



Local Government (Scotland) Act 1947

1947 CHAPTER 43

PART XII

BORROWING BY LOCAL AUTHORITIES.

General Provisions as to Securities.

286 Unclaimed security.

- (1) If at the date on which a security created by a local authority is repayable or redeemable the authority, by reason of the holder of the security not being forthcoming or by reason of any doubt as to the ownership of the security or for any other reason which prevents the authority from getting a proper discharge, are unable to redeem, extinguish and cancel such security, the authority shall as soon as may be consign in bank by placing on deposit receipt with an incorporated or joint stock bank in name of the authority for behoof of the holder of the security as designed in the appropriate register of the authority a sum equal to the nominal value of the security which cannot be repaid or redeemed by reason as aforesaid, such sum to be dealt with as provided in this section, and thereupon such security shall be deemed to have been extinguished.
- (2) Any sum consigned by a local authority as aforesaid shall, unless uplifted for the purpose of satisfying any claim in respect of the security represented by the same, be kept consigned for a period of ten years, after which time the authority may appropriate the said sum and any accumulations of interest thereon for such purpose as the Secretary of State may approve, without prejudice nevertheless to the right of any person to the total sum so appropriated, but without any interest thereon after the date of appropriation.