



Forged Transfers Act 1891

1891 CHAPTER 43 54 and 55 Vict

An Act for preserving Purchasers of Stock from Losses by Forged Transfers. [5th August 1891]

Modifications etc. (not altering text)

- C1 Act applied by [Aircraft and Shipbuilding Industries Act 1977 \(c. 3\), Sch. 5 para. 9](#)
- C2 This Act is not necessarily in the form in which it has effect in Northern Ireland

Commencement Information

- II Act wholly in force at Royal Assent.

1 Power to make compensation for losses from forged transfer.

- (1) Where a company or local authority issue or have issued shares, stock, or securities transferable by an instrument in writing [^{F1}or by an exempt transfer, within the meaning of the Stock Transfer Act 1982] or by an entry in any books or register kept by or on behalf of the company or local authority, they shall have power to make compensation by a cash payment out of their funds for any loss arising from a transfer of any such shares, stock, or securities, in pursuance of a [^{F2}forged instrument] or of a transfer under a forged power of attorney, ^{F3}... [^{F4} whether the person receiving such compensation, or any person through whom he claims, has or has not paid any fee or otherwise contributed to any fund out of which the compensation is paid].

[^{F5}(1A) In subsection (1) above “instrument” has the same meaning as in Part I of the Forgery and Counterfeiting Act 1981.]

- (2) Any company or local authority may, if they think fit, provide, either by fees not exceeding the rate of [^{F6}5p.] on every one hundred pounds transferred [^{F7}with a minimum charge equal to that for twenty-five pounds] to be paid by the transferee upon the entry of the transfer in the books of the company or local authority, or by insurance, reservation of capital, accumulation of income, or in any other manner which they may resolve upon, a fund to meet claims for such compensation.

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- (3) For the purpose of providing such compensation any company may borrow on the security of their property, and any local authority may borrow with the like consent and on the like security and subject to the like conditions as to repayment by means of instalments or the provision of a sinking fund and otherwise as in the case of the securities in respect of which compensation is to be provided, but any money so borrowed by a local authority shall be repaid within a term not longer than five years. Any expenses incurred by a local authority in making compensation, or in the repayment of, or the payment of interest on, or otherwise in connexion with, any loan raised as aforesaid, shall, except so far as they may be met by such fees as aforesaid, be paid out of the [^{F8}revenues] on which the security in respect of which compensation is to be made is charged.
- (4) Any such company or local authority may impose such reasonable restrictions on the transfer of their shares, stock, or securities, or with respect to powers of attorney for the transfer thereof, as they may consider requisite for guarding against losses arising from forgery.
- (5) Where a company or local authority compensate a person under this Act for any loss arising from forgery, the company or local authority shall, without prejudice to any other rights or remedies, have the same rights and remedies against the person liable for the loss as the person compensated would have had.

Textual Amendments

- F1** Words inserted by [Stock Transfer Act 1982 \(c. 41, SIF 69\)](#), ss. 3, 6(2), **Sch. 2 para. 1(1)(a)**
- F2** Words substituted by [Stock Transfer Act 1982 \(c. 41, SIF 69\)](#), ss. 3, 6(2), **Sch. 2 para. 1(1)(b)**
- F3** Words in s. 1(1) repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), **Sch. 1 Pt. 9** Group 6
- F4** Words added by [Forged Transfers Act 1892 \(c. 36\)](#), **s. 2**
- F5** S. 1(1A) added by [Stock Transfer Act 1982 \(c. 41, SIF 69\)](#), ss. 3, 6(2), **Sch. 2 para. 2**
- F6** Words substituted by virtue of [Decimal Currency Act 1969 \(c. 19\)](#), **s. 10(1)**
- F7** Words inserted by [Forged Transfers Act 1892 \(c. 36\)](#), **s. 3**
- F8** Word substituted by [S.I. 1990/1285](#), art. 2, **Sch. Pt. I**, para. 1

Modifications etc. (not altering text)

- C3** S. 1 amended by [Forged Transfers Act 1892 \(c. 36\)](#), **s. 4**
- C4** S. 1(1)(2)(4)(5) extended by [S.I. 1955/1752](#) (1955 I, p. 778), reg. 41(2), and [1957/2228](#) (1957 I, p. 801), reg. 32(3)

2 Definitions. “Company”. “local authority”

For the purposes of this Act—

The expression “company” shall mean any company incorporated by or in pursuance of any Act of Parliament, or by royal charter.

