, présent à la réunion, à constater l'accord intervenu entre les Trois Gouvernements garants et à vouloir bien communiquer les prix ci-dessus arrêtés au Gouvernement Hellénique en vue de l'Acte ultérieur de ce Gouvernement, prévu par l'article 10 du Décret Royal précité.

Les Délégués porteront le présent Protocole à la connaissance de leurs Gouvernements respectifs.

De son côté, M. D. G. METAXAS, Chargé d'affaires de Grèce, prend acte de la présente Déclaration pour en faire part à son Gouvernement.

Fait à Londres, le 5 mai (nouveau style) 1898.

Signé : DUBOIS DE L'ESTANG,

E. F. G. LAW,

A. RAFFALOVICH,

D. G. METAXAS.

CONFIDENTIAL.

GREEK FINANCE.

I.—*The Guaranteed Loan of 1832-33.*

PURSUANT to a Convention concluded on the 7th May, 1832, between Great Britain, France, and Russia on the one part, and Bavaria on the other, the Crown of Greece, which had been raised to the rank of an independent State, was offered to and accepted by Prince Frederick Otto of Bavaria, second son of the King of Bavaria; and the three Powers to whom the offer was due engaged to guarantee severally one-third of a Greek Loan, not exceeding 60,000,000 fr., or 2,400,000*l.*

The loan was to be raised in three equal instalments, and each of the Guaranteeing Powers became responsible for the payment of the interest and sinking fund.

The Greek Government undertook that the loan should constitute a first charge on the revenues of Greece; and the Government of this country obtained power from Parliament, under an Act which received the Royal Assent on the 16th August, 1832 (2 & 3 Wm. IV, cap. 121), to give effect to their share of the guarantee by charging the Consolidated Fund with any payments which they might be required to make by reason of Greece's default.

This country, accordingly, became liable for the service of a loan amounting to one-third of 60,000,000 fr. (2,400,000*l.*); that was 20,000,000 fr. (800,000*l.*).

The contract for the entire loan was concluded between the Greek Government and Messrs. Rothschild in Paris on the 12th January, 1833; the term being that the loan should bear 5 per cent. interest, should carry a sinking fund of 1 per cent., calculated to repay the loan in thirty-six or thirty-seven years, and should be issued at 94.

The first two instalments of the loan were raised on that occasion. Three years later, when

the Greek Government asked that the third instalment might be issued, France and Russia apparently made some difficulties about giving their compliance to this request, but the British Government determined to guarantee their third of the last instalment of the loan, independently of the action of the other two Powers; and in order that this determination might not be questioned, a further Act of Parliament was passed on the 19th August, 1836 (6 & 7 Wm. IV, cap. 94), making it clear that the British third of the final instalment would be guaranteed separately.

Henceforth the annual liability undertaken by the British Government was 6 per cent. on (one-third of 2,400,000*l.*) 800,000*l.*, or 48,000*l.*; and the same liability attached to France and Russia, for it appears that, notwithstanding the difficulties which arose in 1836, they did guarantee their shares of the entire Greek Loan.

Greece soon fell into arrears; but, presumably for political reasons, the three Guaranteeing Powers refrained for many years from insisting on their preferential claim to be repaid. The consequence was that the guarantee entailed a serious liability on this country, and likewise on France and Russia. Indeed, Greece paid next to nothing.

Having exercised forbearance for a long time, the three Powers appointed a Commission in 1857 to inquire into the financial condition of Greece; and on the strength of their having reported in 1859 that she could afford to pay one-quarter (36,000*l.*) of the annual charge of the loan, the Powers insisted that, unless she paid up that reduced amount, they would assert their rights as first creditors to the whole annual charge (144,000*l.*) in respect of the total loan.

Greece, after some protests, acquiesced in this arrangement, and pledged herself by a Convention to pay a minimum of 36,000*l.* (in round figures) per annum, of which our share was 12,000*l.**

Internal troubles, however, ensued, and Greece failed to keep her pledge during the next three years.

