Be it therefore enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

Amendment of 38 & 39 Vict. c. 55. ss. 211 (1.) (*b.*), 230.

1. From and after the first day of October one thousand eight hundred and ninety-one section two hundred and eleven, sub-section one, and section two hundred and thirty of the Public Health Act, 1875, shall be read and construed as if the word "allotments" was inserted in each of those sections after the word "woodlands": Provided that nothing in this Act shall apply to any rate made under either of the said sections on or before the first day of October one thousand eight hundred and ninety-one.

Definition of "allotment."

2. "Allotment" means any parcel of land of not more than two acres in extent and let as an allotment, and cultivated as a garden or a farm, or partly as a garden and partly as a farm.

Short title of Act.

3. This Act may be cited as the Allotments Rating Exemption Act, 1891.

CHAPTER 34.

An Act to provide increased Facilities for the raising of Money by Local Authorities in Scotland by the issue of Debentures, Stock, or otherwise. [21st July 1891.]

BE it enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

Preliminary.

Short title.

1. This Act may be cited as the Local Authorities Loans (Scotland) Act, 1891.

Extent of Act.

2. This Act shall extend to Scotland only.

Commencement of Act.

3. This Act shall come into operation on the first day of December, one thousand eight hundred and ninety-one, which day is hereinafter referred to as the commencement of this Act.

Interpretation.

4.—(1.) In this Act, if not inconsistent with the context, the following terms have the meanings herein-after respectively assigned to them; that is to say,—

The expression "local authority" means any county council, town council, or other authority whatsoever having power to levy a rate as in this Act defined:

Provided that where in any burgh there are police commissioners or other commissioners or trustees having powers of levying and borrowing on the security of a rate, this Act shall be carried into execution by the town council, and in so far

as necessary to give effect to the provisions of this Act the powers aforesaid at the commencement of this Act vested or which at any future time may be vested in the commissioners or trustees aforesaid shall be transferred to and may be exercised by the town council as local authority in respect thereof:

The expression "rate" means an assessment or rate the proceeds of which are applicable to public local purposes, and which is leviable on lands and heritages, and includes any sum which though obtained in the first instance by a precept, certificate, or other document requiring payment from some authority or officer, is or can be ultimately raised out of a rate, and the levy of a rate includes the issue and enforcement of any such precept, certificate, or document as aforesaid, and expressions relating to the levy and the assessment of a rate shall be construed accordingly:

The expression "rate" also includes water rates or rents, gas rates or rents, and charges for supply of water or gas, or the hire of meters or fittings connected therewith:

The expression "bank" means any bank in Scotland established by or in pursuance of the powers contained in any Act of Parliament or royal charter:

The expression "stock" when used alone means stock created under the powers of this Act; and the expression "stock-holder" means a holder of such stock:

5 & 6 Will. 4. c. 62.

The expression "statutory declaration" means a declaration under the Statutory Declarations Act, 1835:

The expression "prescribed" means prescribed by the Secretary for Scotland:

The expression "bond" includes bond and disposition in security:

25 & 26 Vict. c. 101.

The expression "burgh" includes royal and parliamentary burghs and any populous place the boundaries whereof have been fixed and ascertained under the provisions of the General Police and Improvement (Scotland) Act, 1862, or of the Acts therein recited or under the provisions of any local Act.

(2.) Any power whether or not coupled with a duty of borrowing or continuing on loan or reborrowing money or of redeeming or paying off or creating or continuing payment of or in respect of any annuity rentcharge rent or other security representing or granted in lieu of consideration money for the time being existing under this Act or under any Act of Parliament public or local passed or to be passed or under any Provisional Order confirmed by Act of Parliament passed or to be passed or under any order or sanction of any Government department made or given or to be made or given by authority of any Act of Parliament passed or to be passed is for purposes of this Act a statutory borrowing power.

(3.) Where in any burgh there is a common good according to the law and usage of Scotland the town council may from time to time apply to the Secretary for Scotland to determine the amount which the town council may borrow on the security of such common good, having regard to the capital value thereof and all

other circumstances affecting the same, and the Secretary for Scotland may, after such inquiry as he shall deem proper, by order determine such amount accordingly, and the order shall be published in the Edinburgh Gazette; and thereafter the town council shall be deemed to have a statutory borrowing power within the meaning of this Act over the common good to the amount so determined by the Secretary for Scotland.

(4.) Any security in which trustees are for the time being by or under any Act of Parliament passed or to be passed authorised to invest trust money, and any mortgage, bond, debenture, debenture stock, corporation stock, or other stock, annuity, rentcharge, rent, or other security authorised by or under any Act of Parliament passed or to be passed of any local authority in Great Britain except the local authority taking the security, is for purposes of this Act a statutory security.

(5.) The provisions of this Act referring to interest apply to and include instalments of an annuity and half-yearly or other payments of or in respect of a rentcharge, rent, or other statutory security.

Creation and Charge of Stock.

Creation of stock.

5.—(1.) Where the local authority have for the time being any statutory borrowing power, then subject and according to the provisions of this Act the local authority may from time to time by resolution exercise the power by creation of redeemable stock, to be from time to time issued for such amount within the limit of the power, at such price, to bear such half-yearly or other dividends, and to be so transferable, that is to say, in books or by deed, as the local authority by the resolution direct: Provided that all stock at any one time and from time to time so created shall be created on and subject to such terms and conditions as that the same shall form one and the same class of stock, bearing one and the same rate of dividend, and redeemable at the option of the local authority at such one and the same time, not exceeding sixty years from the first creation of the stock, as the Secretary for Scotland, on the application of the local authority, may approve, and the whole of the stock shall be redeemed and extinguished within such period.

(2.) All stock at any time and from time to time so created shall rank equally, without any priority or preference by reason of any precedence in the date of any statutory borrowing power, or in the date of creation of any portion of stock, or in the date of issue of any portion of stock, or on any other ground whatsoever, and shall also rank equally with all other securities of the local authority at any time after the date of the first creation of any stock under this Act granted by the local authority in pursuance of any statutory borrowing power.

(3.) The resolution for the first creation of stock shall provide that such stock shall be redeemable, at the option of the local authority, at par, that is to say, at the rate of one hundred pounds sterling for every nominal amount of one hundred pounds stock issued at such time and in such manner as the local authority by that resolution declare.

(4.) Each resolution for creation of stock shall specify after what period the stock thereby created is redeemable, and within what period the stock is to be redeemed and extinguished.

(5.) Stock so created shall be designated by the local authority as redeemable stock, and shall bear such further designation as the Secretary for Scotland, on the application of the local authority, may approve.

Confirmation of resolution by Secretary for Scotland.

6. A resolution of a local authority, as in the last section mentioned, shall not take effect unless and until—

(1.) It is confirmed at a subsequent meeting of the local authority, held after the resolution has been published in the prescribed manner, and after the expiration of the prescribed time, being not earlier than fourteen days after the first publication of such resolution; and

(2.) It is confirmed by the Secretary for Scotland by an Order under his hand and seal of office.

