

61. In cases of insolvency of the debtor, the association is compelled to rank in its order with other creditors, but after two biddings, without a sale, the association may demand a third auction without any reserve, and to be the first paid out of the proceeds.

63. The demand for repayment of the loan by the association can only be made in the following cases :

1st. When the proprietor neglects his property to such an extent as to endanger the safety of the debt.

2nd. When within a period of two years the debtor has been thrice threatened with seizure.

3rd. When the seizure of the property is authorized for a private debt, and the proprietor neglects to pay regularly his half-yearly *rentes*.

In these three cases only the association may exact complete repayment six months after a sequestration made therefor, and after three successive advertisements in the *Gazette de Lemberg*.

The interest on the debt is payable in cash. The capital may be repaid in *lettres de gage* or in money.

64. Whenever a payment is in arrear, the debtor is bound to pay six months interest on the sum in arrears.

65. The members of the association shall also pay an extraordinary contribution to cover the cost resulting from delays of payments, the association being sometimes obliged to borrow money at a higher rate to cover the amount. Debtors, moreover, pay all the other expenses occasioned by them.

CHAPTER VII.

RIGHTS OF HOLDERS OF "LETTRES DE GAGE."

68. The association offers to its creditors as guarantee for the fulfilment of its engagements :

1st. The vigor with which they can cause execution to issue against their own debtors.

2nd. The resources placed at its disposal by the sinking fund.

3rd. The rigid punctuality with which they always exact their payments.

69. In the event of the association not fulfilling, with all desirable punctuality, its obligations to a holder of a *lettre de gage*, the latter may make application to the tribunal of Lemberg—

A. For proceedings against the association directly.

B. Or for the seizure of any one of the properties affected.

C. Or, lastly, he may apply for payment out of the property of the States, in virtue of the guarantee extended by these States.

73. A commission of enquiry appointed for that purpose is bound to make known, within three days, its opinion as to the merits of the demand by the holders of the *lettres de gage*.

CHAPTER VIII.

CAPITAL OF THE ASSOCIATION.

74. The capital at the disposal of the association is composed :

A. Of the disposable balance of the appropriation for the formation of a regiment of lancers, called The Emperor's.

B. Of the share coming to the States out of the fund voted for the erection of public commercial guarantee, a project since abandoned.

The two sums are given to the association by the States of Galicia, to meet the first cost of establishment, and for the formation of a reserve fund.