



CHAPTER xciv.

An Act to make new provisions as to the charges for gas supplied by and the application of the profits of the Dover Gas Company to empower the Company to convert and consolidate the capital of the Company to provide for the establishment of a profit-sharing scheme for the benefit of the employees of the Company and for other purposes. [3rd August 1928.]

A.D. 1928.

WHEREAS the Dover Gas Company (in this Act called "the Company") were re-incorporated by the Dover Gas Works Act 1860 and were (amongst other things) authorised to manufacture and supply gas to the places and within the limits in the said Act mentioned :

And whereas further powers were conferred upon the Company by the Dover Gas (Amendment) Act 1864 the Dover Gas Order 1885 the Dover Gas Act 1901 the Dover Gas Act 1919 and the Dover Gas (Charges) Order 1922 :

And whereas the following are statements respectively of the ordinary and loan capital which the Company have issued and borrowed or are authorised to issue and borrow under the powers in that behalf contained in the before-mentioned Acts :—

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ORDINARY CAPITAL.

Date of Act authorising the raising of capital.	Description of capital.	Maximum dividend per cent.	Total paid up.	Premiums received.	Remaining to be issued.	Total authorised.
1860	Ordinary shares converted into £7 10s. stock.	£ 10 s. 0	£ 10,972 s. 10			
		5 0	10,972 10			
			21,945 0		Nil	21,945
1864	Ordinary shares	7 10	18,055 0		Nil	18,055
	New ordinary shares.	7 10	40,000 0	20,708 6 1	Nil	40,000
1901	Stock - -	7 10	25,000 0	10,586 10 1	64,413 9 11	100,000
			105,000 0	31,294 16 2		180,000

LOAN CAPITAL.

Date of Act authorising loan capital.	Description of loan.	Rate of interest per cent. on moneys borrowed.	Total borrowed.	Remaining to be borrowed.	Total authorised
1860 - -	Mortgages - -	4	£ 6,750	Nil	£
1864 - -	Debenture stock -	3½	9,500		
1901 - -	Debenture stock -	4	7,674		
1919 - -	Debenture stock -	5¼	35,900		
			59,824		59,824

And whereas it is customary now to authorise gas companies to borrow money from time to time on mortgage of their undertaking or by the creation and issue of debenture stock to an aggregate amount equal to one-half part of the authorised ordinary capital for the time being created and issued and it is expedient that similar power be conferred upon the Company :

And whereas it is expedient that the provisions hereinafter contained in reference to the conversion and

consolidation of the capital of the Company should be enacted : A.D. 1928.

And whereas with a view to encourage investments of small amounts in the capital of the Company by their employees and consumers it is expedient that provisions in that behalf be enacted as hereinafter contained :

And whereas the Company are desirous of establishing a profit-sharing scheme for the benefit of their employees and also of adopting a method whereby the interests respectively of the consumers the employees and the shareholders of the Company in the future working of the undertaking of the Company would be brought into more direct harmony with each other than is possible with the present statutory status of the Company and it is expedient therefore as well for the better attainment of the said objects as for the more satisfactory working of the undertaking that the present maximum price and maximum dividend be changed to that which is commonly known as the "sliding scale" with a basic selling price of gas and a basic rate of dividend and that the future profits of the undertaking be applied as hereinafter provided :

And whereas it is expedient that the further powers in this Act contained should be conferred upon the Company :

And whereas the objects aforesaid cannot be attained without the authority of Parliament :

May it therefore please Your Majesty that it may be enacted and be it enacted by the King'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 :—

1. This Act is divided into Parts as follows :—

Part I.—Preliminary.

Part II.—Conversion and consolidation of capital.

Part III.—Financial.

Part IV.—Price of gas and application of profits.

Part V.—Profit sharing.

Part VI.—Miscellaneous.

Division of
Act into
Parts.

A.D. 1928.

PART I.

PRELIMINARY.

Short and
collective
titles.

2. This Act may be cited as the Dover Gas Act 1928 and the Dover Gas Acts 1860 to 1919 the Dover Gas (Charges) Order 1922 and this Act may be cited together as the Dover Gas Acts and Orders 1860 to 1928.

Incorporation of Acts.

3.—(1) The Companies Clauses Consolidation Act 1845 and Part III (Debenture stock) of the Companies Clauses Act 1863 as amended by subsequent Acts (so far as the same are applicable for the purposes of and are not inconsistent with or varied by this Act) are hereby incorporated with and form part of this Act.

(2) In the application to the Company under the Acts of 1860 and 1901 of the Gasworks Clauses Act 1847 section 13 thereof shall be read as if the words “or any premises” were inserted after the words “private building” and as if the words “Provided that every such contract entered into by the Company shall be alike in terms and amount under like circumstances to all consumers” were added at the end of that section.

Interpretation.

4. In this Act unless there is something in the subject or context repugnant to such construction the expressions—

“The Act of 1860” means the Dover Gas Works Act 1860;

“The Act of 1864” means the Dover Gas (Amendment) Act 1864;

“The Act of 1901” means the Dover Gas Act 1901;

“The Act of 1919” means the Dover Gas Act 1919;

“The Order of 1922” means the Dover Gas (Charges) Order 1922;

“The directors” means the directors of the Company;

“Shareholders” includes stockholders;

“Co-partner” means a person in the employ of the Company with whom the Company have entered into an agreement under the provisions of this Act;

“Employee” means any person in the employ of the Company other than a director; A.D. 1928.

“The limits of supply” means the limits of the Company for the time being for the supply of gas.

5. This Act shall come into operation for the following purposes on the following dates respectively (that is to say) :— Commencement of Act.

(a) As regards Part IV (Price of gas and application of profits) on the first day of January nineteen hundred and twenty-nine;

(b) As regards all other Parts of this Act on the date of its passing.

PART II.

CONVERSION AND CONSOLIDATION OF CAPITAL.

6. The Company may from time to time with the consent expressed by resolution of three-fifths of the votes of the shareholders present in person or by proxy at any general meeting of the Company when due notice for that purpose shall have been given convert and consolidate on a date to be fixed in each such resolution (hereinafter called “the conversion date”) the then existing shares and stock of the Company or such portion thereof respectively as the said resolution may prescribe into ordinary shares of the nominal value of one pound each and in the event of such conversion the following provisions of this Part of this Act shall apply and have effect. Conversion and consolidation of capital.

7.—(1) As on the conversion date as aforesaid there shall be created by virtue of this Act such a number of ordinary shares (hereinafter in this Part of this Act called “converted shares”) of the nominal value of one pound each and entitled to the dividend prescribed by Part IV of this Act as shall be equivalent in nominal value to the nominal value of the shares or stock converted as aforesaid. Provisions consequent on conversion of capital.

(2) The converted shares shall be deemed to be fully paid up and shall be divided among and shall as from the said date be vested without payment in the persons who immediately before the said date were entitled to

A.D. 1928. be the holders of the issued capital of the Company according to their respective holdings therein as follows:—

For every one pound of stock one converted share;

For every share of the nominal value of ten pounds ten converted shares;

For the one share of the nominal value of five pounds five converted shares.