Borrowing power to be exerciseable for actual sum raiseable.

7. Each statutory borrowing power of the local authority shall, subject to the provisions of this Act, be construed to authorise the local authority to create and issue stock from time to time to such nominal amounts as in the aggregate will, according to the price of issue, produce the actual amount of money for the time being lawfully raiseable by the local authority under that power, or some portion of that actual amount, or (as the case may be) the actual amount of money properly payable by the local authority as consideration on payment off or redemption by the local authority of any mortgage, bond, debenture, debenture stock, corporation stock, or other stock, annuity, rentcharge, rent, or other security granted or created by the local authority.

Charge of stock.

8.—(1.) All stock for the time being issued, and the dividends thereon, shall be and the same are by virtue of this Act charged indifferently on the whole revenues of the local authority from time to time arising from the lands and heritages, undertakings, and other property for the time being of the local authority, and on all funds and rates established and leviable by the local authority.

(2.) The dividends for the time being payable on all stock shall rank equally with the interest on all other securities of the local authority at any time after the date of the first creation of any stock created or granted in pursuance of any statutory borrowing power, and the same dividends and interest shall, subject to all charges existing at that date, be the first charge on the revenues and rates aforesaid, and on the revenues of the funds aforesaid, all which revenues and rates are comprised in the term the local authority revenues when hereafter used in this Act.

Loans Fund.

Establishment of consolidated loans fund.

9. For payment of dividends on all stock, and for redemption and extinction, or purchase and extinction thereof, there shall be established and formed a fund called the Consolidated Loans Fund (in this Act referred to as the loans fund).

Contributions to loans fund for dividends.

10.—(1.) In each year the local authority shall pay into the loans fund a sum or sums equal to the aggregate amount of all dividends payable in that year on the several portions of stock issued, in exercise of the respective statutory borrowing powers of the local authority, and remaining outstanding.

(2.) They shall provide the sum or sums aforesaid by contributions from the several local authority revenues, if any, specifically made liable to provide the same by or under any Act of Parliament, or any Provisional Order confirmed by Act of Parliament, or any order or sanction of any Government department, or by any resolution of the local authority having reference to those respective statutory borrowing powers, and if, as regards any statutory borrowing power there is no such specific liability, then from the several local authority revenues out of which interest would have been payable on money borrowed by the local authority under that power, if that money had been raised and remained secured otherwise than by stock, and in default thereof, or subject thereto, they shall provide the same out of the guarantee rate herein-after provided.

(3.) The amounts of those several contributions (subject to any payment in reduction thereof authorised by this Act) shall be the sums ascertained to be required in that behalf by apportionment of that aggregate amount of dividends among the several local authority revenues according to the amount of stock the dividends whereon are properly payable thereout respectively.

Contributions to loans fund for extinction of stock.

11.—(1.) In each year the local authority shall pay into the loans fund a sum or sums equal to the aggregate amount of all sums payable in that year for redemption and extinction, or purchase and extinction, of the several portions of stock issued in exercise of the respective statutory borrowing powers of the local authority, and remaining outstanding.

(2.) They shall provide the sum or sums last aforesaid by contributions from the several local authority revenues, if any, specifically made liable to provide the same by or under any Act of Parliament, or any Provisional Order confirmed by Act of Parliament, or any order or sanction of any Government department, or by any resolution of the local authority having reference to those respective statutory borrowing powers, and if, as regards any statutory borrowing power, there is no such specific liability, then from the several local authority revenues out of which any yearly or other sums would have been payable towards a sinking fund for discharge, or towards payment off, by instalments, appropriations, annual repayments, or otherwise, of money borrowed by the local authority under that power, if that money had been raised and remained secured otherwise than by stock, and in default thereof, or subject thereto, they shall provide the same out of the guarantee rate herein-after provided.

(3.) The amounts of those several contributions (subject to any payment in reduction thereof authorised by this Act) shall be the same amounts as would, in the same respective cases, have been payable towards a sinking fund, or towards payment off, as aforesaid, of those contributions to be subject to accumulation if and as in the same respective cases accumulation was directed.

(4.) The local authority shall from time to time by investment on statutory securities of the sums paid into the loans fund in respect of those several contributions or of proper parts thereof and by like investment of the interest and annual proceeds arising from those securities make and maintain such accumulations as are in this section referred to.

(5.) But if the extinction of any portion of stock or any part thereof is accelerated by the application to such extinction of any part of the loans fund required by this Act to be applied to the making and maintenance of those accumulations, then a sum or sums equal to the dividends on the stock so extinguished shall thenceforth in every year, during the residue of the period expressly or by implication limited for the continuance of any loan, be paid into the loans fund out of the local authority revenues chargeable with payment of the dividends on that portion of stock.

Raising of contributions to loans fund.

12.—(1.) The local authority shall, from time to time, in order to raise the amounts of the several contributions of the two kinds aforesaid, out of the several local authority revenues, do all such acts, exercise all such powers, collect all such money, and levy all such rates as they lawfully can or ought to do, exercise, collect, and levy for the purposes of or in relation to the respective statutory borrowing powers in exercise whereof the several portions of stock are issued.

(2.) If by reason of any limit of rate, or for any other reason, there is a deficiency on any local authority revenue in respect of any required contribution, the local authority shall advance the amount of the deficiency out of the loans fund.

(3.) The amount so advanced shall be a debt due from the local authority revenue on which the deficiency existed to the loans fund, and interest shall be payable thereon at the rate of five per centum per annum until repayment, and the same debt and interest shall, as soon as in the judgment of the local authority reasonably may be, be raised and paid out of the local authority revenue on which the deficiency existed.

(4.) The amount so advanced, with interest thereon as aforesaid, shall, when repaid to the local authority, be carried into the loans fund and applied to replace the moneys advanced under sub-section (2) of this section, or if the amount so advanced has been provided out of moneys raised by means of the guarantee rate herein-after authorised, the amount so advanced, with interest thereon as aforesaid, shall be carried into the loans fund and applied towards the paying off, rateably or otherwise, as the local authority shall determine, the moneys borrowed by the local authority under this or any other Act of Parliament.

Payment of sale money, rents, &c. to loans fund.

13.—(1.) The local authority shall pay into the loans fund, and shall carry to the proper separate account forming part of the general account of the loans fund, all such money being capital, or in the nature of capital, and not being otherwise wholly or in part appropriated or made applicable by law or by valid contract as shall from time to time arise from any sale, lease, or other disposition of lands and heritages, or other property of the local authority on the

revenues whereof any stock is charged, and (if the local authority have power to lend) all principal moneys received by the local authority on the payment off, or on account, of any loan made by the local authority by means of the creation and issue of stock under the powers of this Act.

