



CHAPTER xxiv.

An Act to make new provision as to the prices to be charged by and the application of the profits of the Sheffield Gas Company and for other purposes. A.D. 1922.
[31st May 1922.]

WHEREAS the Sheffield Gas Company (in this Act referred to as "the Company") are incorporated by Act of Parliament and authorised to supply gas within the city of Sheffield and a large adjoining area and are regulated by the Acts and Orders set out in the First Schedule to this Act and by various public enactments :

And whereas the existing paid up share capital of the Company consists of—

	£
A Stock - - - - -	270,000
B Stock - - - - -	419,968
C Stock - - - - -	1,047,000

and the Company are authorised by the Sheffield Gas Act 1917 to raise but have not yet raised the further sum of £600,000 by the creation and issue of new ordinary or preference shares or stock :

And whereas the Company are authorised to borrow on mortgage of their undertaking or raise by the issue of debenture stock (i) the sum of £580,000 in respect of the existing A Stock B Stock and C Stock the whole of which sum has been raised by the issue of debenture stock or by mortgages and (ii) a sum equal to one-third part of the amount which at the time of borrowing has been raised of the said further capital of £600,000 :

[Price 1s. 3d. Net

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A.D. 1922.
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And whereas the maximum price which the Company may charge for gas is 1s. 1·6*d.* per therm subject to revision under the Gas Regulation Act 1920 :

And whereas the dividends payable on the said A Stock B Stock and C Stock are limited to 5 per centum per annum subject to reductions in the case of the B Stock and the C Stock and on any ordinary shares or stock forming part of the said further capital of £600,000 if the Company's general charge for gas exceeds 1s. 0·4*d.* and 10·6*d.* respectively per therm :

And whereas it is expedient that provision be made for entitling the employees and shareholders of the Company to derive benefit from the efficient and economical working of the Company's undertaking and that the provisions in this Act contained with reference to the prices to be charged and the allocation of the profits of the Company be enacted :

And whereas it is expedient that the other provisions in this Act contained be enacted :

And whereas the purposes of this Act cannot be effected 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 :—

Short and
collective
titles.

1.—(1) This Act may be cited as the Sheffield Gas Act 1922.

(2) The Sheffield Gas Acts and Orders 1855 to 1918 the Sheffield Gas (Charges) Order 1921 and this Act may be cited together as the Sheffield Gas Acts and Orders 1855 to 1922.

Commence-
ment of Act.

2. This Act shall come into force and have effect on the first day of July nineteen hundred and twenty-two which date is hereinafter referred to as "the commencement of this Act."

Interpreta-
tion.

3. In this Act—

The word "therm" has the meaning assigned to that word by the Gas Regulation Act 1920 ;

"The existing Acts" means the Acts and Orders set out in the First Schedule to this Act ;

“ The Act of 1917 ” means the Sheffield Gas Act 1917; A.D. 1922.

“ The Charges Order ” means the Sheffield Gas (Charges) Order 1921;

“ The A Stock ” “ the B Stock ” and “ the C Stock ” respectively mean the several stocks described in the Act of 1917 as new A Stock new B Stock and new C Stock;

“ Employee ” means any person in the employ of the Company and includes officers and members of the clerical staff;

“ The directors ” means the directors of the Company;

“ The net revenue account ” means the Profit and Loss (Net Revenue) Account of the Company referred to as Account E in the Schedule to the Gasworks Clauses Act 1871:

And for the purposes of this Act the number of therms supplied to any consumer shall be ascertained in manner provided by section 4 of the Charges Order.

4. Notwithstanding anything in the existing Acts the provisions of the Gasworks Clauses Act 1847 with respect to the amount of profit to be received by the undertakers when the gasworks are carried on for their benefit shall cease to apply to the Company or to be incorporated with the existing Acts or any of them. Certain provisions of Gasworks Clauses Act 1847 to cease to apply.

5.—(1) The following enactments are hereby repealed:— Repeal.