(3) The converted shares so to be created and divided as aforesaid shall as soon as practicable after such conversion be entered in the books of the Company in the respective names of the persons entitled thereto and shall rank for dividend as from the conversion date and as from that date the stock or shares for which the same are respectively substituted shall cease to bear any dividend and are hereinafter in this Part of this Act collectively referred to as "a cancelled holding" or "the cancelled holding" as the context may require.

As to fractional parts of cancelled holdings.

8. In every case where under the foregoing provisions of this Act a holder of a cancelled holding would have been entitled but for this section and the section of this Act whereof the marginal note is "Register of shareholders and shareholders' address book" to be registered as the holder of any fractional part of one pound stock or of a converted share the Company in lieu of entering the name of such holder in the books of the Company and issuing to him a certificate as holder of any fractional part of one pound stock or of a converted share shall pay to such holder in cash the then value of such fractional part of a cancelled holding and shall issue to him a certificate of the amount of shares to which he shall be entitled as aforesaid excluding such fractional part and the receipt of such holder or in the case of joint holders of that one of them whose name stands first in the books of the Company for the sum so paid in cash as aforesaid shall be a sufficient discharge to the Company in respect of such fractional part.

Converted shares to be held on same trusts &c. as cancelled holdings.

9. All converted shares of which the holders of a cancelled holding are pursuant to the foregoing provisions of this Part of this Act entered in the books of the Company as holders shall be held in the same rights upon the same trusts and subject (so far as is consistent with those provisions) to the same powers provisions charges

and liabilities as those in upon or subject to which the cancelled holding for which the converted shares are substituted was held immediately before the conversion date as aforesaid and shall be dealt with applied and disposed of accordingly and so as to give effect to and not to revoke any deed will or other instrument disposing of or affecting any such cancelled holding and trustees executors administrators and all other holders in any representative or fiduciary capacity and persons under disability may and shall accept the converted shares of which they are pursuant to the foregoing provisions of this Part of this Act registered as holders in substitution for the cancelled holding previously held by them and may subject to the provisions of this Part of this Act retain dispose of or otherwise deal with the same as fully and freely in all respects as they might have retained disposed of or otherwise dealt with such cancelled holding.

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10. The Company shall call in the certificates of the cancelled holding for which converted shares shall be substituted by virtue of this Act and shall issue in exchange for those certificates to the respective holders thereof free of charge certificates of converted shares to the amount to which those holders are by this Act respectively entitled but no holder shall be entitled to a new certificate until he shall have delivered up to the Company to be cancelled the existing certificate for which such new certificate is to be substituted or shall have proved to the reasonable satisfaction of the directors the loss or destruction thereof and shall have given such guarantee or indemnity in respect thereof as the directors may require Provided that until the issue of new certificates the holders of existing certificates shall (according to the amount of converted shares to be issued by virtue of this Act in substitution for the cancelled holding which such certificates respectively represent) have and possess the same rights and privileges as if they were holders of certificates for the amount of converted shares so to be issued but if any holder of a cancelled holding neglect or omit to send or deliver to the Company his existing certificate or certificates for the period of nine months after notice in writing sent by post to the address appearing in the shareholders' address book the Company may suspend the payment of any dividend declared or made payable upon or in respect of

Certificates of cancelled holdings to be called in and others issued.

A.D. 1928. — the converted shares to which he is entitled until such existing certificate or certificates is or are sent or delivered to the Company or is or are proved to the reasonable satisfaction of the directors to have been lost or destroyed and such guarantee or indemnity is given in respect of such lost or destroyed certificate or certificates as the directors may require.

Transfers of cancelled holdings to operate as transfers of converted shares.

11. All transfers or other dispositions of a cancelled holding shall after the date of such conversion as aforesaid and notwithstanding this Act be valid and have due effect given to them respectively as transfers or dispositions of the respective number of converted shares which represent the stock or shares thereby expressed to be transferred or disposed of and are substituted for the same under the provisions of this Part of this Act although the instrument transferring or disposing thereof shall describe the same by the name or denomination which the stock or shares transferred or disposed of had before that date and the bequest of or any covenant or provision of any deed or agreement relating to any specific amount of a cancelled holding shall be held to apply to the number of converted shares into which such specific amount of a cancelled holding shall have been converted or which shall be substituted for the same under the provisions of this Part of this Act.

As to unexercised powers of raising capital.

12. The powers of the Company remaining unexercised at the date of each such conversion as aforesaid of raising money by the creation and issue either in whole or in part of new ordinary stock or new preference shares or stock may be exercised by the Company at any time after that date by the creation and issue subject to the provisions of this Act of additional amounts of ordinary or preference shares of the nominal value of one pound each or wholly or partially by either of these modes respectively and section 10 of the Act of 1901 which provides that the Company shall not issue any share of less nominal value than ten pounds is hereby amended accordingly.

PART III.

FINANCIAL.

As to borrowing powers of the Company.

13.—(1) In addition to the total sum of fifty-nine thousand eight hundred and twenty-four pounds (which is nearly equal to one-third part of the total authorised

capital of the Company issued and unissued) already borrowed the Company may subject to the provisions of this Act borrow on mortgage of the undertaking or by the creation of debenture stock or wholly or partly by either of such means such further sums from time to time as shall be equal with the amount already borrowed to one-half part of the paid-up capital including premiums for the time being of the Company but subject to the provisions of this Act relating to small investors' shares no part thereof shall be borrowed until the whole of the shares or stock at the time issued together with the premium (if any) realised on the sale thereof shall have been fully paid up and the Company have proved to a justice of the peace before he gives his certificate under the fortieth section of the Companies Clauses Consolidation Act 1845 that the whole of such shares or stock at the time issued together with the premium (if any) realised on the sale thereof have been fully paid up.

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(2) The interest of all debenture stock and of all mortgages created and issued or granted under the powers of this Act and of all debenture stock and mortgages issued or granted under the Acts of 1860 1864 1901 and 1919 shall rank *pari passu* in all respects and shall have priority over all principal moneys secured by such mortgages.

14. The principal moneys secured by all mortgages granted by the Company before the passing of this Act and subsisting at the passing thereof shall during the continuance of such mortgages and subject to the provisions of the Act or Order under which such mortgages were respectively granted have priority over all mortgages granted by virtue of this Act but nothing in this section contained shall affect any priority of the interest of any debenture stock at any time created and issued by the Company.

Priority of existing mortgages.

15. All moneys raised under this Act or any other Act or Order relating to the Company including premiums (after deducting from such moneys the expenses of and incidental to the issue of shares or stock under the provisions of such Act or Order) shall be applied only to purposes to which capital is properly applicable and any sum of money which may arise by way of premium from the issue of such shares or stock shall not be

Application of moneys.

A.D. 1928. — considered as part of the capital of the Company entitled to dividend.