(2.) The local authority shall pay into the loans fund, and shall carry to the proper separate account forming part of the general account of the loans fund, the rents and profits of any lands and heritages, and other property of the local authority acquired by them for the purposes of any undertaking or purpose for or in respect of which any statutory borrowing power is exercised by them by the issue of stock, and not otherwise wholly or in part appropriated or made applicable by law or by valid contract, and (if the local authority have power to lend) all moneys received by the local authority as interest on any loan made by the local authority by means of the creation and issue of stock under the powers of this Act.

(3.) The local authority, before making any payment into the loans fund under this section, may deduct from the money or the rents and profits to which this section applies any costs and expenses properly incurred by the local authority in or about any sale, lease, or other disposition, or the collection and receipt of any rents and profits.

Guarantee rate.

14. If at any time it shall appear to the local authority that the amount of any deficiency in respect of any contribution from any of the local authority revenues to the loans fund as herein-before provided, should be advanced to the loans fund out of moneys to be raised by means of the guarantee rate herein-after mentioned, and the local authority at a meeting specially called, with notice of the object, resolve so to advance the amount of any such deficiency, the local authority may and they are hereby empowered to impose, assess, and levy upon and from all lands and heritages situated within the district of the local authority such rate as they may consider necessary for the purpose of advancing the amount of any such deficiency, which rate shall be called the "guarantee rate"; and the sums so imposed, assessed, and levied shall be carried to and form part of the loans fund, and be applied as herein provided with respect to contributions to the said fund.

Mode of levying guarantee rate.

15. The guarantee rate shall be imposed and assessed one-half on the owners and one-half on the occupiers of all lands and heritages within the district of the local authority, and shall be levied and recovered in the same manner and subject to the same provisions as the general purposes rate in a county, the police assessment in a burgh, and in the district of any other local authority any rate leviable therein by such local authority.

Application of loans fund.

16. The local authority shall, from time to time, apply the loans fund, first, in paying the dividends on all stock, and next in redeeming stock according to the terms of issue, and purchasing stock for extinction.

Extinction of stock redeemed or purchased.

17. All stock redeemed by the local authority, or purchased by the local authority for extinction, shall be forthwith cancelled by the local authority, and on such cancellation the same and all dividends thereon (not already accrued) shall be and the same are by virtue of this Act extinguished.

Account of loans fund.

18.—(1.) As parts of the general account of the loans fund, the local authority shall keep separate accounts relative to—

(*a.*) Each undertaking or purpose for, or in respect of, which any statutory borrowing power is exercised by them by the issue of stock; and

(*b.*) Each statutory borrowing power so exercised.

(2.) Those separate accounts shall distinguish and show—

(*c.*) The portions of stock for the time being unextinguished and chargeable to each undertaking or purpose, and respectively attributable to the exercise of the several statutory borrowing powers, if more than one, relating to that undertaking or purpose; and

(*d.*) The amounts of those several portions of stock redeemed or purchased by means of the loans fund and cancelled and extinguished.

(3.) Those separate accounts shall further distinguish and show in relation to each undertaking or purpose—

(*e.*) All money being capital, or in the nature of capital, arising from any sale, lease, or other disposition of lands and heritages, or other property of the local authority, or (if the local authority have power to lend) principal received on payment off of any loan made by the local authority by means of the creation and issue of stock, under the powers of this Act, paid into the loans fund, and, in the judgment of the local authority, properly attributable to that undertaking or purpose, and the securities on which that money or any part thereof is from time to time invested; and

(*f.*) All money from time to time received as interest, and annual proceeds of the last-mentioned money and securities; and

(*g.*) All money from time to time received as rents and profits of any lands and heritages, and other property of the local authority so as aforesaid acquired, and not otherwise appropriated or made applicable; and

(*h.*) All money and securities transferred to the loans fund as having formed part of a sinking fund, and all money from time to time received as interest and annual proceeds of the last-mentioned money and securities, or of securities wherein the same interest and annual proceeds are from time to time invested by way of accumulation; and

(*j.*) All money paid into the loans fund as contributions from the local authority revenues in respect of dividends on the several portions of stock chargeable to that undertaking or purpose; and

(*k.*) All money paid into the loans fund as contributions from the local authority revenues in respect of redemption and extinc-

tion, or purchase and extinction, of those several portions of stock.

(*l.*) All money paid into the loan fund as interest on any loan made by the local authority (if the local authority have power to lend) by means of the creation and issue of stock under the powers of this Act.

(*m.*) All money being unclaimed dividends paid into the loans fund as herein-after provided.

Application of income in reduction of contributions.

19.—(1.) Where any money is standing on a separate account in the loans fund being money paid into the loans fund as rents and profits of the lands and heritages and other property of the local authority, or being money paid into the loans fund as interest on cash balances received by the local authority, or being other money paid into the loans fund, but not being capital or in the nature of capital, and not being required by this Act to be applied to the making and maintenance of such accumulations as are provided for by this Act, the local authority may deal with the same as in this section provided.

(2.) Where any money is standing on a separate account in the loans fund, being money required by this Act to be applied to the making and maintenance of such accumulations as are provided for by this Act, the local authority, after providing for the making and maintenance of those accumulations, may, if they think fit, from time to time, invest that money, or any part thereof, in statutory securities, and deal with the interest and annual proceeds of those securities as in this section provided.

(3.) The local authority may, if they think fit, from time to time apply the money described in paragraph (1) of this section, and the last-mentioned interest and annual proceeds to either of the purposes following, or to both of those purposes, in such proportion as the local authority from time to time may consider equitable and expedient (that is to say):—

(*a.*) In reduction of such contributions out of the local authority revenues as are payable into the loans fund in respect of dividends on the portions of stock comprised in the separate account on which the money or interest and annual proceeds is or are standing:

(*b.*) In reduction of such contributions out of the local authority revenues as are payable into the loans fund for redemption and extinction, or purchase and extinction, of those portions of stock.

Determination as to charge of stock.

20. For the purposes of any contribution or account under this Act the local authority, if they think fit, having regard to all the circumstances of the case, and subject to the terms on which any loan of the local authority was contracted or any stock was issued, may, from time to time, determine and declare on which of the local authority revenues any loan of the local authority or any portion of stock is or shall be deemed to be primarily or collaterally charged, or determine and declare that any loan of the local authority or any portion of stock shall be apportioned, as regards

the charge thereof, between or among any of the local authority revenues and every such determination and declaration shall be effectual to all intents.

Conversion of other Securities into Stock.

Payment off or substitution for existing securities.

21.—(1.) Where any mortgage, bond, debenture, debenture stock, annuity, rentcharge, or other security, granted or created before or after the passing of this Act by the local authority under any statutory borrowing power, is outstanding or payable, and the local authority have power, with the consent of the holder of that security or otherwise to pay off the amount thereby secured or represented, or to redeem the same, they may pay off or redeem the security accordingly with money raised by stock, or they may, with the consent of the holder thereof, issue stock in substitution for the security.