In October 1862 King Otto was expelled, and

* Round figures in sterling—	£
Total loan	2,400,000
6 per cent. annual charge ..	144,000
$\frac{1}{4}$ of such charge	36,000
English share ($\frac{1}{3}$)	12,000

in the following March (1863) Prince William George of Denmark, having been elected King of the Hellenes by the National Assembly of Athens, was placed on the Greek Throne under the title of George I.

By a Protocol dated the 5th June, 1863, which was embodied in the Treaty made with Greece on the 29th March, 1864, the Three Guaranteeing Powers engaged to relinquish, as a personal dotation towards the Civil List of the new King, one-third of the reduced amount which Greece had undertaken to pay annually in respect of the Guaranteed Loan.

Pursuant to this arrangement, which (so far as this country was concerned) was ratified by Act of Parliament (27 & 28 Vict., cap 40), the British share of the diminished annual payment made by Greece came to 8,000*l.* a-year,* and this sum has been paid over to us every year since.

During the remainder of the currency of the Guaranteed Loan, Her Majesty's Government had to continue to provide the greater part of the necessary funds for meeting the interest and sinking fund.

	£	s.	d.
Indeed, when the loan was finally discharged in 1871, we had paid, in fulfilment of our guarantee, an aggregate sum of no less than and all we had got out of Greece during the forty years was ..	1,351,071	8	0
	98,397	4	0
So we were no less than .. to the bad.	1,252,674	4	0
We had, however, of course, to give Greece credit for the annual amount (4,000 <i>l.</i>) which we had relinquished as the King's dotation; and, as at the redemption period that arrangement had been in force for eight years, from 1864 to 1871 inclusive, the amount so credited was (4,000 <i>l.</i> × 8=) ..	32,000	0	0
Accordingly, the amount which Greece owed us in 1871, irrespectively of interest on account of arrears, was ..	1,220,674	4	0

	£
* Payment as above	36,000
$\frac{1}{3}$ as dotation	12,000
Payable to Powers	24,000
British share ($\frac{1}{3}$)	8,000

Since then, by her annual payment of 8,000*l.*, Greece has been discharging her debt to us at the rate of 12,000*l.* a-year,* a rate which would take more than 100 years to pay off the amount due to us in 1871, and, presumably impressed with this very lengthened liability hanging over his head, M. Tricoupis, in 1883-84, offered to discharge it by an annuity of 18,000*l.* a-year for sixty years.

The Treasury declined the offer, perhaps rather foolishly, on the ground of its being inadequate, and proposed to compound with Greece for 500,000*l.* down, or an annuity of 25,000*l.* for sixty years.

The Greek Government then offered an annuity of 20,000*l.* a-year for a period to be decided by Her Majesty's Government, but this offer, made in 1884, was likewise rejected by the Treasury, who coupled the rejection by a somewhat futile decision to raise in future (as from the 1st April, 1885) a charge for interest at 3 per cent. against Greece on the principal outstanding at the time (viz., 1,058,000*l.*), with the result that in our books and in the annual account laid before Parliament the indebtedness of Greece to Her Majesty's Government is growing year by year, having reached on the 31st December, 1896, the total of 1,292,000*l.* (see Statement B, p. 6).

	£
* Paid to us	8,000
Relinquished by us to King	4,000
	<hr/>
Total	12,000

GREEK LOAN.

STATEMENT (A) showing the position of the Loan on the 31st December, 1897,
without any allowance for Interest or Arrears.