Application of provisions of Act of 1919 as to borrowing.

16. The provisions of section 9 (Appointment of receiver) section 10 (Receipt in case of persons not sui juris) and section 11 (Priority of money raised on mortgage or debenture stock) of the Act of 1919 shall extend and apply to the borrowing powers of the Company under this Part of this Act.

Redeemable debenture stock.

17.—(1) The Company may create and issue all or any of the debenture stock authorised to be created and issued by virtue of the section of this Act whereof the marginal note is “As to borrowing powers of the Company” so as to be redeemable on such terms and conditions as may be specified in a resolution of the Company passed at a special meeting convened for the purpose.

(2) If it is so provided in the resolution the Company may—

(a) Call in and pay off the stock or any part thereof at any time before the fixed date of redemption; and

(b) Redeem the stock or any part thereof either by paying off the stock or by issuing to any stockholder subject to his consent other stock in substitution therefor and may for the purpose of providing money for paying off the stock or of providing substituted stock create and issue new stock (either redeemable or irredeemable) or re-issue stock originally created and issued under this section. Provided that the creation and re-issue for the purpose of any particular class of stock does not make the total nominal amount of such stock exceed the amount of the stock which the Company are for the time being authorised to create.

(3) The Company shall not redeem out of revenue any debenture stock created under this Act.

Reserve fund.

18.—(1) Any moneys which the Company are by this Part of this Act authorised to carry to the reserve fund may be invested in any securities in which trustees are authorised by law to invest money or in such other manner as shall be authorised by a resolution of the Company and the dividends and interest arising from

such securities may be invested in the same or the like securities in order that the same shall accumulate at compound interest and the fund so formed shall be called "the reserve fund" and shall be applicable in or towards increasing beyond the basic rate the dividend on the ordinary capital of the Company for any year or half-year or in or towards the payment of dividends for any year or half-year in which the profits of the Company shall be insufficient to enable the Company to pay a dividend at the basic rate on the ordinary capital of the Company or to such other purpose or purposes as the directors may determine.

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(2) The Company may carry to the reserve fund any moneys which under the section of this Act of which the marginal note is "Division of surplus profits" may be applicable to payment of dividends on the ordinary capital of the Company.

(3) One-half of the money and securities standing to the credit of the reserve fund of the Company existing at the passing of this Act shall be credited to the reserve fund provided for by this Act and save as is by this Act provided no sum shall in any year or half-year be carried by the Company to the reserve fund.

19. It shall not be lawful for the Company to carry forward at the end of any year to the credit of the profit and loss (net revenue) account any sum exceeding the total of the following amounts (that is to say):—

Limitation on carry forward.

- (a) The amount required by the Company for paying any dividend or interest which the Company are entitled or required to pay but have not paid in respect of that year;
- (b) The amount required by the Company for paying dividends on their preference capital and the dividend at the basic rate on their ordinary capital in respect of the next following year; and
- (c) An amount equal to the total sum which the Company will be required to pay during the next following year as interest on any mortgages or debenture stock.

20.—(1) The directors may if they think fit in any year appropriate out of the revenue of the Company as part of the expenditure on revenue account any sum

Power to create a renewal fund.

A.D. 1928. — not exceeding an amount equal to one-half of one per centum of the paid-up capital of the Company (including premiums and borrowed money) to a fund to be called "the renewal fund."

(2) The renewal fund shall be applicable only to meet expenses requisite for the maintenance and renewal of plant and works (other than expenses incurred in the replacement or removal of plant or works) and shall be so applied from time to time for the purpose of equalising as far as may be the annual charge to revenue in respect of such expenses.

(3) The maximum amount standing to the credit of the renewal fund shall not at any time exceed an amount equal to one-twentieth part of the paid-up capital of the Company (including premiums and borrowed money).

Special purposes fund.

21.—(1) The directors may if they think fit in any year appropriate out of the revenue of the Company as part of the expenditure on revenue account any sum not exceeding an amount equal to one-half of one per centum of the paid-up capital of the Company (including premiums and borrowed money) to a fund to be called "the special purposes fund."

(2) The special purposes fund shall be applicable only to meet such charges as an accountant appointed for the purpose by the Board of Trade shall approve as being—

- (a) Expenses incurred by reason of accidents strikes or circumstances which due care and management could not have prevented; or
- (b) Expenses incurred in the replacement or removal of plant or works other than expenses requisite for maintenance and renewal of plant and works.

(3) The maximum amount standing to the credit of the special purposes fund shall not at any time exceed an amount equal to one-tenth part of the paid-up capital of the Company (including premiums and borrowed money).

(4) The moneys forming the special purposes fund or any portion thereof may be invested in securities in which trustees are authorised by law to invest or may be applied for the general purposes of the Company to which capital is properly applicable or may be used partly in the one way or partly in the other.

(5) Resort may from time to time be had to the special purposes fund notwithstanding that the sum standing to the credit of the fund is for the time being less than the maximum allowed by this section. A.D. 1928.
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(6) One-half of the money and securities standing to the credit of the reserve fund of the Company existing at the passing of this Act shall be credited to the special purposes fund provided for by this Act and save as is by this Act provided no sum shall in any year or half-year be carried by the Company to the special purposes fund.

22. Anything in the Acts relating to the Company notwithstanding the directors may with the consent of the shareholders reserve a proportion (hereinafter in this Act called "small investors' shares") not exceeding one-fourth of each future issue of capital for exclusive offer in the first instance to consumers within the limits of supply and to employees of the Company upon such terms and conditions as to payment therefor and the payment of dividends thereon until the same become fully paid as the directors may prescribe: Special provision for benefit of small investors.

Provided that every allotment of shares or stock under this section shall be at a price not less than the reserve price at which the other shares or stock of the same issue shall be offered.

The Company shall not be required to comply with section 40 of the Companies Clauses Consolidation Act 1845 as a condition precedent to borrowing in respect of any capital allotted under this section.

23. The Company may subject to the conditions hereinafter in this section prescribed with the authority of three-fourths of the votes of the shareholders present in person or by proxy at a general meeting of the Company specially convened for the purpose— Power to subscribe towards capital of other companies.

- (a) Subscribe towards the capital of another company and the Company may take and hold shares or stock in the capital of such other company in respect of such subscription;
- (b) Guarantee or join with others in guaranteeing the payment of interest or dividends or other annual payments on any shares stock or loan of any other company;
- (c) Lend money to on mortgage of the undertaking of any such other company:

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Provided that no sum shall be subscribed guaranteed or lent under this section except only to an amount approved by the Board of Trade (which approval the said Board are hereby empowered to give) but the Board before giving such approval shall satisfy itself that such subscription guarantee or loan would conduce to the development of the output of gas by the Company or the turning to the best account the residuals and resources generally of the Company :

Provided further that any capital appropriated for the purpose of any subscription or loan under this section shall be within the limit of the total amount of capital for the time being authorised.

Sale of
shares or
stock by
auction or
tender.