Sheffield Gas Act 1855 section 92 (Limit of price of gas):

Sheffield Gas Act 1855 section 93 (Uniform charges for gas):

Sheffield Gas Order 1890 section 7 (Repeal of sections 66 and 67 of the Act of 1855):

Sheffield Gas Order 1890 section 8 (Amendment of section 93 of Act of 1855):

Sheffield Gas Order 1910 section 10 (Interim dividends):

Act of 1917 section 9 (Conversion not to affect limit of reserve fund):

Act of 1917 section 23 (Dividends):

Charges Order section 3 (Maximum and other prices).

A.D. 1922.

(2) The words "for the time being authorised" are hereby substituted for the words "hereinafter authorised" in section 2 (2) of the Charges Order.

Basic price
and basic
rates of
dividend.

6.—(1) The basic price of gas supplied by the Company shall be sevenpence per therm but that price may at any time and from time to time after the year of nineteen hundred and twenty-three be revised by an order made by the Board of Trade under section 1 of the Gas Regulation Act 1920 in the like circumstances on the like conditions and in the like manner as the price could be revised if it had been originally authorised by an order made under that section and on the making of any such order this Act shall have effect as if the basic price authorised by the order were substituted for the said price of sevenpence per therm.

(2) The basic rates of dividend on the ordinary capital of the Company shall be—

- (i) In the case of the existing A Stock B Stock and C Stock the rate of five per centum per annum;
- (ii) In the case of any ordinary shares or stock to be issued after the passing of this Act such rate per centum per annum (not exceeding seven per centum) as may be authorised by the resolution creating the shares or stock.

(3) The Company may (subject to the provisions of the next following section of this Act) charge for gas more or less than the basic price but except as by this Act otherwise provided the Company shall not in respect of any one year pay any dividends on the ordinary capital in excess of the basic rates.

Uniform
charge for
gas.

7. The Company shall charge all consumers for gas supplied to them at the same price per therm. Provided that this section shall not apply to gas supplied for public lighting or for gas supplied under any special contract with any consumer whose consumption amounts to or exceeds five hundred therms per year.

Division of
surplus
profits if
price of gas
less than
basic price.

8.—(1) At the end of each year or half year (if the Company keep half-yearly accounts) a calculation shall be made of the amount (if any) by which the total sum paid or payable by consumers for gas supplied during the year (or half year) is less than the total sum which

would have been payable if the gas had been charged for at the basic price. The amount so calculated is in this section referred to as "the consumer's benefit." A.D. 1922.
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(2) If and so far as the balance standing to the credit of the net revenue account (after providing for dividend on the preference capital (if any) and dividends at the basic rates on the ordinary capital) in the opinion of the directors permits a sum not exceeding one-third of the consumer's benefit shall be applied in two equal parts for the benefit of the holders of ordinary capital and for the benefit of the employees in manner hereinafter mentioned.

(3) The sum so to be applied for the benefit of the holders of ordinary capital may be applied in the increase of the dividends above the basic rates and if and so far as not so applied shall be carried to the reserve fund to be formed under the next succeeding section of this Act.

(4) The sum so to be applied for the benefit of the employees shall (subject as hereinafter provided) be carried in such proportions as the directors may from time to time deem proper to the superannuation fund of the Company and to a fund to be formed in connection with any profit-sharing scheme which may be established under this Act or wholly to the last-mentioned fund. The moneys (if any) so carried to any fund formed in connection with profit-sharing scheme shall be credited to the employees participating in the scheme as a uniform percentage of bonus on the total salaries and wages of those employees during the year or half year to which the moneys relate:

Provided that (i) the directors may in their discretion determine that the sum so to be applied for the benefit of the employees or some part of that sum shall be distributed amongst all the employees who were in the employ of the Company at any time during the year or half year to which the sum relates and (ii) if prior to the establishment of a profit-sharing scheme any part of the sum so to be applied as aforesaid is carried to the superannuation fund of the Company a fair proportion of the said sum shall be distributed amongst those of the said employees who are not contributing members of that fund. Any such distribution as aforesaid shall be made in the form of a bonus representing a uniform percentage on the salaries or wages of the employees during the year or half year.

