

incur in the exercise or performance of their functions under the Scheme, and also there shall be paid out of the District Fund such amounts necessary to defray any penalties imposed on the District under the provisions of the Central Scheme and also such amounts as shall be necessary to provide for compensation to members whose output is less than their total allocation in manner provided in this clause and in Clause 54 of the Scheme.

Provided that any moneys derived from the payment of penalties shall be accounted for under a distinct and separate heading in the accounts of the District Fund and such moneys shall be primarily liable for the payment of any penalties imposed on the District under the Central Scheme and subject to payment of or provision for such penalties as shall have been actually imposed on the District or in the opinion of the Executive Board may have been incurred by the District down to the end of any year the balance or the requisite part thereof shall be distributed in the proper proportions amongst the owners entitled to compensation for that year under the provisions of the Scheme in or towards satisfaction of the compensation to which they are so entitled, and the ultimate balance (if any) remaining after such distribution as aforesaid shall (together with any balance carried forward from any preceding year or years and remaining unapplied) be carried forward and added to the moneys derived from payment of penalties in the year next following.

Provided further that the total amount distributable by way of compensation for any year shall not exceed the amount of the balance available for distribution under the last preceding proviso.

51. For the purpose of meeting any expenses duly approved by the Executive Board the Trustees or any persons duly authorised by them may draw cheques on the District Fund.

52. The Trustees shall have discretion to invest any moneys standing to the credit of the District Fund which are in excess of the immediate requirements of the Board in any investments authorised by law for the investment of trust moneys and may from time to time change such investments for any other investment of the like nature or realise the same in order to meet expenses duly approved by the Board.

53. Auditors of the District Fund shall be appointed by the owners at the general meeting called in pursuance of Clause 1 of the Second Schedule to the Scheme and the audited accounts of the District Fund shall be presented at each annual general meeting, when the auditors shall be reappointed or other auditors appointed in their place.

COMPENSATION.

54.—(i) The total amount of compensation shall be allocated by the Executive Board out of the District Fund under the provisions contained in the Scheme, and the compensation payable to owners shall be distributed so that the amount paid to any owner bears the same proportion to the total amount paid by way of compensation as such owner's compensatable deficiency (as hereinafter defined) bears to the total of the compensatable deficiencies of all

the owners, but so that no owner shall in any case receive more than 2s. for every ton of his compensatable deficiency.

(ii) An owner's compensatable deficiency shall be calculated as follows:—From the amount by which such owner's output is short of his total allocation there shall be deducted the output (estimated as hereinafter provided and called "lost output") lost owing to strikes, accidents, or breakages of machinery, and the resulting amount or ten per cent. of the total allocation (whichever shall be the less) shall be and is herein referred to as his compensatable deficiency.

(iii) If the coal mine affected by any of the causes specified in sub-clause (ii) hereof has not worked on any day in the quarter by reason of any such causes, there shall be no compensatable deficiency for such quarter so far as regards that coal mine.

(iv) If the coal mine has worked on any day during the quarter, the lost output of any owner estimated by reference to each quarter shall be as follows: The output for the quarter of each coal mine affected by any of the causes specified in sub-clause (ii) hereof shall be divided by the number of days actually worked by that coal mine during that quarter and the daily output so ascertained shall be multiplied by the number of days on which the coal mine was idle owing to any of the said causes and the result shall represent the lost output for that coal mine.

TRUSTEES.

55. The owners shall, at the first General Meeting called in pursuance of Clause 1 of the Second Schedule to the Scheme, appoint three persons to be the Trustees for the Board under the Scheme. The District Fund and all other property of the Board shall be vested in the Trustees.

56.—(i) Any Trustee for the time being hereof may retire or by resolution of a general meeting be removed from the office of Trustee, and the power of appointing new or additional Trustees hereof shall be exercisable by the owners in general meeting.

Provided that if the number of Trustees be reduced at any time to less than two the Executive Board may themselves appoint a new Trustee to act with the remaining Trustee until the next annual general meeting of owners.

(ii) The Trustees shall not be liable to make good any deficiency which may arise or happen in the District Fund or property of the Board, but shall be liable only for moneys which shall be actually received by them on account of the Board.

(iii) The owners shall save harmless and keep indemnified the Trustees and each of them from all actions, claims, demands, costs and expenses which they or he may incur, sustain, or be put to by reason of or incidental to any matter which may be done in execution of the provisions of the Scheme.

57. The Trustees may sue and be sued for and on behalf and in the name of the Board, and shall pay into the District Fund any moneys recovered by them in any proceedings taken on behalf of the Board, and the Trustees