	£	s.	d.		£	s.	d.
Payments made by British Government in fulfilment of their guarantee during the currency of the loan in respect of interest and sinking fund	1,351,071	8	0	1. Amounts received from Greek Government between 1843 and 1871	98,397	4	0
				2. Amounts relinquished in favour of the King of Hellenes between 1864 and 1871	32,000	0	0
					130,397	4	0
				Balance due by Greek Government (irrespective of interest on arrears) on 31st December, 1871	1,220,674	4	0
	1,351,071	8	0		1,351,071	8	0
Amount outstanding on 31st December, 1871	1,220,674	4	0	1. Amounts received from Greek Government between 1872 and 1897 inclusive	205,721	0	8
				2. Amounts relinquished in favour of the King of Hellenes between 1872 and 1897 inclusive	104,000	0	0
					309,721	0	8
				Balance due by Greek Government (irrespective of interest on arrears) on 31st December, 1897	910,953	3	4
	1,220,674	4	0		1,220,674	4	0

GREEK LOAN.

STATEMENT (B) showing the position of the Loan on the 31st December, 1897, with 3 per cent. interest charged on the amount which was outstanding on the 31st March, 1885.

	£	s.	d.		£	s.	d.
Payments made by British Government in fulfilment of their guarantee during the currency of the loan in respect of interest and sinking fund	1,351,071	8	0	1. Amounts received from Greek Government between 1843 and 1871	98,397	4	0
				2. Amounts relinquished in favour of the King of Hellenes between 1864 and 1871	32,000	0	0
					130,397	4	0
				Balance due by Greek Government on 31st December, 1871	1,220,674	4	0
	1,351,071	8	0		1,351,071	8	0
Amount outstanding on 31st December, 1871	1,220,674	4	0	1. Amounts received from Greek Government between 1872 and 1897	205,721	0	8
Interest on amount outstanding on 31st March, 1885 (1,057,959 <i>l.</i> 14 <i>s.</i> 11 <i>d.</i>), at 3 per cent. per annum—				2. Amounts relinquished in favour of the King of Hellenes between 1872 and 1897	104,000	0	0
Twelve years to 31st ^h March, 1897	380,865	10	0		309,721	0	8
				Balance due by Greek Government on 31st December, 1897 (including interest on arrears)	1,291,818	13	4
	1,601,539	14	0		1,601,539	14	0

II.—*Further Guaranteed Loan of 1898.*1. *The Proposal and what led to it.*

One of the results of the war with Turkey in 1897 was that Greece, in accordance with the terms of the Treaty of Peace, was laid under an obligation to pay a large indemnity to the Porte. The difficulty of raising the money in an already disordered condition of finance, and consideration, mainly prompted by Germany, for the old creditors of Greece, led the European Powers to suggest that Greek finances should be placed under an international control, and, as a preliminary to the establishment of such control, a Commission, on which the Six Great Powers were severally represented, was appointed to inquire into the state of Greece's affairs.

The Delegates presented to their respective Governments in January 1898 an elaborate Report, based on a variety of assumptions or estimates, which it was necessary to make, not only owing to the difficulty of forecasting the future of Greek revenues, but also owing to the uncertainty of the rate of exchange for external payments.

The amount of the war indemnity to be paid to Turkey (£ T. 4,000,000) was equivalent to about 92,000,000 fr., or 3,680,000*l.* There was also payable a sum of £ T. 100,000, which was equivalent to 2,300,000 fr., or 92,000*l.*, by way of compensation for damage done by the Greek forces during the war. The settlement of these two claims, accordingly, placed Greece under the necessity of borrowing 94,300,000 fr., or (in round figures) of 95,000,000 fr. (3,800,000*l.*); and, in order to help her to raise this indemnity loan, the three Powers who had assisted her in 1832 (Great Britain, France, and Russia) agreed to guarantee it.

According, however, to the finding of the International Financial Commissioners, the Indemnity Loan did not constitute the whole of Greece's borrowing requirements. To enable her to tide over the special economic and financial difficulties of the first few years, Greece would be obliged to raise immediately a further sum of about 30,000,000 fr., or 1,200,000*l.*, and later on, by instalments, an additional sum of 20,000,000 fr., or 800,000*l.*, bringing the total amount required to be borrowed

in the market to 50,000,000 fr., or 2,000,000*l.* for "Economic" purposes.*

With the help of this "Economic Loan," combined with the establishment of the proposed International Commission of Control and the recuperation of Thessaly, it was anticipated that financial equilibrium might be restored in Greece by 1903.