(2.) The local authority may in every such case make such reasonable payment as they may think fit to the holder of any security for his consent or for otherwise compensating him for the payment off or redemption of or substitution for his security, and any such payment may be either in money or stock or partly in one and partly in the other: Provided that public notice by advertisement in a newspaper circulating in the district of the local authority shall be given of any resolution to make such payment, and that the resolution shall not be acted upon until it has been confirmed at a second meeting of the local authority held not less than ten days after such advertisement.

(3.) The local authority may, subject to and in accordance with the provisions of this Act, create and issue stock to such amount as may be requisite for purposes of this section, and that stock shall be deemed to be created and issued and any money raised thereby shall be deemed to be raised by virtue of the statutory borrowing power under which the security was granted or created, and any money so raised shall be applied in payment off or redemption of the security.

(4.) In every such case of payment off, redemption, or substitution the local authority shall pay and transfer into the loans fund the whole or a proportionate part (as the case may require) of any money and securities forming part of the sinking fund applicable to the discharge of the security.

8 & 9 Vict. c. 19.

(5.) Where the holder of the security is one of the persons described in section seven of the Lands Clauses Consolidation (Scotland) Act, 1845, and by that Act enabled to sell land thereunder, that person may consent to payment or redemption of or substitution for the money secured or represented by that security, and may accept money for giving that consent as if the person so consenting were the absolute owner of that security, and that person is hereby indemnified for so doing, and his receipt shall be a good discharge for the same.

(6.) Money received by the holder of any security as authorised by this section, and stock issued to him in substitution for any security shall be subject to the same trusts, powers, testamentary

and other dispositions, provisions, and incumbrances as the money secured or represented by the security was subject to immediately before the payment off, redemption, or substitution, and every deed or other instrument or any testamentary or other disposition shall take effect with reference to the whole or a proportionate part of the money or stock received or substituted as the case may be.

Effect on Borrowing Powers.

Extinction or suspension of power.

22. On the issue of any portion of stock the statutory borrowing power in exercise whereof that stock is issued shall be affected as follows (namely):

(*a.*) If the stock is issued for the whole term limited for the continuance of any loan or for the continuance of payment of or in respect of any mortgage, bond, debenture, debenture stock, annuity, rentcharge, rent, or other security granted or created by the local authority under that statutory borrowing power, then that power to the extent of the money raised by that stock shall be and the same is by virtue of this Act extinguished; but

(*b.*) If the stock is issued for part only of that term, then so much of the money raised by that stock as has not been paid off out of the loans fund may be reborrowed by the local authority for the residue of that term, or any part thereof, and so from time to time.

Application of Money raised.

General application of money from stock.

23. Money raised by stock shall be applied for purposes for which money raiseable under the statutory borrowing power in exercise whereof the stock is issued ought by law to be applied and not otherwise.

Temporary investment of money raised by stock.

24.—(1.) The local authority may from time to time invest temporarily on statutory securities (other than stock certificates to bearer and other than statutory securities of the local authority) money raised by stock, and not for the time being applied to or required for the undertaking or purpose for which it is raised, and shall from time to time pay the interest and annual proceeds of those securities into the loans fund.

(2.) The local authority may, if they think fit, from time to time apply the interest and annual proceeds aforesaid or any part thereof in reduction of such contributions out of the local authority revenues as are payable into the loans fund in respect of dividends on the respective portions of stock by the issue whereof that money is raised.

Registration and Certificates.

Appointment of registrar.

25.—(1.) The local authority may, if they think fit, and on and subject to such terms and instructions not inconsistent with any provision of this Act as they think expedient, appoint and keep appointed an officer of the local authority or other person or any bank as registrar for all or any of the purposes of this Act (in this Act referred to as the registrar).

(2.) The local authority in relation to the provisions of this Act and the registrar shall respectively be deemed a banker within the Bankers Books Evidence Act, 1879.

42 & 43 Vict. c. 11.

Stock register.

26.—(1.) The local authority or the registrar shall keep books in which shall be entered the names and addresses of holders from time to time of stock and the amounts held by them (in this Act referred to as the stock register).

(2.) The stock register shall be primâ facie evidence of any matter entered therein in accordance with this Act and of the title of the persons entered therein as holders of stock.

Certificates of proprietorship of stock.

27.—(1.) On demand of a holder of stock the local authority shall, subject to the provisions herein-after contained in regard to the issue of stock certificates to bearer, give to him a certificate of the proprietorship thereof under their common seal (which if not already incorporated they are hereby authorised to have and use) specifying the amount of stock to which he is entitled (in this Act referred to as a stock certificate).

(2.) Every such certificate shall be signed by two members of the local authority and by the registrar.

(3.) A stock certificate shall be primâ facie evidence of the title of the person therein named, his executors, administrators, successors, or assignees to the stock therein specified, but the want of a stock certificate, if such want be accounted for to the satisfaction of the local authority, shall not prevent the holder of stock from disposing of and transferring the same.

(4.) If a stock certificate is worn out or damaged the local authority on production thereof may cancel it and give a similar stock certificate to the party in whom the property in the stock certificate and in the stock therein specified is then vested.

(5.) If a stock certificate is lost or destroyed the local authority, on proof thereof to their satisfaction, may give a similar stock certificate to the party entitled to the certificate lost or destroyed.

(6.) An entry of the issue of a stock certificate or a substituted certificate, as the case may be, shall be made in the stock register.

Transfer.

Power for stockholder to transfer.

28. Subject to the provisions of this Act every stockholder may transfer all or any part of his stock in books or by deed.

Transfer in books.

29.—(1.) If and where the resolution for creation of any portion of stock makes the same transferable in books and not by deed the provisions of this section shall apply and have effect but not otherwise.

(2.) The local authority or the registrar shall keep books wherein transfers of stock so transferable shall be entered (in this Act referred to as the stock transfer books).

(3.) Every such entry shall be conceived in proper words for the purpose of transfer, and shall be signed by the party making the transfer, or, if he is absent, by his agent thereunto lawfully authorised, in writing under his hand attested by a witness.

(4.) Where any bank are the registrar they may, if they think fit, require that the agent be so authorised by power of attorney

under the hand and seal of the party making the transfer, attested by one or more witnesses.

(5.) The person to whom a transfer is made may, if he thinks fit, underwrite his acceptance thereof.

(6.) Except as otherwise provided by some other Act of Parliament and subject to the provisions of this Act respecting any portion of stock which the resolution for creation thereof makes transferable by deed and not in books, no mode of transferring stock other than that provided for in this section shall be good in law.

Transfer by deed.

30.—(1.) If and where the resolution for creation of any portion of stock makes the same transferable by deed and not in books the provisions of this section shall apply and have effect but not otherwise.

(2.) Every transfer of stock so transferable shall be by deed.

(3.) The deed of transfer shall relate only to the transfer, and shall not contain any recital, trust power, or proviso whatsoever, but this provision shall not prevent any of the parties to the transfer being described as a trustee or as possessing any official character.

(4.) The deed of transfer when duly executed shall be delivered to and kept by the local authority or the registrar, and the local authority or the registrar shall enter a memorial thereof in a book to be called the register of transfers of stock, and shall indorse on the deed of transfer a notice of that entry.