24. Section 12 of the Act of 1919 with the exception of so much thereof as repeals sections 15 16 17 18 and 19 of the Act of 1901 is hereby repealed and in lieu thereof the following provisions shall apply and have effect (that is to say) :—

- (1) All shares or stock created by the Company after the passing of this Act other than capital created and issued under the section of this Act of which the marginal note is "Provisions consequent on conversion of capital" shall be issued in accordance with the provisions of this section subject to the provisions of this Act as to small investors and profit-sharing :
- (2) All shares or stock so to be issued shall be offered for sale by public auction or tender in such manner at such times and subject to such conditions of sale as the directors shall from time to time determine Provided as follows :—

(a) Notice of the intended sale shall be given in writing to the town clerk of the borough of Dover and to the clerk of every urban and rural district wholly or partly within the limits of supply and to the Secretary of the London Stock Exchange at least fourteen days before the day of auction or the last day for the reception of tenders as the case may be and shall also be duly advertised once in each of two consecutive weeks in one or more local newspapers circulating within the limits of supply ;

(b) A reserve price shall be fixed and notice thereof shall be sent by the Company in a sealed letter to be received by the Board of Trade not less than twenty-four hours before but not to be opened till after the day of auction or last day for the receipt of tenders as the case may be;

(c) No lot offered for sale shall comprise shares or stock of greater nominal value than one hundred pounds;

(d) In the case of a sale by tender no preference shall be given to one of two or more persons tendering the same sum except that the offer by tender of any holder of shares or stock of the Company may be accepted in preference to the offer of the same sum by any person not such a holder as aforesaid and preference may in like manner be given to the offer of any employee of the Company or consumer of gas supplied by the Company;

(e) In the case of a sale by auction a bid shall not be recognised unless it is in advance of the last preceding bid;

(f) It shall be one of the conditions of sale that the total sum payable by the purchaser shall be paid to the Company within three months after the date of the auction or of the acceptance of the tender as the case may be:

- (3) Any shares or stock which have been so offered for sale and are not sold may be offered at the reserve price to the holders of shares or stock of the Company in accordance with the provisions of sections 18 19 and 20 of the Companies Clauses Act 1863 and to the employees of the Company and to the consumers of gas supplied by the Company in such proportions as the Company may think fit or to one or more of these classes of persons only Provided in the case of an offer to holders of shares or stock that if the aggregate amount of shares or stock applied for shall exceed the aggregate amount so offered as aforesaid the same shall be allotted

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to and distributed amongst the applicants as nearly as may be in proportion to the amounts applied for by them respectively:

- (4) Any shares or stock which have been offered for sale in accordance with subsection (2) or with subsections (2) and (3) of this section and are not sold may be disposed of for the purpose of realising the best price obtainable at such price and in such manner as the directors may determine:
- (5) As soon as possible after the conclusion of the sale or sales the Company shall send a report thereof to the Board of Trade stating the total amount of the shares or stock sold the total amount obtained as premium (if any) and the highest and lowest prices obtained for the shares or stock.

PART IV.

PRICE OF GAS AND APPLICATION OF PROFITS.

Basic price
of gas.

25. Subject to the provisions of this Act the basic price for gas supplied by the Company to consumers by meter shall be—

- (a) Within the borough of Dover in the county of Kent and so much of the parish of River and of the parish of Temple Ewell in the said county as is comprised within the following boundary lines viz. an imaginary line drawn from a point on the centre line of the Dover to Canterbury line of the main South-Eastern and Chatham Railway (now Southern Railway) (hereinafter called "point A") two miles or thereabouts from the town hall Dover and continuing in an easterly direction one thousand yards or thereabouts to a point where an imaginary circle indicating a radius of two miles from the said town hall intersects the parish boundary between the parishes of River and Temple Ewell (hereinafter called "point B") an imaginary line drawn from point B in a north-westerly direction to the extreme corner on the north-east side of the wood forming part of the property known as Woodville in the said parish

of Temple Ewell (hereinafter called "point C")
an imaginary line drawn from point C crossing
the aforesaid railway at three miles from the
said town hall and continuing thence in a south-
westerly direction to a point on the boundary
between the parishes of Temple Ewell and River
at the most southerly point of the common land
known as the "Minnis" (hereinafter called
"point D") an imaginary line drawn from
point D in a south-easterly direction to a point
known as the Chalk Pit (hereinafter called
"point E") an imaginary line drawn from
point E to point A thirteen pence per therm
The foregoing limits are hereinafter referred
to as the "inner area";

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- (b) Within the remainder of the limits of supply
(hereinafter referred to as the "outer area")
twopence per therm in excess of the basic price
in the inner area :

Provided that any supply of gas given by the Com-
pany to His Majesty's naval and military authorities the
Dover Harbour Board the Southern Railway Company
and the Corporation of Trinity House in the outer area
shall be at a charge not greater than that for the time
being made to consumers of gas for the like purposes
within the inner area.

The inner area is coloured pink and the outer area
is coloured blue on the map signed in triplicate by the
Right Honourable the Lord Stanmore the Chairman of
the Committee of the House of Lords to whom the Bill
for this Act was referred and the said maps shall respec-
tively within six months after the passing of this Act
be deposited in the office of the Clerk of the Parliaments
House of Lords in the Committee and Private Bill
Office of the House of Commons and in the principal
office of the Company and if there be any discrepancy
between the description of the said areas and the maps
signed as aforesaid the latter shall prevail.

26. If at any time after three years from the first
day of January nineteen hundred and twenty-nine
it be shown to the satisfaction of the Board of Trade
that the costs and charges of and incidental to the pro-
duction and supply of gas have substantially altered
from circumstances beyond the control of or which could

Revision of
basic price.

A.D. 1928. — not reasonably have been avoided by the Company the Board may if they think fit on the application of the Company or of any local authority having jurisdiction within any part of the limits of supply make an amending order correspondingly revising the basic price under section 1 of the Gas Regulation Act 1920 and on the making of any such order this Act shall have effect as if the basic price fixed by such order were substituted for the basic price prescribed by this Act.

Basic rate of dividend. **27.** The Company may increase or reduce the price charged by them above or below the basic price but except as by this Act otherwise provided the Company shall not in any one year declare any larger dividend on the ordinary capital of the Company than a dividend at the rate of seven pounds ten shillings per centum per annum and the said rate of dividend is in this Act referred to as "the basic rate."

Division of surplus profits. **28.** The surplus profits of the Company as hereinafter defined shall subject to the provisions of this Act be divided in the following proportions namely three-quarters to the consumers and one-quarter equally between the ordinary shareholders and the employee co-partners of the Company in accordance with the following provisions (that is to say):—

(1) At the end of each year or half-year a sum shall be calculated representing the amount by which the total amount payable by consumers for gas supplied during such year or half-year has been less than the amount which would have been payable if the gas had been charged for at the basic price and such sum so calculated shall be called "the consumers' share" and for the purposes of this section "the surplus profits" shall mean a sum of which the consumers' share is three-quarters:

(2) If and so far as the balance standing to the credit of the net revenue account (after providing for dividend on the preference stock (if any) and dividend at the basic rate on the ordinary capital) in the opinion of the directors permits a sum not exceeding one-quarter of the surplus profits shall be applied in two equal parts for the benefit of the holders of ordinary capital

and for the benefit of the employee co-partners of the Company in manner hereinafter mentioned : A.D. 1928.