A.D. 1922.
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(5) Any balance of the profits of the Company not applied as aforesaid shall be left at the credit of the net revenue account and carried forward to 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.”

Reserve
fund.

9.—(1) Any moneys which are carried by the Company to the reserve fund under the foregoing provisions of this Act may be invested in any securities in which trustees are authorised by law to invest or in such other manner as shall be authorised by a resolution of the Company or may be placed on deposit at interest with the Company's bankers and the dividends and interest arising from such securities or moneys on deposit may be also invested or placed on deposit in like manner so that the same shall accumulate at compound interest. The fund so formed shall be called “the reserve fund.”

(2) Out of the moneys and securities standing to the credit of the reserve fund of the Company at the commencement of this Act there shall be carried to the reserve fund to be formed under this section moneys and securities having an aggregate value at the commencement of this Act of fifty thousand pounds and except as provided by this section and by subsection (3) of the immediately preceding section no sum shall after the commencement of this Act be carried by the Company to any reserve fund.

(3) The reserve fund formed under this section shall be applicable in or towards increasing above the basic rates the dividends on the ordinary capital of the Company for any year or half year or in or towards the payment of dividends on the ordinary capital at the basic rates for any year or half year in which the profits of the Company shall be insufficient for the payment of dividends at the basic rates or to such other purpose or purposes as the directors may determine.

As to rates
of dividends
on different
classes of
ordinary
capital
inter s.

10.—(1) If in any year the funds of the Company applicable to the payment of dividend are insufficient to pay the full basic rates of dividend on each class of ordinary capital the dividend paid on each class shall be in proportion to the basic rates.

(2) If in any year the Company pay dividends (under the provisions of this Act) on the ordinary capital

at rates which exceed the basic rates the excess over the basic rates shall be the same rate per centum for each class of ordinary capital. A.D. 1922.
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11. It shall not be lawful for the Company after the year nineteen hundred and twenty-two to carry forward at the end of any year to the credit of the net revenue account any sum exceeding the amount which will be required for paying one year's dividends on the preference capital (if any) and one year's dividends at the basic rates on the ordinary capital. Limitation
on carry
forward.

12.—(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 per centum of the paid-up capital of the Company to a fund to be called "the special purposes fund": Special
purpose
fund.

Provided that the amount to be carried to the special purposes fund under this subsection in any year prior to the year nineteen hundred and twenty-five shall not exceed the amount (if any) required to maintain the fund at the aggregate value at the commencement of this Act of the moneys and securities to be transferred to the said fund under the next following subsection.

(2) Such of the moneys and securities standing to the credit of the reserve fund of the Company at the commencement of this Act as shall not be carried to the reserve fund to be formed under the section of this Act of which the marginal note is "Reserve fund" shall be carried to and form part of the special purposes fund to be formed under this section.

(3) 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.

(4) 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.

A.D. 1922.

(5) The moneys forming the special purposes fund or any portion thereof may be invested in any securities in which trustees are authorised by law to invest or in such other manner as shall be authorised by a resolution of the Company or may be placed on deposit at interest with the Company's bankers 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 or others.

(6) 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.

(7) For the purposes of this section the paid-up capital of the Company shall mean the total of (i) the sum of eight hundred and seventy-seven thousand seven hundred pounds being approximately the amount of cash received by the Company on the issue of shares stock or loan capital which at the passing of this Act are represented by the A Stock the B Stock and the C Stock and (ii) the actual amount of cash which for the time being shall have been received by the Company on the issue of ordinary or preference shares or stock after the passing of this Act.

Benefit
fund.