[^{F9} The expression “local authority” shall mean—

[^{F10}(a) a billing authority or a precepting authority, as defined in section 69 of the Local Government Finance Act 1992;

[^{F11}(aa) a council constituted under section 2 of the Local Government etc. (Scotland) Act 1994;]

[^{F12}(ab) a fire and rescue authority in Wales constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004 or a scheme to which section 4 of that Act applies;]]

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- (b) a levying body within the meaning of section 74 of [^{F13}the Local Government Finance Act 1988]; and
- (c) a body as regards which section 75 of that Act applies.]

Textual Amendments

- F9** Definition of “local authority” substituted by S.I. 1990/1285 , art. 2 , **Sch. Pt. I para. 2**
- F10** S. 2(a)(aa) and (ab) expressed to be substituted (E.W.S.)(1.4.1993) for para. (a) by Local Government Finance Act 1992 (c. 14) , s. 117(1) , **Sch. 13 para. 1** (with s. 118(1)(2)(4)); S.I. 1993/194 , **art. 2**
- F11** S. 2(aa) substituted (S.) (1.4.1996) by S.I. 1996/974 , art. 2 , **Sch. 1 para.1**
- F12** Words in s. 2 substituted (1.10.2004 except in relation to W., 10.11.2004 for W.) by Fire and Rescue Services Act 2004 (c. 21), s. 61, Sch. 1 para. 2(1)**Sch. 1 para. 2(2)**; S.I. 2004/2304, art. 2; S.I. 2004/2917, art. 2
- F13** Words in s. 2 substituted (1.10.2004 except in relation to W., 10.11.2004 for W.) by Fire and Rescue Services Act 2004 (c. 21), s. 61, Sch. 1 para. 2(1)**Sch. 1 para. 2(3)**; S.I. 2004/2304, art. 2; S.I. 2004/2917, art. 2

3 Application to industrial societies, &c.

[^{F14}(1)] This Act shall apply to any ^{F15} ... friendly benefit, building ^{F16} ... society incorporated by or in pursuance of any Act of Parliament [^{F17}, and to any registered society,] as if the society were a company.

[^{F18}(2) Registered society” means—

- (a) a registered society within the meaning of the Co-operative and Community Benefit Societies Act 2014, or
- (b) a society registered or deemed to be registered under the Industrial and Provident Societies Act (Northern Ireland) 1969.]

Textual Amendments

- F14** S. 3 renumbered as s. 3(1) (1.8.2014) by Co-operative and Community Benefit Societies Act 2014 (c. 14), s. 154, **Sch. 4 para. 19(2)** (with Sch. 5)
- F15** Words in s. 3(1) omitted (1.8.2014) by virtue of Co-operative and Community Benefit Societies Act 2014 (c. 14), s. 154, **Sch. 4 para. 19(2)(a)** (with Sch. 5)
- F16** Words in s. 3(1) repealed (22.7.2004) by Statute Law (Repeals) Act 2004 (c. 14) , **Sch. 1 Pt. 9** Group 6
- F17** Words in s. 3(1) inserted (1.8.2014) by Co-operative and Community Benefit Societies Act 2014 (c. 14), s. 154, **Sch. 4 para. 19(2)(b)** (with Sch. 5)
- F18** S. 3(2) inserted (1.8.2014) by Co-operative and Community Benefit Societies Act 2014 (c. 14), s. 154, **Sch. 4 para. 19(3)** (with Sch. 5)

4 Application to harbour and conservancy authorities.

- (1) This Act shall apply to any harbour authority or conservancy authority as if the authority were a company.
- (2) For the purposes of this Act the expression “harbour authority” includes all persons, being proprietors of, or entrusted with the duty or invested with the power of constructing, improving, managing, regulating, maintaining, or lighting any harbour otherwise than for profit, and not being a joint stock company.

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(3) For the purposes of this Act the expression “conservancy authority” includes all persons entrusted with the duty or invested with the power of conserving, maintaining, or improving the navigation of any tidal water otherwise than for profit, and not being a joint stock company.

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Textual Amendments
F19 S. 5 repealed (19.11.1998) by 1998 c. 43, s. 1(1), Sch. 1 Pt. IV Group1

6 Short title.

This Act may be cited as the Forged Transfers Act 1891.

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Changes to legislation:

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