(5.) The local authority or the registrar shall on demand and on delivery up of the old stock certificate, or on proof satisfactory to the local authority of its absence, deliver a new stock certificate to the purchaser, or shall, at the option of the purchaser, make an indorsement of the transfer on the existing stock certificate, which indorsement being signed by direction of the local authority or by the registrar shall be equivalent to a new stock certificate.

(6.) Until the deed of transfer has been so delivered to the local authority or the registrar, the local authority or the registrar shall not be affected thereby, and the purchaser of the stock shall not be entitled to receive any dividend thereon.

Evidence on transfer.

31.—(1.) The local authority or the registrar, before allowing any transfer of stock, may, if the circumstances of the case appear to them or him to make it expedient, require evidence of the title of any person claiming a right to make the transfer.

(2.) That evidence shall be a statutory declaration of one or more competent persons, or of such other nature as the local authority or the registrar, with the approval of the local authority, may require.

Closing of transfer books.

32.—(1.) The local authority or the registrar, with the approval of the local authority, may, as regards any portion of stock, close the stock transfer books, or the register of transfers of stock (as the case may be) on any day in the month next before that in which dividends on that portion of stock are payable, but so that the books be not at any time kept closed for more than fifteen days.

(2.) The persons who, on the day of such closing, are inscribed as stockholders shall, as between them and their transferees of stock, be entitled to the dividend next payable thereon.

Stamp duty on transfers.

33. Unless the local authority have compounded for stamp duty, all stock issued by the local authority shall, notwithstanding anything in any resolution of the local authority, be transferable by deed and not in books, and every deed of transfer of stock transferable by deed shall be duly stamped, and the consideration shall be truly stated therein.

Transmission.

Transmission on death.

34.—(1.) The interest in stock of a stockholder dying shall be transferable by his executors or administrators, notwithstanding any specific bequest thereof.

(2.) The local authority or the registrar shall not be required to allow any executors or administrators to transfer any stock until the confirmation or probate of the will of, or the letters of administration to, the deceased has or have been left with the local authority or the registrar for registration, and may require all the executors who have been confirmed or have proved the will to join in the transfer.

Transmission on marriage, &c.

35.—(1.) If the interest in any stock has become transmitted in consequence of the bankruptcy of a stockholder, or the marriage of a female stockholder, or by any lawful means other than a transfer in books or by deed, or than the death of a stockholder, that transmission shall be authenticated by a statutory declaration of one or more competent persons, or in such other manner as the local authority or the registrar require.

(2.) The declaration shall state the manner in which and the party to whom the stock has been transmitted, and shall be left with the local authority or the registrar.

(3.) If the transmission is in consequence of the marriage of a female stockholder, the declaration shall, if the local authority or the registrar so require, set forth a copy of the register of the marriage or other particulars of the celebration thereof, and declare the identity of the wife with the holder of the stock.

(4.) The name of the person entitled under the transmission shall be entered in the stock register.

(5.) Until the transmission has been so authenticated, the local authority or the registrar shall not be affected thereby, and no person claiming by virtue thereof shall be entitled to receive any dividend on the stock.

(6.) In this section the term transmission includes any case of apparent transmission in consequence of the change of name of the stockholder, although the actual ownership of the stock may remain unaltered.

Dividends.

Payment of dividends.

36. The local authority may pay by the registrar the dividends on stock, and such payments shall be made by warrant only.

Dividends to executors, &c.

37. The local authority or the registrar shall not be required to allow any executors or administrators to receive any dividend on stock held by their testator or intestate until the confirmation or probate of the will or the letters of administration has or have been left with the local authority or the registrar for registration.

Evidence of title.

38. The local authority or the registrar, before allowing the receipt of any dividend on any stock, may, if the circumstances of the case appear to them or him to make it expedient, require evidence of the title of any person claiming a right to receive the dividend, and that evidence shall be a statutory declaration of competent persons, or of such other nature as the local authority or the registrar may require.

Dividends to joint holders.

39.—(1.) Where more persons than one are registered as joint holders of any stock, any one of them may give an effectual receipt for any dividend thereon, unless notice to the contrary has been given to the local authority or the registrar by any other of them.

(2.) Where stock is standing in the name of a minor, infant, or person of unsound mind jointly with any person not under legal disability, a power or letter of attorney for receipt of the dividends on the stock shall be sufficient authority in that behalf, if given under the hand and seal of the person not under disability attested by one or more witnesses, but the local authority or the registrar before acting on the power or letter of attorney may, if they or he think fit, require proof to their or his satisfaction of the alleged minority, infancy, or unsoundness of mind by a statutory declaration of one or more competent persons.

Dividend warrants by post.

40.—(1.) Where a stockholder desires to have his dividends sent to him by post, he may make a request for that purpose to the local authority or the registrar in writing, signed by him in a form approved by the local authority, and shall give to the local authority or the registrar an address in the United Kingdom or in the Channel Islands or the Isle of Man, to which the letters containing the warrants are from time to time to be sent.

(2.) The posting by the local authority or the registrar of a letter containing a dividend warrant, addressed to a stockholder at his request, at the address so given by him, shall, as respects the liability of the local authority, and of the registrar, be equivalent to the delivery of the warrant to the stockholder himself.

(3.) Every warrant so sent by post shall be deemed a cheque, and the local authority and the registrar shall, in relation thereto, be deemed a banker within the Bills of Exchange Act, 1882. 45 & 46 Vict. c. 61.

Stock Certificates with Coupons to Bearer.

Provisions respecting stock certificates with coupons to bearer.

41.—(1.) On demand of a stockholder, the local authority or the registrar may, if they so resolve, issue to the stockholder a stock certificate to bearer, that is to say, a certificate of title to his stock, or any part thereof, entitling the bearer to the stock therein specified, and transferable by delivery with coupons entitling the

bearer of the coupons to the dividends on the stock, but so that no such certificate or coupons shall give a title to dividends beyond the time limited for redemption of the stock.

(2.) A stock certificate to bearer shall not be issued in respect of any sum of stock other than ten pounds or a multiple of ten pounds.

(3.) No trustee shall apply for, purchase, take, or hold a stock certificate to bearer unless he is in express words authorised to do so by the instrument creating his trust, and any contravention of this provision by a trustee shall be deemed a breach of trust, but this provision shall not impose on the local authority or the registrar an obligation to inquire or to take notice whether a person applying for or holding a stock certificate to bearer is or is not a trustee, or subject the local authority or the registrar to any liability in case of their or his, with or without notice, issuing to a trustee a stock certificate to bearer, or invalidate any stock certificate to bearer issued.

(4.) Where a stock certificate to bearer is outstanding the stock represented thereby shall cease to be transferable in books or by deed under and according to the provisions of this Act.