Provided that no such sum shall be so applied for the benefit of the holders of ordinary capital of the Company unless the price charged by the Company for gas during the whole of the year or half-year (as the case may be) shall have been less than twelve pence per therm throughout the inner area :

- (3) Any sum to be so applied for the benefit of the holders of ordinary capital may be applied in the increase of the dividend above the basic rate and if and so far as not so applied shall be carried to the reserve fund :
- (4) Any sum to be so applied for the benefit of the employee co-partners of the Company shall be by way of bonus on the total salaries and wages of such employee co-partners during the year or half-year to which the moneys relate or carried to a fund to be formed in connection with any profit-sharing scheme which may be established under the section of this Act of which the marginal note is " Profit sharing " :
- (5) Any balance of the profits of the Company not applied as aforesaid shall be carried to the credit of the net revenue account of the Company for the next following year or half-year subject to the provisions of the section of this Act of which the marginal note is " Limitation on carry forward."

29. The Company shall from time to time file for public inspection with the local authority having jurisdiction within any part of the limits of supply and with the Board of Trade statements of the conditions under which they are prepared to grant discounts on prices charged by them. Company to file discount statements with local authorities and Board of Trade.

30.—(1) The Company shall in each year send to the Board of Trade with the accounts required under section 15 of the Gas Regulation Act 1920 a statement showing the number of therms sold at each of the several nett prices during the year to which the accounts relate (including gas supplied to public lamps) and if thereafter Company to send to Board of Trade statement as to nett prices.

A.D. 1928. — requested by the Board shall also furnish to the Board all such other information relevant to the said matters as the Board may require.

(2) The accounts of the Company for each year shall contain—

(a) such particulars as will enable the local authority having jurisdiction within any part of the limits of supply to calculate the amount which may be for such year (i) paid as dividend or transferred to the reserve fund and (ii) paid to the co-partners;

(b) separate particulars of the gas supplied by the Company in the inner and outer areas respectively including the excess price (if any) charged in the outer area.

PART V.

PROFIT SHARING.

Profit
sharing.

31.—(1) The directors shall prepare and put in force and may from time to time modify alter or rescind a scheme or schemes enabling the employees or any class or classes of employees as may be defined in such scheme or schemes to participate in the profits of the Company or of any part of those profits as part of the terms of remuneration for the services of any such employee :

Provided that no such modification alteration or rescission of any such scheme or schemes shall have any retrospective effect so as to deprive any employee without his consent of any benefit accrued due to him under such scheme prior to the date of such modification alteration or rescission.

(2) Any agreement as to service with any employee in pursuance of any such scheme may be entered into with any employee above the age of sixteen years and shall be in writing and may be made on the part of the Company under the hands of any two directors or under the hand of the secretary of the Company or of any person from time to time appointed in that behalf by resolution of the directors.

(3) Notwithstanding anything in any Act or Order relating to the Company the directors may if and whenever requested by any persons being the trustees under any

such scheme so to do issue to any employee such amount of ordinary shares or stock (not being less than ten pounds in value) as the trustees may specify (being within the limit of the amount of ordinary shares or stock which the Company may for the time being be authorised to issue) without first offering such shares or stock for sale by public auction or tender. Provided that any ordinary shares or stock issued under the provisions of this section shall be issued at the market price of the shares or stock at the date of issue or if there be no such market price at such price as shall be determined by the Company's auditors to be a fair price.

A.D. 1928.

(4) The directors may also as part of any such scheme accept on deposit on behalf of any employee any savings or other sums of money belonging to such employee and pay interest thereon out of the revenues of the Company.

32.—(1) The regulations respectively set forth in Parts I and II of the schedule to this Act shall apply and have effect in relation to (a) any shares stock or money belonging to any person or to which any person may be entitled under the terms of any scheme which may be established enabling the employees or any of them to participate in the profits of the Company and (b) to any money deposited with the Company by any employee as part of any such scheme. The said regulations shall come into force as respects any such shares stock or money as is referred to under the foregoing head (a) on the date on which any such scheme as aforesaid comes into operation and as respects any such money as is referred to under the foregoing head (b) on the date of the passing of this Act.

Regulations affecting profit-sharing scheme.

(2) The Board of Trade if they think fit may at the request of the Company by Special Order made under section 10 of the Gas Regulation Act 1920 revoke alter or add to any of the said regulations or make any new regulations which in the view of the Board would be conducive to the efficient working of any such scheme for the time being established or in other respects convenient.

33.—(1) The directors may with the sanction of a majority of the proprietors of the Company present in person or by proxy and voting at a general meeting of the Company prepare put in force and from time to time

Employee-directors.

A.D. 1928. — modify alter or rescind a scheme or schemes enabling one or more but not exceeding three of the employee co-partners of the Company to become a director or directors of the Company.

(2) The qualification of an employee-director shall be fixed by the scheme for the time being in force but each such director shall at the date when he becomes a director have not been less than seven years in the constant employ of the Company and shall for not less than twelve months prior to such date have held in his own right not less than fifty pounds nominal value of the ordinary capital of the Company and if any person being an employee-director shall while he is a director cease to hold as aforesaid at least such amount of capital he shall cease to be a director.

(3) The fees to be paid to an employee-director for his attendance at meetings of the directors shall be fixed by the scheme and shall bear some proportion (to be so fixed) to the amount of the qualification not being less for each attendance than his ordinary day's pay nor more than four times that amount.

(4) The number of persons being directors under the provisions of this section shall be in addition to the number of directors referred to in section 35 of the Act of 1860 but nothing in this section shall be deemed to affect the number of the quorum of a meeting of directors.

(5) If and whenever any scheme made under the provisions of this section shall have ceased to have effect the directors may but subject to such provisions and with such sanction of the proprietors as aforesaid put in force and from time to time modify alter or rescind a new scheme or schemes.

PART VI.

MISCELLANEOUS.

Notice of candidature or of opposition to re-election of director.

34.—(1) Except in the case of a director retiring by rotation and offering himself or being proposed for re-election or except in the case of a director being elected by the board of directors to fill a casual vacancy no person shall be capable of being elected a director of the Company unless notice in writing that such person intends to offer himself or will be proposed for the office

of director shall have been given to the secretary of the Company or left at the office of the Company fourteen days at least before the day of election and the secretary of the Company shall during such fourteen days and on the day of election fix a copy of every such notice so delivered in some conspicuous place in such office. A.D. 1928.

(2) In the case of a retiring director or directors notice of opposition to his or their re-election shall be given in like manner.