	Drachmai.
It was estimated (in round figures) that in that year Greece might count on a revenue of	99,750,000
and that her administrative expenses would amount to	64,750,000

On this estimate there would then be available for debt services	35,000,000
The charge in respect of Greece's existing internal and external debt, after the reductions in the interest thereon recommended by the Financial Commission had been effected,† was expected to absorb (about)	25,000,000

Accordingly, there would be free to meet the service of the proposed new debt	10,000,000

An element of considerable difficulty was the rate at which the exchange should be taken. Owing to the disordered state of Greece's finance and to her forced paper currency, a drachma was by no means equal to a franc. The Financial Commission were inclined to a rate of 165 drachmai to 100 fr., or 1.65 drachmai to 1 fr. But, as with an improved condition of things there was fair reason for reckoning upon a rise in the rate of exchange, it seemed tolerably safe to assume that 160 drachmai would equal 100 fr. This, moreover, was a convenient rate to take, as it meant that 40 drachmai would be the equivalent of 25 fr.,‡ or 1*l.*—in other words, that the drachma would be the equivalent of 6*d.* sterling.

On this supposition, the estimated amount of drachmai available for external debt purposes (*viz.*, 10,000,000 drachmai) would represent 6,250,000 fr., or 250,000*l.*§

* Besides the amounts to be raised for payment of the indemnity and for "Economic" purposes, a new issue of 25,000,000 fr., or 1,000,000*l.*, was calculated to be needed for old bondholders by way of conversion.

† The charge in respect of the Guaranteed Loan of 1832-33 was preserved intact.

‡ 100 fr. = 160 drachmai; 25 fr. = 40 drachmai.

§ 160 drachmai = 100 fr.; 10,000,000 drachmai = 6,250,000 fr.

Fr.

On the supposition that Greece could raise the required "Economic Loan" on her own credit at 5 per cent. interest, and that she set apart a sinking fund of $\frac{1}{4}$ per cent., the amount annually required for the service of this loan of 50,000,000 fr. would, at the rate of 5.25 per cent., be	2,625,000
There would, therefore, remain out of the estimated total of	6,250,000
for the service of the "Indemnity Loan" (95,000,000 fr.)	3,625,000

A yearly payment of 3,625,000 fr. represented 3.81 per cent. on 95,000,000 fr.; and, as such payment would have to include interest and sinking fund, the amount of the annuity applicable to interest depended, of course, on the period over which the repayment might be proposed to be spread.

The Guaranteed Greek Loan of 1832-3 was redeemed within thirty-seven years, and if the period for the repayment of the new Indemnity Loan were extended by as much as fifteen years—that is, to fifty-three years—the rate of interest payable thereon could not be more than 3 per cent.

As France could barely borrow at such a rate, and as such a rate was decidedly in excess of Russia's credit, it was pointed out to the French and Russian Governments that, if the guarantee of the three Powers was only to be several—that is, if each of the Powers guaranteed one-third of the loan, as they did in 1833—the "Indemnity Loan," apart from the "Economic Loan," could not, without prolonging the guarantee for an undue length of time, be raised on terms compatible with the solvency of Greece.

If the guarantee were extended to the "Economic Loan" as well as to the "Indemnity Loan"—and for such extension there was a good deal to be said, avoiding, as it would, the unfavourable effect of placing the two separate loans simultaneously on the market, and the anomaly of ranking *pari passu* two loans of so different a value—a several guarantee might be possible; but, whether the guarantee were or were not extended, it was evident that the best way of turning to account the credit of the three Powers was to make their guarantee a joint as well as a several one. Such a proposal Her Majesty's Government were prepared to make to the British Parliament, provided that the acceptance of the highest tenders, wherever offered, were made part of the arrangement.