(5.) The bearer of a stock certificate to bearer may on delivery up to the local authority or the registrar of the certificate, and of all unpaid coupons belonging thereto, require to be entered in the stock register as the holder of the stock described in the certificate under which he derives title, and thereupon the stock shall be re-entered in the register as transferable, and shall become and again be transferable in the stock transfer books or by deed, as the case may require, and shall, as regards the mode of payment of the dividends thereon, be in the like condition as if no stock certificate to bearer had been issued in respect thereof.

(6.) The coupons issued with a stock certificate to bearer shall comprise the dividends to be paid in respect of the stock therein specified for such period as the local authority approve.

(7.) At the end of that period fresh coupons may be issued for such further period as the local authority approve, and so for successive periods during the continuance in force of the stock certificate, but the local authority or the registrar may, in lieu of issuing fresh coupons in respect of any stock certificate, give in exchange a fresh stock certificate with coupons.

(8.) Payment to the bearer of a coupon of the amount expressed therein shall be a full discharge to the local authority, and to the registrar from all liability in respect of that coupon, and the dividend represented thereby.

(9.) Where any bank is the registrar, coupons shall be payable at the chief establishment of the bank at the expiration of three clear days from the day of presentation, and at any branch establishment of the bank situate more than ten miles from the chief establishment at the expiration of five clear days from the day of presentation.

(10.) If a stock certificate to bearer or coupon is worn out or damaged the local authority or the registrar on production and

delivery up thereof may cancel it and issue a new certificate or coupon.

(11.) If a stock certificate to bearer or coupon is lost or destroyed the local authority or the registrar may issue a new certificate or coupon on receiving indemnity to the satisfaction of the local authority against the claims of all persons deriving title under the certificate or coupon lost or destroyed.

(12.) All coupons issued under this Act in respect of any stock certificate to bearer shall for the purposes of the Acts relating to stamp duties be deemed to have been attached to and issued with such stock certificate.

(13.) Stock specified in a stock certificate to bearer shall be charged on the same securities and be subject to the same powers of redemption and other powers, and save as regards the mode of transfer and of payment of dividends thereon, and save so far as a stock certificate to bearer is a negotiable instrument, shall be subject to the same incidents in all respects as if that stock had continued to be registered in the stock register as transferable in books or by deed.

General.

Nature of stock: notice of trusts.

42.—(1.) Stock is personal property.

(2.) Stock is not liable to foreign attachment by the custom of London or otherwise.

(3.) No notice of any trust, express, implied, or constructive, in respect of any stock or of any stock certificate to bearer or coupon shall be entered in the stock register or in any other book kept by the local authority or the registrar, or be receivable by the local authority or the registrar, or affect the local authority through the registrar or otherwise, but this provision shall not prevent any stockholder from being described as a trustee or as possessing any official character.

Judicial factor.

43.—(1.) If at any time the local authority for two months after demand in writing fail to pay any principal sum or dividend due on any stock, the person entitled thereto may apply to the Court of Session in a summary way for the appointment of a judicial factor, and the court may, if it thinks fit, appoint a judicial factor on such terms as it thinks fit.

(2.) The judicial factor shall have the like power of collecting, receiving, recovering, and applying all money which ought to be paid under this Act into the loans fund, and of assessing and recovering all rates (including the guarantee rate) for the purpose of obtaining the same as the local authority or any officer thereof would or might have, and such other powers and such duties as the court thinks fit, and shall apply all money so collected after payment of expenses and costs as the court directs for the purposes of this Act.

(3.) The court may at any time discharge the judicial factor, and shall have full jurisdiction over him and all persons interested in his acts.

Holding of stock by trustees

44.—(1.) Trustees or other persons for the time being authorised to invest money in the mortgages, debentures, or debenture stock of any railway or other company shall, unless the contrary is provided by the instrument authorising the investment, have the same power of investing money in stock issued under the provisions of this Act (other than stock for the time being represented by a stock certificate to bearer) as they have of investing it in the mortgages, debentures, or debenture stock aforesaid.

(2.) Provided that when two or more persons are successively interested in money left subject to a trust no investment thereof shall be made in stock at a price exceeding the redemption value of the stock unless the instrument creating the trust shall otherwise expressly provide.

Protection of holders of stock.

45. A person taking or holding stock shall not be concerned to inquire or to take notice whether the creation or issue thereof was or was not within any statutory borrowing power of the local authority or otherwise in accordance with this Act, or whether or not the local authority or any meeting thereof was properly constituted or convened, or whether or not the proceedings at any meeting of the local authority were legal or regular, or to see to the application of any money raised by stock, or be answerable for any loss or misapplication thereof.

Annual returns by treasurers, &c. to registrar.

46. Within one month after the fifteenth day of May in each year the treasurer, or other financial officer charged with the administration of each statutory borrowing power, shall transmit to the registrar a certificate of the amount of each such borrowing power, and of the extent to which the same has been exercised as at the said fifteenth day of May, and the registrar shall, by examination of the books kept in respect of the several statutory borrowing powers, satisfy himself of the correctness of such certificates, and report thereon to the first meeting of the local authority held thereafter, transmitting with his report an abstract showing the aggregate borrowing powers of the local authority and the extent to which the same have been exercised; and a copy of such report and abstract, verified as may be prescribed, shall be sent to the Secretary for Scotland along with the return provided for in the immediately succeeding section, and such report and abstract shall be deemed to be part of such return.

Annual return to Secretary for Scotland.

47.—(1.) Once in every year at a time appointed by the Secretary for Scotland the local authority shall send to the said Secretary an abstract of the accounts of the local authority relating to stock and the loans fund, in a form prescribed by the Secretary for Scotland, and verified by a statutory declaration of two members and the clerk of the local authority if required by the Secretary for Scotland.

(2.) In case of wilful default therein by the local authority the local authority shall on each occasion be liable to a fine not exceeding two hundred pounds and in case of wilful default therein by the said clerk he shall on each occasion be liable to a fine not exceeding twenty pounds, and every fine under this section

shall be recoverable summarily on the prosecution of the Lord Advocate and not otherwise.

(3.) If by any such abstract or otherwise it appears to the Secretary for Scotland that the local authority have failed to comply with any requisition of this Act in relation to any payment application or investment or otherwise in relation to stock or the loans fund the Secretary for Scotland may, notwithstanding any proceeding for the recovery of any fine or any other proceeding taken by the said Secretary, by order require the local authority to make good the default within a time therein limited; and such order may, if need be, be enforced by the Court of Session on the application of the Lord Advocate.

Unclaimed dividends.

48.—(1.) If at any time any dividend on any stock is unclaimed at the time for payment thereof, the same shall, nevertheless, on demand at any subsequent time whatsoever be paid to the person showing his right thereto, but without interest in the meantime.

(2.) Where any dividend remains unclaimed for five years from the time for payment thereof, the local authority shall cause notice thereof to be sent by post in a registered letter addressed to the stockholder named in their books by the description, and at the address therein appearing, and so at the expiration of three other successive periods of five years.