13.—(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 four thousand pounds to a fund to be called "the benefit fund" Provided that the amount for the time being standing to the credit of the benefit fund shall not at any time exceed the sum of twenty thousand pounds.

(2) The directors may out of the benefit fund grant a gratuity of any sum or make any pensions or other allowances payments or benefits to any employees who may be disabled or injured in or may be retired from or become incapacitated through age permanent injury or other infirmity from continuing in the service of the Company or to the widow or family or dependents of any such employee on such terms and conditions as to contributions by such employees or otherwise as the directors may think fit Provided that it shall not be obligatory on any present or future employee of the

Company to become a party to any arrangement made under this section for securing to him or his widow family or dependents any gratuity pension or other allowance payment or benefit.

A.D. 1922.

(3) The benefit fund shall be applicable for the purposes of this section and for no other purpose whatsoever.

(4) The directors may enter into and carry into effect agreements with any insurance company or other association or company for securing to any such employee or the widow family or any dependent of any such employee gratuities pensions or other allowances payments or benefits as aforesaid and may make payments out of the benefit fund for the purpose of any such agreement.

(5) The moneys forming the benefit fund shall be either invested in securities in which trustees are authorised by law to invest or in such other manner as shall be authorised by a resolution of the Company or placed on deposit at interest with the Company's bankers.

(6) Every gratuity pension or other allowance payment or benefit secured made or granted under this section shall be payable to or in trust for the employee person widow or dependent to whom the same shall be granted and shall not be assignable or chargeable with the debts or other liabilities of such employee person widow or dependent as the case may be.

(7) If the Company shall under the powers of this section make any scheme involving contributions by their employees such scheme shall not come into operation until it has been registered as the rules of a society under the Friendly Societies Act 1896 and any amendment or variation of the scheme shall not be valid until so registered and the provisions of that Act (except the proviso to subsection (1) of section 8 and section 41) so far as they are applicable and are not inconsistent with the provisions of this section shall apply (a) as if such scheme were the rules of a society to which the said Act of 1896 applies (b) as if the Company were the trustees of such society (c) as if the benefit fund were the funds of such society and (d) as if persons contributing to and participating in the benefit of such fund were the members of such society.

14.—(1) The directors may out of the revenues of the Company as part of the expenditure on revenue

Power to
grant
pensions &c.

A.D. 1922.

— account grant such gratuities pensions or allowances or make such other payments as they may think fit to any employees or where in any particular case no adequate provision is in their opinion otherwise made to the widow or family or any dependent of an employee.

(2) The directors may enter into and carry into effect agreements with any insurance company or other association or company for securing to any such employee widow family or dependent such gratuities pensions allowance or payments as are by this section authorised to be granted or made.

(3) Provided that the payments to be made by the directors under subsection (1) of this section and any premiums paid by the directors under subsection (2) of this section shall not in any year together with the sum appropriated to the benefit fund in that year under the immediately preceding section of this Act exceed in the aggregate four thousand pounds excluding any contributions made by the Company or the directors in that year to the superannuation fund.

Profit-
sharing.

15.—(1) The directors may with the sanction of a majority of the proprietors of the Company present personally or by proxy and entitled to vote and voting at a general meeting of the Company prepare put in force and from time to time modify alter or rescind a scheme or schemes enabling the employees or any class or classes of the 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.

(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 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 stock (not being less than ten pounds nor including a fraction of one pound) as the trustees may

specify (being within the limit of the amount of ordinary stock which the Company may for the time being be authorised to issue) without first offering such stock for sale by public auction or tender. Provided that any ordinary stock issued under the provisions of this section shall be issued at the market price of the same class of 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. 1922.

(4) The directors may also in connection with any such scheme or otherwise 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.

16.—(1) The regulations respectively set forth in Parts I and II of the Second Schedule to this Act shall apply and have effect in relation to (a) any 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 otherwise than under any such scheme. The said regulations shall come into force as respects any such 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.