2. *The Loan Negotiations.*

The preliminary negotiations, conducted in February and March by Delegates of the three Governments, commenced in Paris.

The first proposals put forward by the Delegates, who agreed that the guarantee should be joint as well as several, were (1) that the guarantee should be extended to the loan required to meet the deficit of 1897, which would involve a total guaranteed loan of 123,000,000 fr.; (2) that the loan of this amount should be stock or bonds bearing interest at $2\frac{3}{4}$ per cent., and be issued at $97\frac{1}{2}$; (3) that the total annuity payable by Greece should be $3\frac{1}{2}$ per cent., which was calculated to repay the loan in fifty-seven years; (4) that the most advantageous offer, wherever made, should be accepted, provided that the three Powers could, if they liked, participate equally in the loan; and (5) that there should be a power to convert the loan after ten years.

The views of the Treasury on these proposals were communicated in a letter to the Foreign Office dated the 22nd February, 1898. There was no objection to increasing the amount of the loan (say) to 125,000,000 fr. or 5,000,000*l.*, or to fixing the annual payment to be made by Greece at $3\frac{1}{2}$ per cent. Nor would there be any objection to the proviso attached to the acceptance of the best offers wherever made, whereby it was understood that, if the tenders covering the whole loan were highest in one country, the other two countries should have the option of taking up one-third of the loan at the arranged price, at which the loan might admit of being allotted in the third country. There was no wish that an undue proportion of the loan should be allotted in London. But, regard being had to the current prices of the $2\frac{1}{2}$ per Cents. (106) of the British Government, in spite of their being redeemable in 1905, and of the Metropolitan $2\frac{1}{2}$ per Cent. Stock (102), the terms of issue suggested by the Delegates were not calculated to turn the credit of the British Government to adequate account. Indeed, it seemed impossible to fix a higher denomination for the Greek Guaranteed Loan than $2\frac{1}{2}$ per cent., which, moreover, ought to command a premium. As the liability of bonds to be drawn at any time during the currency of the loan would have a prejudicial effect on their

market price, the Treasury hinted that an accumulated sinking fund might be preferable to annual drawings. Moreover, as exemption from liability to redemption for an appreciable time was an important factor in determining the price of a new loan, more especially if it was issued above par, it was suggested that no power of conversion should be exercised for twenty years.

The three Delegates* came over to London on the 7th March, and brought with them a draft Convention. The main provisions were as follows:—

1. The maximum of the loan was to be 170,000,000 fr. or 6,800,000*l.*,† so as to cover the whole of Greece's borrowing requirements and to effect the conversion of the floating debt, the amount immediately to be raised being put at 125,000,000 fr. or 5,000,000*l.*

2. The loan was to be raised in bonds bearing interest at the rate of $2\frac{1}{2}$ per cent.

3. Greece was to pay an annuity of $2\frac{1}{2}$ per cent. for the first five years, and thereafter 3·6 or $3\frac{3}{5}$ per cent., by which the loan would be repaid in about fifty-three years from the date of its issue.

4. The sinking fund contained in the longer annuity was to be applied in annual drawings of the bonds at par; good reasons being given for abandoning the idea of accumulating the sinking fund, owing to the difficulty that might attend the investment of it, and to the consequent risk of there being eventually incurred a liability in respect of the principal of the loan.

5. The three Powers were to guarantee, jointly and severally, the regular service of the annuity payable by Greece.

6. It was provided that a conversion of the loan might take effect at any time after the 6th April, 1918, on the collective demand of the three guaranteeing Powers, who were pledged to support any proposal for this purpose that might be presented by any one of them.‡

Thus far the provisions of the Draft Convention

* Major Law represented this country; M. Dubois de l'Estang, France: and M. Raffalovich, Russia.