(3.) At the end of every successive period of five years from the day when the first dividend becomes payable on stock first issued after the passing of this Act, the local authority shall publish an advertisement in a newspaper circulating in the district of the local authority stating what, if any, dividends on stock other than those falling due at the then last half-yearly or other day of payment, are then unclaimed, and the names and addresses appearing in the stock register of the holders of the stock on which the dividends are unclaimed.

(4.) At the end of every successive period of ten years from the day when the first dividend becomes payable on stock first issued after the passing of this Act, the local authority, unless it has been otherwise agreed between them and the registrar may require the registrar to repay to them all dividends unclaimed during that period and then in his hands and the local authority shall pay the same into the loans fund and may deal therewith as they are by this Act empowered to deal with money paid into the loans fund as interest on cash balances received by them without prejudice nevertheless to the rights of any person to those dividends.

Saving for power to borrow otherwise.

49. Nothing in this Act shall affect any power of the local authority to raise otherwise than by stock any money which they do not think fit to raise by stock but whenever from time to time after the date of the first creation of stock the local authority raise money otherwise than by stock they shall cause to be given to each lender of money so raised notice in writing signed by the clerk or other authorised officer of the local authority of the equality of charge which stock has by virtue of this Act.

Saving for power of revocation.

50. Notwithstanding anything in this Act, the local authority may, with the consent of the Secretary for Scotland, revoke at any time, in whole or in part, any resolution for creation of stock theretofore passed by the local authority, if and as far as the same has not been acted on by the issue of stock thereunder.

Saving for other obligations.

51. Except as in this Act expressly provided, nothing in this Act shall relieve the local authority from any obligation imposed on them in relation to any statutory borrowing power by any Act of Parliament, under or by which that power for the time being exists, or is regulated.

Saving for power to sell lands, &c.

52.—(1.) Nothing in this Act shall affect any power or duty of the local authority to sell, lease, or otherwise dispose of any lands and heritages or property of the local authority, or to apply any purchase money or other money arising thereby in discharge of any charge thereon or the revenues thereof other than the charge of stock, or affect any claim of any person under such first-mentioned charge.

(2.) Such lands and heritages or property shall in the hands of the purchaser or other person taking the same under the sale lease or other disposition be by virtue of this Act absolutely freed from the charge of stock, and he shall not be concerned to see to the application of that purchase money or other money or be answerable for any loss or mis-application thereof.

Saving for existing securities.

53. Nothing in or done under this Act shall affect any security or charge created or granted or payable by the local authority before and subsisting at the date of the first creation of any stock, and the local authority shall whenever required by the holder of any security or charge aforesaid apply all such money, do all such acts, exercise all such powers, collect all such money, and levy all such rates as they would or ought to have applied, done, exercised, collected, and levied, for his benefit and security, if this Act had not been enacted.

Consents to exercise of powers when unnecessary.

54. Save as in this Act expressly provided a local authority shall not require to obtain any consents before exercising the powers conferred by this Act.

Forgery.

55.—(1.) Stock issued under the provisions of this Act shall be deemed capital stock of a body corporate within the Act of the session of the twenty-fourth and twenty-fifth years of the reign of Her present Majesty (chapter ninety-eight) "to consolidate and "amend the Statute Law of England and Ireland relating to "Indictable Offences by Forgery," as amended and extended to Scotland by the Forgery Act, 1870.

33 & 34 Vict. c. 58.

(2.) A stock certificate to bearer and a coupon connected therewith shall be deemed a stock certificate and coupon within the Forgery Act, 1870.

Orders of Secretary for Scotland.

56. Any order of the Secretary for Scotland under this Act may contain such directions as the Secretary for Scotland thinks necessary or proper for giving effect thereto, and shall be enforceable

by the Court of Session on the application of the Lord Advocate, and may be from time to time cancelled or varied by the Secretary for Scotland as the circumstances of the case may require, but the Secretary for Scotland shall not make any such order without first hearing the local authority and others interested, if desirous of being heard, which hearing may be in the form of a public inquiry with or without a published report, or in such other form as the Secretary for Scotland, having regard to the circumstances, thinks just and expedient, and the order may direct as to the costs of the hearings, inquiries, and other proceedings to which this section relates, and as to the parties by whom, or the rates out of which, such costs shall be paid.

Regulations by bank.

57. Where a bank are the registrar, they may, with the sanction of the local authority, from time to time issue any forms that may be required for carrying into effect the provisions of this Act, and may also from time to time make any regulations that are not inconsistent with this Act relative to the following things, and, when made, may alter, vary, or repeal any such regulations, and make other regulations instead thereof or in addition thereto and any such regulations for the time being in force shall be duly observed:

(*a.*) The period for which coupons are to be given:

(*b.*) The mode in which the bank are to act in issuing stock certificates to bearer, or entering in the transfer books the bearers of stock certificates to bearer:

(*c.*) The mode of proving the title of, or identifying any person applying for a stock receipt or stock certificate or stock certificate to bearer:

(*d.*) With respect to anything necessary for carrying into effect the provisions of this Act which relate to or affect the bank.

Forms.

58. The forms given in the schedule may be used for the purposes therein indicated, and the same or forms to the like effect with such variations or additions as circumstances require, shall be effectual for those purposes.

Fees.

59.—(1.) Fees not exceeding those specified in the schedule may be taken by or on behalf of the local authority in the cases therein mentioned.

(2.) The proceeds of fees shall be paid by the local authority into the loans fund, and shall be applied in reduction of contributions out of the local authority revenues payable into the loans fund in respect of dividends on such portions of stock as the local authority, having regard to the cases in which the fees are paid, determine.

Expenses.

60.—(1.) The expenses incurred by the local authority in or about the creation and issue of any portion of stock, including any sum paid by them for composition for stamp duty thereon, and any other expenses, being, in their judgment, properly chargeable to capital, shall be deemed money raiseable under the statutory borrowing power in exercise whereof that portion of stock is issued.

(2.) Expenses of book-keeping and management, and other current expenses from time to time incurred by the local authority in the execution of this Act shall be defrayed as the ordinary expenses of the local authority are or may be defrayed.

SCHEDULE.

Section 58.

FORMS.

(A.)

RESOLUTIONS ON CREATION OF STOCK.

County, *or* burgh, *or as the case may be*, of [

At a meeting of the [ ] of the [ ] of [ ] held on [the day of 189] in the [ ].

Present:

Resolved first—

That under the authority and subject to the provisions of the Local Authorities Loans (Scotland) Act, 1891, the [ ] do hereby in exercise of their several statutory powers create stock to be called [ ] redeemable stock and to be issued to an amount which shall be sufficient for the following purposes but not exceeding [ ] pounds:—

A. For raising the following sums (amounting in the aggregate to the sum of pounds which has not been raised) that is to say:—

(1.) The sum of pounds on account of the money which the [ ] have authority to raise by borrowing under the powers conferred upon them by the [ ] Acts for [*here specify objects*]:

(2.) The sum of pounds on account of the money which the [ ] have authority to raise by borrowing under the powers conferred upon them by the [ ] Acts for [*here specify objects*]:

(3.) The sum of pounds on account of the money which the town council have authority to raise by borrowing in respect of the common good of the burgh under the order of the Secretary for Scotland dated the day of 189 .