35.—(1) The directors may appoint one of their body to be managing director of the Company either for a fixed term or without any limitation as to time and may remove or dismiss him from office and appoint another in his place. As to appointment of managing director.

(2) A managing director shall not while holding that office be subject to retirement by rotation and shall not be taken into account in determining the rotation of retirement of directors but if he cease to hold the office of director from any other cause he shall ipso facto immediately cease to be a managing director.

(3) The remuneration of a managing director shall from time to time be fixed by the directors and may be by way of salary or commission or participation in profits or by any or all of those modes.

(4) The directors may entrust to and confer upon any managing director such of the powers exerciseable by the directors and subject to such conditions as they may think fit and may from time to time revoke withdraw alter or vary all or some of such powers.

36. Notwithstanding anything in the Companies Clauses Consolidation Act 1845 no person shall be disqualified from being a director of the Company by reason of his holding any office or place of trust or profit under the Company or by reason of his being interested in any contract with the Company nor shall any director be required to cease from voting or acting as a director by reason of his accepting any such office or place of trust or profit or becoming interested in any such contract Provided that in the case of his being or becoming interested in any contract with the Company whether such interest shall arise before or after his appointment as a director the nature of his interest in the contract shall Directors holding office under or contracting with Company.

A.D. 1928. — be disclosed by him at the meeting of the directors at which the contract is determined on if his interest then exists or in any other case at the first meeting of the directors after the acquisition of his interest or after his appointment and that no such director shall as a director vote in respect of any such contract and if he do so vote his vote shall not be counted but this prohibition shall not apply to any contract by or on behalf of the Company to give to the directors or any of them any security by way of indemnity.

Remuneration of secretary.

37. In addition to the powers which the directors may exercise under the Companies Clauses Acts 1845 to 1889 they may determine the remuneration of the secretary of the Company.

Auditors.

38.—(1) The auditors of the Company shall be members of the Institute of Chartered Accountants or the Society of Incorporated Accountants and Auditors or accountants approved by the Board of Trade and need not be the holders of any shares or stock in the capital of the Company.

(2) Nothing in this section shall be deemed to prevent any person who on the passing of this Act is an auditor of the Company continuing to act as such auditor.

Joint holders.

39. Notwithstanding anything in the Companies Clauses Consolidation Act 1845 where several persons are jointly entitled to and entered in the books of the Company as holders of any shares or stock any one of those persons may vote at any meeting either personally or by proxy in respect of the shares or stock as if he were solely entitled thereto but if more than one of the joint holders be present at any meeting personally or by proxy then one of the said persons so present whose name stands first in the books of the Company in respect of the shares or stock shall alone be entitled to vote in respect thereof Several executors or administrators of a deceased member in whose name any shares or stock stand shall for the purposes of this section be deemed joint holders thereof.

Supply of gas where consumer has a separate supply.

40. Notwithstanding anything contained in the Gasworks Clauses Act 1871 or any other Act a person shall not be entitled to demand or continue to receive for the purposes of a stand-by supply only from the

Company a supply of gas for any premises having a separate supply of gas or a supply (in use or ready for use for the purposes for which the stand-by supply of gas is required) of electricity steam or other form of energy unless he has agreed to pay to the Company such minimum annual sum as will give to them a reasonable return on the capital expenditure incurred by them in providing such stand-by supply and will cover other standing charges incurred by them in order to meet the possible maximum demand for those premises and the sum so to be paid shall be determined in default of agreement by arbitration in manner provided by the Arbitration Act 1889.

A.D. 1928.

41. The power to enter premises and remove pipes meters fittings or apparatus conferred upon the Company by section 22 of the Gasworks Clauses Act 1871 shall extend to all cases in which any person entering into occupation of any premises previously supplied with gas by the Company shall not require to take a supply of gas from the Company or to hire all or any of the pipes meters fittings or apparatus belonging to the Company.

Removal of fittings where gas supply discontinued.

42.—(1) Every consumer of gas supplied by the Company who uses for or in connection with the consumption of such gas air at high pressure or any gas not supplied by the Company (in this section referred to as "high-pressure air or other gas") shall if required to do so by the Company provide and fix in a suitable position and use an efficient valve or other appliance for preventing the admission of such air into the service pipe or any main through which such gas is supplied and shall at all times at his own expense keep in proper order and repair any such valve or other appliance as aforesaid which shall have been provided and fixed whether upon such requirement or otherwise.

Provision of valve where high-pressure air is used.

(2) It shall not be lawful for any person at any time after the passing of this Act to commence to use high-pressure air unless and until he shall have given to the Company not less than fourteen days' previous notice in writing of his intention to do so.

(3) Every person who at the date of the receipt by him of any such demand note as is referred to in paragraph (a) of subsection (5) of this section is using

A.D. 1928. — high-pressure air or other gas shall within one month after that date give to the Company notice in writing of such use and if within one month after the giving of such notice the Company require the consumer giving the same to provide and fix such a valve or other appliance as aforesaid it shall not be lawful for him after the expiration of fourteen days from the receipt of the requirement to continue to use high-pressure air or other gas unless before such expiration he shall have complied with the requirement.

(4) If any consumer shall fail to comply with any requirement of the Company or any obligation under this section the Company may cease to supply gas to him and shall not be under any obligation to resume such supply until the default shall have been remedied to their satisfaction.

(5) The Company shall give notice of the effect of the foregoing provisions of this section:—

(a) (In the case of all persons who at the date of the passing of this Act are consumers of gas supplied by the Company) on the demand notes for gas charges payable to the Company issued next after that date; and

(b) (In the case of any person becoming after the passing of this Act a consumer of gas supplied by the Company) on the first of such demand notes delivered to such person after he shall have become a consumer.

(6) The Company shall have access at all reasonable times to all premises supplied by them with gas in or upon which high-pressure air or other gas is used or the Company have reason to believe that high-pressure air or other gas is or may at the time be used in order to ascertain whether any such valve or appliance as aforesaid is efficient or is in proper order and repair or whether such a valve or appliance is provided and fixed where necessary.

(7) The Company shall be at liberty to take off remove test inspect and replace any such valve or other appliance as aforesaid such taking off removing testing inspecting and replacing to be done at the expense of the Company if the valve or other appliance be found in proper order but otherwise at the expense of the consumer.

43.—(1) The Company may demand for any gas supplied through a prepayment meter a not greater charge than for gas supplied to private consumers within the limits of supply through any other kind of meter or by any other method of supply.

A.D. 1928.

—
Charge for gas supplied by means of prepayment meters.

(2) (a) The charge for the hire of any prepayment meter and fittings to be used therewith shall be a sum of money calculated according to the number of therms supplied and the maximum rate of charge shall be—

For a prepayment meter and fittings (including a cooking stove) three decimal six pence per therm ;

For a prepayment meter and fittings (not including a cooking stove) three pence per therm.

(b) The charge for the hire of a prepayment meter without fittings shall be either a sum of money calculated according to the number of therms supplied (when the maximum rate of charge shall be one decimal eight pence per therm) or at the rate of ten per centum per annum on the cost of the meter whichever shall be the higher.