	£
† For indemnity and other immediate purposes ..	5,000,000
For conversion purposes	1,000,000
For further requirements	800,000
	<hr/>
	6,800,000

‡ This provision was separate, and was embodied subsequently in a Supplementary Convention.

presented no difficulty. There was practical agreement about them, and, therefore, they hardly needed to be discussed by the Delegates on their arrival. But what did give rise to much discussion was how the system of tender could be effectually combined with the equal participation of the three countries in the loan. The proposal originally made by the Chancellor of the Exchequer for the attainment of this end was simple enough. It was, that one-third of the loan should, in the first instance, be put up to tender in the London market, where the best terms might be expected; that the other two Powers should have the option of taking their thirds at the London price; and that, if they did not care to exercise that option, the British Government would secure the investment for the savings banks.

It transpired, however, that this proposal was extremely distasteful to the French Government, who regarded the test of the London market only as wounding to their *amour propre*.

By way of meeting the sensitiveness of the French, the Delegates formulated an idea that the loan should be put up to tender in the capital of each of the three guaranteeing countries; that the tenders received in each place should be examined and arranged in London in the presence of the three Delegates, and that the highest tenders should be accepted without regard to the place where they had been originally received; but that if, when the tenders were opened, it appeared that an allotment on this principle would give the tenderers of our country more than one-third of the loan, then the tenderers of the other countries, in order to participate equally in the loan, should have the option of taking so much of the loan as would make up their respective thirds at the average highest price. It was to be understood that, if the option were declined or not exercised in full, the remainder of the allotment would proceed without distinction of the origin of tenders; and it was suggested that, if, owing to the exercise of this option, any original tenderers were required to forego any of the bonds, which would otherwise have been allotted to them, they should receive a small commission as compensation for such surrender.

The more the details of this scheme were examined, the more complicated and objectionable were they regarded by practical financiers, like the Bank of England authorities, and Messrs. Rothschild, who were called in as advisers. It was

tolerably certain that the highest tenders would be made here. Accordingly, London subscribers might have to forego a part of the amount which they were prepared to take, in favour of foreigners whose tenders had been rejected in the first instance, and who were yet given a second chance of participating in the loan. For this reason, the arrangement would be considered unfair to the Englishman *vis-à-vis* with the foreigner.

Moreover, the difficulty about defining the average or mean price at which the French and Russians were to have the option of taking their shares was very considerable. Supposing that the loan were tendered for in London at the most favourable rates, and in some such proportion as these, viz. :—

£		
500,000	at	105.
500,000	,,	104.
2,000,000	,,	103.
2,000,000	,,	102.
5,000,000.		

The average price would be 102·9. Were those who had tendered 2,000,000 at 103 to give up half what they wished to secure at 102·9 to the French and the Russians? In order to meet this point, the Delegates suggested that “the price of the stock to be allotted under the condition of retrocession should be fixed by the average price of all tenders which would have been accepted, had there been no obligatory retrocession, the price, however, in no case being lower than that of the original tenders accepted,” which, in the foregoing example, would have been 103.

Such complicated provisions in the prospectus of a loan would almost certainly fail to be understood; and the general conclusion arrived at was that the open tender system could not be worked for an international loan, except on the lines of the proposal originally suggested by the Chancellor of the Exchequer, which the French Government had declined to accept. Accordingly, there seemed to be only one way out of the difficulty, and that was that recourse should be had to a fixed price, followed by a *pro ratâ* allotment.

Before he would definitely agree to substitute procedure by a fixed price for procedure by open tender, the Chancellor of the Exchequer stipulated that he should be furnished with some written explanation of the reason why the French

and Russian Governments would not fall in with his original proposal. Such an explanation was important from a Parliamentary point of view, in order that he might show that it was only under pressure that he had given way about the tender system, whereby alone Greece would be assured that our credit was being turned to the best account in her behalf.

The required Declaration was duly made and received. It was avowedly to the effect that, as only our market would be tested under the proposal of the Chancellor of the Exchequer, such proposal would conflict with French and Russian ideas of open tender, and be misunderstood abroad. Thereupon, Sir Michael Hicks-Beach agreed to accept the principle of a fixed price.