B. For raising instead of reborrowing the sum of pounds required by the [ ] for the purpose of paying off when due sums amounting to pounds which will fall due before the [*insert date*] being a portion of their debts now subsisting on the security of outstanding securities granted by the [ ] for raising money for the purposes of the following Acts (that is to say):—

and which sums the [ ] are under those Acts authorised to reborrow.

C. For raising the sum of pounds for repaying the amount temporarily borrowed by the [ ] from [ ] in order to enable the [ ] to meet sums which amount to pounds being a portion of their debt secured on outstanding securities granted by the [ ] for raising money for the purposes of the following Acts (that is to say):—

and which sums the [ ] are under those Acts authorised to reborrow.

D. For raising the sum of pounds for paying off or redeeming statutory securities granted by the [ ] under the following Acts and now outstanding (that is to say):—

E. For the purpose of issuing stock in substitution for statutory securities granted by the [ ] under the following Acts and now outstanding (that is to say):—

Resolved secondly—

That such stock shall be issued at the price and shall bear the dividends and be transferable in the manner herein-after specified (that is to say):—

A. The minimum price of issue to be [£] per centum, the first dividend to be payable on the [*insert date*].

B. Tenders for stock to be made to the . A deposit of five per centum on the amount of stock tendered for to be paid at [ ] at the time of the delivery of the tender.

C. The dates for the further payments on account of the said tenders when accepted to be as follows:—

In case of default in the payment of any instalment at its proper date the deposit and instalments previously paid will be liable to forfeiture

D. Dividends at £ per centum per annum payable [half-yearly, or at such other period as the may fix].

E. Dividends on the total amount of stock (calculated from the 189) to be payable on the 189 .

F. Scrip certificates to bearer with coupons attached for the dividends payable 189 and 189 to be issued in exchange for the provisional receipts.

G. In the event of the receipt of tenders for a larger amount of stock than that proposed to be issued at or above the minimum price the tenders at the lowest price accepted to be subject to proportionate diminution.

H. Stock to be issued in sums of not less than £10.

J. Stock to be transferable in books and not by deed. (*See, however, Clause* 33.)

Resolved thirdly—

That such stock shall be redeemable as follows: [*State terms*].

Resolved fourthly—

That an agreement be entered into with the Commissioners of Inland Revenue for the payment to them of composition under the provisions of the Customs and Inland Revenue Act, 1887, for the stamp duty on transfers of stock issued under the foregoing resolutions.

(B.)

STOC RECEIPT.

[ ] REDEEMABLE STOCK.

(£ PER CENT.)

Transfer days:

Monday,
Tuesday,
Wednesday,
Thursday,
Friday,

Holidays excepted.

RECEIVED this day of 189 of

herein-after called the said transferee

the sum of

being the consideration for interest or share in the [ ] redeemable stock (£ . s. per cent.) transferable at the , and all my property and interest in, and right to, the same, and the dividends thereon by

this day transferred unto the said transferee.

Witness hand

Witness

☞ The Proprietors to protect themselves from fraud are recommended to accept by themselves or their attorneys all transfers made to them.

£ s. d.

[Indorsement.]

NOTICE TO HOLDERS OF [ ] REDEEMABLE STOCK.

(£ PER CENT.)

PAYMENT OF DIVIDENDS.

Dividends are due on [ ] unless the [ ] of either of these months falls on a Sunday, in which case the dividends will be payable on the following day.

Dividends will be paid in one of the following modes:—

I. To the stockholders personally, or to their attorneys, at the [ ].

N.B.—Stockholders may arrange for the receipt of their dividends, free of charge, at any of the *country* branches on application to the agent.

II. By transmission of dividend warrants by post at the risk of the stockholder under the following regulations :—

1. Any stockholder residing within the United Kingdom or in the Channel Islands or the Isle of Man who desires to have his dividend warrant sent to his address by post, must fill up a form of application, to be obtained at the bank or at any of its branches.
2. In the case of joint accounts, the application must be signed by all the members of the account, directing the warrant to be sent to one of them at a given address.
3. Post dividend warrants will be crossed *& Co.* and will only be payable through a banker. They will be drawn to the order of the stockholder and must be indorsed.

☞ Stockholders whose warrants are sent by post should give notice to the bank if they are not received on the day on which they ought to be delivered, but need not acknowledge those that arrive in due course.

STOCK CERTIFICATES TO BEARER.

Stock certificates to bearer of the denominations of [£10 or any multiple of £10] with coupons for the dividends attached may be obtained in exchange for inscribed stock except in the case of stock held upon any trust.

(C.)

STOCK CERTIFICATE.

County, *or* burgh, *or as the case may be*, of [ ].

Number

This is to certify that *A.B.* of [ ] is the proprietor of [ ] pounds of [ ] redeemable stock subject to the Acts of Parliament relating thereto.

Given under the common seal of the [ ] this [ ] day of [ ] 18 [ ].

[ ] Town Councillor, *or as the case may be.*

[ ] Town Councillor, *or as the case may be.*

[ ] Registrar.

(D.)

TRANSFER IN BOOKS.

[ ] REDEEMABLE STOCK.

(£ PER CENT.)

No.

Entered by

this day of in the year one thousand eight hundred and

do assign and transfer

interest or share in the [ ] redeemable

Witness to the identity of

stock (£ per cent.) transferable at the

and all my property and interest in and right to the same and the dividends thereon unto

executors administrators or assignees. Witness hand

Witness

do freely and voluntarily accept the above stock transferred to

Witness

£	s.	d.

(E.)

APPLICATION FOR ISSUE OF POWER OF ATTORNEY.

[ ] the day of 189

From *A.B.* and *C.D.* [the registered stockholders in the bank books]

£_____ [ ] REDEEMABLE STOCK
(£ per cent.)

To *G.H.* (the intended attorney)

Examined by Dr. fol. Cr. fol. Transfer book.
Posted by Posted by

(F.)

POWER OF ATTORNEY FOR SALE AND TRANSFER AND FOR RECEIPT OF DIVIDENDS.

[ ] Account.

[ ] REDEEMABLE STOCK.

Acceptance sale of £ and dividends.

We

our attorneys and attorney
for us and in our name and on our behalf—

First—to accept all transfers made or to be made to us of any sum of :

[ ] REDEEMABLE STOCK.

Secondly—to sell and transfer all or any part of the sum of said stock standing in our name in the books of the [ ]:

Thirdly—to receive and give receipts for all dividends or payments due or to become due on any sum of the said stock from time to time standing in our name in the books of the [ ]

and also—to do whatever is necessary or proper to be done for the purposes aforesaid, or any of them.

In witness whereof

For further instructions see other side.