17.—(1) Notwithstanding anything in section 18 (New shares stock or debenture stock to be sold by auction or tender) of the Act of 1917 it shall be lawful for the Company with the consent of the Board of Trade and subject to such conditions as the Board may think fit to impose to offer for subscription by the public free

Power to
offer shares
and stock
for sub-
scription
and to pay
com-
missions.

A.D. 1922. from the provisions of the said section any shares or stock on which the basic rate of dividend does not exceed six per centum per annum to be created under the powers of the Act of 1917 or any debenture stock to be so created and upon any such offer to pay a commission not exceeding five per centum to any person in consideration of his subscribing or agreeing to subscribe whether absolutely or conditionally for any such shares or stock or debenture stock or procuring or agreeing to procure subscriptions whether absolute or conditional for any such shares or stock or debenture stock. Provided that the payment of the commission and the amount or rate per centum of the commission paid or agreed to be paid shall be disclosed in every prospectus advertisement or other document of the Company inviting subscriptions for such stock.

(2) Nothing in this section shall affect any power of the Company to pay brokerage.

Application
of moneys.

18. Any moneys which the Company are by the Act of 1917 authorised to raise may be applied to any of the purposes of this Act to which capital is properly applicable.

Directors'
remunera-
tion.

19. No nominee director shall be entitled to receive any remuneration and the total remuneration to be paid to all the elected directors (exclusive of any remuneration paid to any managing director) shall not in any year exceed the sum of four thousand pounds.

Costs of Act.

20. All 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 charged against revenue.

The SCHEDULES referred to in the foregoing A.D. 1922.
Act.

THE FIRST SCHEDULE.

Sheffield Gas Act 1855.
Sheffield Gas Act 1866.
Sheffield Gas Order 1882.
Sheffield Gas Order 1890.
Sheffield Gas Order 1893.
Sheffield Gas Order 1910.
Sheffield Gas (Standard of Calorific Power) Order 1916.
Sheffield Gas Act 1917.
Sheffield Gas Order 1918.
Sheffield Gas (Charges) Order 1921.

THE SECOND SCHEDULE.

REGULATIONS AFFECTING PROFIT-SHARING SCHEME.

PART I.

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

1. In this Schedule " the directors " means the directors Definitions.
of the Company " the trustees " and " the secretary " respec-
tively mean the trustees appointed under and the secretary of 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 " stock "
means stock of the Company " deposits " means and includes
any bonus accumulation of dividends and interest savings and
other sums of money of an appointor credited to his account or
due to him under any such scheme or in the books of the Company
" 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 Sche-
dule and any person entitled under clause 7 of this Part of this
Schedule to be registered as holder of any stock or to be paid any

A.D. 1922.
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deposits and any references to the "value" of stock shall be deemed to refer to the market price of stock of the same class at the date on which the value of the stock is required to be determined or if there is no such market price then the fair value of such stock at that date to be determined by the Company's auditors.

Disposal of
stock 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 stock under any such scheme as aforesaid or having any bonus accumulation of dividends and interest savings or other sums of money left in the hands of or deposited with the Company under any such scheme or having any money deposited with the Company otherwise than 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 stock 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 nomina-
tions.

3.—(1) 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 revokable or variable by the will of the appointor or any codicil thereto.

(2) The marriage of an appointor shall operate as a revocation of any nomination made by him before such marriage.

(3) The death of a nominee in the lifetime of the appointor by whom he has been nominated shall operate as a revocation of the nomination to the extent to which the same relates to the deceased nominee.

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 mentioned in clause 2 of this Part of this Schedule register the nominee as holder of the stock 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 stock 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 stock or deposits comprised in the nomination or a sufficient amount thereof to satisfy the claim (whichever amount shall be the lesser) until the said claim has been satisfied disproved or withdrawn.

Legality of
acts done in
ignorance of
marriage of
nominator.