4957/98.

The next question that arose was, how such price should be fixed? It was tolerably certain that the other two countries would be bound to accept the price at which the Chancellor of the Exchequer was prepared to take the guaranteed stock; but, in order to avoid offending foreign susceptibilities, it was ultimately agreed that the price should be fixed by agreement between the three Governments in accordance with "the principle on which they had arrived at an understanding at the beginning of the negotiations, namely, that the price should be fixed in the interests of Greece at the highest rate which the state of the market will permit at the date when the said agreement as to the price shall come into effect."

4544/98.

It remained to determine the proposals for securing the subscription and issue of the Loan. The details had to be left to authorized representatives of foreign banking establishments, but the main proposals were formulated by the Delegates, and the gist of such proposals was that the Bank of England should engage that the whole of the money to be raised should be forthcoming at the agreed price, and that the financial establishments of France and Russia should be at liberty to take part in this engagement to the extent of one-third of the Loan in each country, the Loan being subsequently issued, at the same price, to the public in each of the three capitals, by a *pro rata* allotment to applicants.

4544/98.

The foreign Delegates took their departure towards the close of March; and, very shortly afterwards, two representatives of the Russian banks arrived in London with a view to settling

with the Bank of England the details connected with the issue of the Loan on the lines formulated by the Delegates. The French banks did not show any corresponding desire to complete the arrangements with due despatch. They did not send representatives to confer in London, and, so far from co-operating with their Russian friends, they were content to raise difficulties from their parlours in Paris.

Meanwhile, the necessary steps were taken to secure the sanction of Parliament to the joint and several guarantee which Her Majesty was to give. In order that the Bill might become law before the Easter recess, the preliminary Resolution was moved by the Chancellor of the Exchequer, and considered in Committee of Ways and Means on Thursday, the 24th March, before the International Convention was actually signed. Sir Michael Hicks-Beach briefly explained the necessity for the Guaranteed Loan, and the requirements of the Great Powers about the evacuation of Thessaly; and after a short debate the Resolution was agreed to. It was reported on Friday, the 25th March, and thereupon the Bill, founded upon the Resolution, was brought in and read a first time. The Bill passed through all its subsequent stages in both Houses, and received the Royal Assent by the 31st March,* by which day also the Convention had been signed in Paris.

A few days afterwards the Bank of England, in concert with the representatives of the Russian banks, and Major Law, had succeeded in advancing matters up to the point at which the concurrence of the French bankers became essential. The contract, whereby each group of bankers made itself severally responsible for a third of the Loan, was drafted, and everything was ready for the issue of the Loan, if the French people were willing to fall in with the proposals of the Bank of England and their Russian associates. It may be noted that the draft contract provided that the $\frac{1}{3}$ per cent. commission should be paid to the banking establishments of the three countries in consideration of the responsibility which they undertook (a responsibility which, in the case of the Bank of England, was mainly nominal, owing to its having the British Government at its back), and that $\frac{1}{3}$ per cent. brokerage should be allowed in connection with applications for the Loan.

* 61 & 62 Vict., cap. .

Owing, however, partly to there being no disposition to further the wishes of the French Government, and partly to there being a difficulty on account of the disability of the Bank of France to sign any contract, no assistance came from Paris; and a further delay of two weeks or more ensued before the French bankers and the Bank of France were willing to find a means of solving the difficulty.

The pace at which the final negotiations proceeded was at last forced by the assembling of the International Financial Commission in Paris on the 23rd April; when an actual date was fixed for the issue of the Loan, the date being the 10th May.

7038/98.