(3) The said charges shall include the providing letting fixing repairing and maintenance of the meters and fittings or of the meters (as the case may be) and the cost of collection and other costs incurred by the Company in connection therewith.

(4) For the purpose of this section the expression “prepayment meter” means any meter or appliance by which the quantity of gas supplied is regulated according to the amount of money prepaid therefor.

44. The Company may contract with any local authority company or persons for the supply by the Company to them or for the supply to the Company by them of gas in bulk upon such terms and conditions as may be agreed upon but nothing in this section shall authorise the Company to lay any mains in or interfere with any street beyond the limits of supply without the consent in writing of the local and road authorities within any district beyond the limits of supply :

Company may contract for supply and purchase in bulk.

Provided that the Company shall not supply gas in bulk under the powers of this section within the limits of supply of any other authorised undertakers except with the consent of those undertakers :

A.D. 1928.

Provided also that the Company shall not supply gas in bulk under the powers of this section beyond the limits of supply if and so long as such supply would interfere with the supply within those limits.

Register of
shareholders
and share-
holders'
address
book.

45. Notwithstanding anything contained in the Companies Clauses Consolidation Act 1845 it shall not be obligatory upon the Company—

- (a) to keep separately a register of shareholders and a shareholders' address book but in lieu thereof the Company may if they think fit keep one register only containing such particulars as are required by the said Act to be entered in the register of shareholders and the shareholders' address book respectively; or
- (b) to authenticate by the affixing of their common seal or otherwise the register of shareholders or any register which the Company may keep in lieu thereof under the powers of this section.

Repeals.

46. The following sections of the undermentioned Acts and Order are hereby repealed (that is to say):—

The Act of 1860—

- Section 46 (Power of local board to test the quality of the gas);
- Section 47 (Costs of experiment to be paid according to the event);
- Section 48 (Price of gas limited);
- Section 56 (Power to remove meter and fittings).

The Act of 1901—

- Section 12 (Profits of Company limited);
- Section 34 (Company may contract with local authority &c. for supply in bulk).

The Act of 1919—

- Section 13 (Testing for calorific power);
- Section 14 (Provisions as to testing for calorific power);
- Section 15 (Penalties for deficient calorific power);
- Section 16 (Pressure);
- Section 17 (Saving as to penalties);

Section 19 (Purchase of gas in bulk).

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The Order of 1922—

Section 3 (Maximum price).

47. All the costs charges and expenses of and incident to the preparing for obtaining and passing of this Act or otherwise in relation thereto shall be paid by the Company and may in whole or in part be defrayed out of revenue. Costs of Act.

The SCHEDULE referred to in the
foregoing Act.

REGULATIONS AFFECTING PROFIT-SHARING SCHEME.

PART I.

REGULATIONS AS TO DISPOSAL OF SHARES &C. ON DEATH OF CO-PARTNER.

1. In this schedule "the directors" and "the co-partnership secretary" mean respectively the directors and the co-partnership secretary of the Company "the trustees" means the trustees appointed under any scheme for the time being in force enabling the employees of the Company or any of them to participate in the profits of the Company "appointor" means any person entitled to make a nomination under clause 2 of this Part of this schedule "shares" means shares of the Company and includes stock "deposits" means and includes any bonus to which the employee may be entitled under the co-partnership rules accumulations of dividend and interest savings and other sums of money of an appointor or due to him under any such scheme "nominee" means any person or persons named in a nomination made under this schedule "beneficiary" means and includes any nominee entitled under a nomination made under this schedule and any person entitled under clause 7 of this Part of this schedule to be registered as holder of any shares or to be paid any deposits and any references to the "value" of shares shall be deemed to refer to the average price at which according to the Company's books sales of shares were effected within the period of six months.

A.D. 1928. — immediately preceding the date on which the value of the shares is required to be determined or if there have been only one sale or no sale of such shares during such period then at the price at which the last sale of such shares was effected making due allowance for any probable change in value since such date due to the accrual or payment of dividend.

Disposal of shares and deposits by nomination.

2. Subject to and in accordance with the regulations set forth in Part II of this schedule any person holding in his own right any shares under any such scheme as aforesaid of the Company or having any bonus accumulation of dividend and interest savings or other sums of money left in the hands of or deposited with the Company under any such scheme may if he be of the age of sixteen years or upwards nominate any person or persons who on the death of the appointor shall subject to the provisions of this schedule be entitled to be registered as holder of any shares and to be paid any deposits to which the appointor shall be entitled at his death to the extent of a total value of not exceeding one hundred pounds.

Revocation of nominations.

3. Any nomination made under the provisions of this schedule may be revoked in manner mentioned in Part II of this schedule but shall not be revocable or variable by the will of the appointor or any codicil thereto.

Proceedings on death of nominator.

4. After the expiration of one month from the death of an appointor who has made a nomination in force at his death the directors or the trustees (as the case may require) shall subject to the provisions of this schedule give effect to such nomination and shall in accordance with the directions of the nomination but subject to the extent in clause 2 of this Part of this schedule mentioned register the nominee as holder of the shares and pay to the nominee the deposits to which the appointor was entitled at his death or as the case may be the portion of the shares and deposits comprised in the nomination. Provided that if the directors or trustees receive notice of any claim of a creditor of the deceased appointor before the expiration of one month from his death they shall retain the whole amount of the shares or deposits comprised in the nomination or a sufficient amount thereof to satisfy the claim (whichever amount shall be the less) until the said claim has been satisfied disproved or withdrawn.

Nominations to take effect as regards shares in priority to deposits.

5. In the event of the directors or trustees being restricted under the provisions of this schedule from giving effect to any nomination made by a deceased appointor and in force at his death relating to both shares and deposits to the whole extent thereof they shall primarily give effect thereto to the extent to which it relates to shares.

Disposal in case of no nomination.

6.—(i) If any appointor shall die without having made any nomination under this schedule in force at his death and the total value of the shares and deposits to which he is entitled at his death do not exceed one hundred pounds and probate of the will

of the appointor or letters of administration to his estate are not produced within such time (not being less than one month after his death) as the directors think reasonable then at the expiration of such time the directors or the trustees (as the case may require) shall subject to the provisions of this Part of this schedule register the shares in the names of and pay the deposits to—

A.D. 1928.

- (a) the widow (if any) of the deceased appointor ;
- (b) (if there be no widow) the person or persons entitled in distribution to the residuary estate of the appointor in accordance with the provisions of section 46 (1) (i) to (v) inclusive of the Administration of Estates Act 1925 and in default of any such person to the solicitor for the affairs of His Majesty's Treasury ; or
- (c) (in any event if the directors think fit) any person who has paid the funeral expenses of the appointor such amount not exceeding the total amount of such expenses as the directors shall deem it reasonable to allow :

Provided that in every case where the deceased appointor has left no widow and the persons entitled under the said Act are more than two the directors may if they think fit sell the shares and distribute the proceeds (after deducting the proper expenses of such sale and distribution) among such persons in the shares in which they are entitled under the said Act and for the purposes of such sale the directors may by a resolution authorise the co-partnership secretary to execute the transfer of the shares to the purchaser or purchasers thereof :

Provided also that if the directors or trustees receive notice of any claim of a creditor of the deceased appointor they shall retain the whole amount of the shares or deposits of the deceased appointor in their hands or a sufficient amount thereof to satisfy the claim (whichever amount shall be the less) until the said claim has been satisfied disproved or withdrawn.