5. Where the directors or trustees have registered stock in the name of or paid deposits to a nominee in ignorance of marriage of the deceased appointor contracted subsequent to the

nomination the registration shall be deemed to have been lawfully made and the receipt of the nominee shall be a valid discharge for any sum so paid and neither the directors nor the trustees shall be under any liability to any other person claiming such stock or deposits. A.D. 1922.

6. 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 stock and deposits to the whole extent thereof they shall primarily given effect thereto to the extent to which it relates to stock. Nominations to take effect as regards stock in priority to deposits.

7.—(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 stock and deposits to which he is entitled at his death does 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 stock in the names of and pay the deposits to— Disposal in case of no nomination.

- (A) The widow (if any) of the deceased appointor;
- (B) If there be no widow the person or persons entitled to his effects according to the statutes for the distribution of the effects of intestates in the respective shares in which they are entitled under those statutes; or
- (C) In any event if the directors think fit to any person who has paid the funeral expenses of the appointor up to an amount not exceeding the total amount of such expenses:

Provided that in every case where the deceased appointor has left no widow and the persons entitled under the said statutes are more than two the directors may if they think fit sell the stock 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 statutes and for the purposes of such sale the directors may by a resolution authorise the secretary to execute the transfer of the stock to the purchaser or the purchasers thereof:

Provided also 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 the death of the appointor they shall retain the whole amount of the stock or deposits of the deceased appointor in their hands or a sufficient amount thereof to satisfy the claim (whichever amount shall be the lesser) 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 stock

A.D. 1922.

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 stock 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 stock or deposits to which the nomination does not relate.

(iii) Any registration of stock 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 stock 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 for any person who at the time appears to the directors to be so entitled as aforesaid and any sale of stock to a bonâ 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 remedy for the recovery of such stock 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 bonâ fide purchaser of such stock or against the widow of a deceased appointor or shall confer upon any person on behalf of or for the benefit of or in trust for whom the stock 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 small
amounts of
stock.

8. In any case where under the provisions of this Schedule any beneficiary would be entitled to be registered as the holder of any amount of stock of less than ten pounds or of any amount of stock exceeding ten pounds but including a fractional part of one pound it shall be lawful for the directors in lieu of registering such beneficiary as holder of such amount of stock of less than ten pounds or (as the case may be) such fractional part of one pound of stock to pay to him a sum in cash equal to the value of such amount or fractional part on the date of the death of the appointor in whose name the stock was previously registered and the trustees shall if so required by the directors forthwith repay such sum to the directors out of any moneys in their hands and such amount of stock or fractional part of one pound of stock shall forthwith be registered in the names of the trustees.

Provisions as
to bene-
ficiaries
under
sixteen.

9. 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 stock 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 stock 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. A.D. 1922.

10. Where 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 stock 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 stock or deposits or shall sell the stock 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 stock deposits dividends bonuses interest or proceeds of sale then held by such person on behalf of the beneficiary. Directors may appoint trustee for beneficiary under sixteen.

11.—(1) 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 stock registered in his name to the Company or the trustees at the value thereof. Power to infant beneficiaries over sixteen.

(2) 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 such beneficiary has not attained the age of twenty-one years.

12.—(1) If the principal value of the estate in respect of which estate duty is payable of any deceased appointor exceeds one hundred pounds any stock 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.

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

A.D. 1922.

As to stock
and deposits
exceeding
eighty
pounds.

13. Notwithstanding anything in this Schedule if the total value of the stock and deposits to which the appointor was entitled at his death exceeds eighty pounds the directors and/or the trustee shall before registering stock 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 stock and deposits require 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 stock 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.

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.

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 secretary during the lifetime of the appointor.

4. A nomination or a revocation when received by the secretary shall be registered by him forthwith and the receipt thereof shall be acknowledged but the 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 secretary shall not have any validity or effect.

6. A nomination may relate to the whole of the stock 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 stock 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 stock 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 stock 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 stock 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 stock shall be registered in the names of more than two persons as joint holders.

A.D. 1922.

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

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