In accordance with the understanding previously arrived at, it now fell to the Chancellor of the Exchequer to suggest the price at which the Loan should be issued. It would at any time have been a difficult matter to decide. To put the price too low would have meant, not only that the best terms had not been secured for Greece, but also that foreigners would probably have been able to sell their holdings here at a profit, with the results that they would have made an unnecessary amount out of the Loan, and the London market would have had to find more than its share of the money due at Constantinople. On the other hand, to put the price too high would have meant that the public here would not apply for it, that the Loan would thus have no immediate market, that foreigners could have taunted us with having rated our boasted credit too highly, and our critics at home would have blamed us for making a bad bargain for the Savings Banks funds.

This difficulty, which the Chancellor of the Exchequer had felt from the first, and in view of which he had so strongly advocated the system of open tender, became accentuated by the unfortunate fact that, while the negotiations occupied such an undue amount of time, the London market had, mainly owing to the unsettled state of things in the United States culminating in war with Spain, appreciably hardened, the effect of which was to tell most sensibly on the prices of the securities of the British Government and of other "gilt-edged" securities.

On Tuesday, the 3rd May, 1898, after conferring with the Governor of the Bank of England and the Government broker, the Chancellor of the Exchequer proposed to fix the price of issue at 101½.

One of the considerations which had to be taken into account was that, in the contract with the French and Russian bankers, a stipulation had been inserted that the rates of exchange for all operations in connection with the Loan were to be respectively for London, Paris, and St. Petersburg, 100*l.*; 2,500 fr.; and 937·50 roubles. Without this stipulation our Delegate was unable to conclude any agreement. As the current rates of exchange were appreciably above even the gold par (that is to say, the rate of exchange with Paris was 25·33, as compared with 25·22), the nominal rate of exchange could not but give a considerable advantage to those who might apply for the Loan in Paris and St. Petersburg over applicants in London, no matter at what figure the price was fixed; but as nothing short of breaking off the international negotiations could obviate this advantage, the Chancellor of the Exchequer had reluctantly to acquiesce in the arrangement.

His proposal to fix the price of issue at 101*l.* was communicated on the following day to the Governments of France and Russia. Meanwhile, the French and Russian Delegates returned to London. The Russian Delegate had full powers, and was prepared to accept the proposed price. The French Delegate had to refer the question to his Government; and owing to the absence of the Finance Minister (M. Cochery) from Paris, no reply was received from the French Government until late in the afternoon of the day before the prospectus had to be issued, which was on Friday, the 6th May. The French Government pressed for par; and, though to this the Chancellor of the Exchequer would not listen, he decided to accept as a compromise 100*l.* 10*s.*, sooner than to run the risk of incurring still further delay, and to upset the programme to which all the Powers through their Representatives had agreed in Paris.

The prospectus announcing that the price of issue was fixed at 100½ was duly published on Friday, the 6th May, and applications for the Loan were duly received at the Bank of England on the following Tuesday, the 10th. The amount applied for in London, including an application for the whole of the British third by the Bank of England on behalf of the National Debt Commissioners for the Savings Banks Funds, was 3,036,500*l.*, and, the allotment being *pro rata*, each applicant received 54 per cent. of the amount for which he had applied.

In consequence of the additional attractions of the price at Paris and St. Petersburg, large applications were made by London houses in the French and Russian capitals, with the result that the French third was applied for, about twenty-two or twenty-three times over.

We succeeded in obtaining for the Savings Banks not only 54 per cent. of the British third, amounting to 907,400*l.*, but likewise, through Messrs. Hambro and Baring, allotments in Paris and St. Petersburg to the amounts respectively of 65,100*l.* and 960,000*l.*

It may be well, in conclusion, to state that the moral to be drawn from the difficulties connected with the negotiations attending the conclusion of the Greek Guaranteed Loan is that, if this country again has reason to come to the financial assistance of a foreign country, Her Majesty's Government should preferably render such assistance either by a direct loan, or by means of a sole and several guarantee, and not by a guarantee jointly with other Powers, whose credit is necessarily inferior to our own, and whose sensitiveness on this point is so acute and troublesome.

E. W. HAMILTON.

May 18, 1898.