(ii) The provisions of this clause shall also apply in the case of the death of any appointor being entitled at his death to shares or deposits of a total value not exceeding one hundred pounds who has made a nomination in force at his death where such nomination relates to a portion only of the shares and deposits to which he is entitled at his death but in such case the provisions of this clause shall extend only to the portion of the shares or deposits to which the nomination does not relate.

(iii) Any registration of shares or payment of deposits or the proceeds of any sale made either (a) under the foregoing provisions of this clause in the name of or to any person who at the time appears to the directors to be entitled to such shares deposits or proceeds under such provisions or (b) under the provisions of clause 9 or clause 10 of this Part of this schedule in the name of or to any person on behalf of or for the benefit of or as trustee

A.D. 1928. — for any person who at the time appears to the directors to be so entitled as aforesaid and any sale of shares to a bona fide purchaser made by the directors under the provisions of this clause shall be valid and effectual against any demand made upon the Company or the directors or the trustees by any other person Provided nevertheless that the legal personal representative of the deceased appointor shall have a remedy for recovery of such shares deposits or proceeds against the person in whose name the same shall have been registered or to whom the same shall have been paid but nothing in this proviso shall confer upon any person any such remedy against a bona fide purchaser of such shares or against the widow of a deceased appointor or shall confer upon any person in trust for or on behalf or for the benefit of whom the shares deposits or proceeds have been so registered or paid any such remedy against the person in whose name or to whom the same have been registered or paid.

Provisions
as to benefi-
ciaries under
sixteen.

7. Where any beneficiary is under the age of sixteen years and it is proved to the satisfaction of the directors that funds are needed for the maintenance education or benefit of such infant the directors or the trustees (as the case may require) may notwithstanding any other provisions of this Part of this schedule register the shares and pay the deposits to which the beneficiary is entitled or any part thereof in the name of or to any person who may satisfy the directors that he will apply any money so paid to him or received by him from the sale of or as dividend bonus or otherwise on such shares for the maintenance education or benefit of such beneficiary and the receipt of such person shall be a good discharge to the directors and trustees for any sums so paid.

Directors
may appoint
trustee for
beneficiary
under
sixteen.

8. When any beneficiary is under the age of sixteen years it shall be lawful for the directors by resolution to appoint any person whom they think fit to act as a trustee for such beneficiary and thereupon the directors or the trustees (as the case may require) shall notwithstanding any other provisions of this Part of this schedule register the shares and pay the deposits to which the infant beneficiary is entitled or any part thereof in the name of or to such person and such person shall so far as is necessary apply the deposits and any dividends bonuses or interest on the shares or deposits or shall sell the shares or any part thereof and apply the proceeds of such sale for the maintenance education or benefit of the beneficiary and the receipt of such person shall be a good discharge to the directors and trustees for any sums so paid Provided always that if and when the beneficiary attains the age of sixteen years the person so appointed shall transfer or pay to the beneficiary any shares deposits dividends bonuses interest or proceeds of sale then held by such person on behalf of the beneficiary.

9. When any beneficiary is an infant but over the age of sixteen years it shall be lawful for the infant to sell and transfer any shares registered in his name to the Company or the trustees at the value thereof.

Infant beneficiary over sixteen may sell shares.

10. The receipt of any beneficiary who has attained the age of sixteen years shall be a good discharge for any sum paid to him under any of the provisions of this schedule notwithstanding that such beneficiary has not attained the age of twenty-one years.

Receipt of infant beneficiary over sixteen.

11.—(i) If the principal value of the estate in respect of which estate duty is payable of any deceased appointor exceed one hundred pounds any shares or deposits to which he is entitled at his death shall be liable to estate duty as part of the property on which that duty is charged and the directors before dealing with or disposing of the same under the provisions of this schedule may require a statutory declaration by a beneficiary that such principal value does not exceed one hundred pounds.

Estate duty payable in certain cases.

(ii) Nothing in this clause however shall render the directors or the trustees accountable for the payment of the estate duty in respect of any shares deposits or other moneys which they have registered paid over distributed or otherwise disposed of in accordance with the provisions of this schedule.

12. Notwithstanding anything in this schedule provided if the total value of the shares and deposits to which the appointor was entitled at his death exceed eighty pounds the directors and/or the trustees shall before registering shares in the name of or making any payment to any person other than the legal personal representative of the deceased appointor to an extent greater than three-fourths of the total value of such shares and deposits require the production of a certificate from the Commissioners of Inland Revenue of the payment of the estate duty and a duly stamped receipt for the succession or legacy duty payable in respect of the shares and deposits or a certificate from the said commissioners stating that no such duty is payable thereon and the commissioners shall give such certificate on receipt of payment of the duty or satisfactory proof that such duty has been paid or that no such duty is payable as the case may be.

As to shares and deposits exceeding eighty pounds.

PART II.

REGULATIONS AS TO NOMINATIONS.

1. A nomination shall be in writing in the form prescribed by the directors and shall be signed by the appointor in the presence of a witness.

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2. A nomination may be revoked by the appointor by a subsequent nomination made and registered in accordance with these regulations or by writing under his hand signed in the presence of a witness.

3. A nomination or a revocation shall be sent by post to or left at the office of the co-partnership secretary during the lifetime of the appointor.

4. A nomination or a revocation when received by the co-partnership secretary shall be registered by him forthwith and the receipt thereof shall be acknowledged but the co-partnership secretary may refuse to register a nomination or a revocation which does not comply with these regulations.

5. A nomination or a revocation which does not comply with these regulations or has not been received by the co-partnership secretary shall not have any validity or effect.

6. A nomination may relate to the whole of the shares and deposits to which the appointor may be entitled or to part only thereof.

7. Except where otherwise stated a nomination shall be deemed to extend to all shares and deposits to which the appointor is entitled at the time of his decease up to a total value not exceeding one hundred pounds but an appointor may in a nomination expressly exclude any part of such shares or deposits from the operation of such nomination.

8. A nomination may be in favour of one person or of several persons and in the latter case may subject as hereinafter mentioned direct that on the death of the appointor the shares shall be registered in the name of and the deposits shall be paid to one or more of the nominees or that the nominees shall be registered as owners of the shares and shall take the deposits respectively in specified shares or may give directions to both effects. Provided that it shall not be lawful for a nomination to direct that shares shall be registered in the names of more than two persons as joint holders.

9. No person who witnesses the signature of an appointor to a nomination shall take any benefit under such nomination.

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