



Agricultural Credits (Scotland) Act 1929

1929 CHAPTER 13

PART I

LONG TERM CREDITS

1 Power to make advances, &c. to agricultural security company

- (1) With a view to the incorporation of a company having for its principal objects—
- (a) the making of loans on heritable securities over agricultural land;
 - (b) the making of loans under the Improvement of Lands Acts, 1864 and 1899, for agricultural purposes :

and with a view to securing that loans by such a company shall be made on terms most favourable to the borrowers, it shall be lawful for the Department of Agriculture for Scotland (hereafter referred to as the Department) with the approval of the Treasury to undertake that, if such a company having such objects and complying with the provisions hereinafter contained is incorporated, they will—

- (i) make advances to the company (for the purpose of establishing a guarantee fund) not exceeding in the aggregate one hundred and twenty-five thousand pounds, and not at any time exceeding in the aggregate the amount at that time of the paid-up share capital of the company; such advances—
 - (a) to be payable in instalments so, however, that the aggregate amount paid shall not exceed—

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On incorporation of the company	40,000
By 1st October 1929	85,000
By 1st October 1930	125,000

- (b) to be free from interest for a period of sixty years, and thereafter to carry interest at such rate, not exceeding the average yield of such Government funded stocks, as the Treasury from time to time may determine;

Status: This is the original version (as it was originally enacted).

- (ii) make payments of one thousand seven hundred and fifty pounds per annum for ten years as contributions towards the cost of the administration of the company.
- (2) The Treasury may agree to procure the underwriting of debentures to be issued by the company as hereinafter mentioned to such aggregate amount as may be necessary to raise a sum not exceeding eight hundred thousand pounds.
- (3) The Treasury may subscribe to debentures to be issued by the company to an amount not exceeding one-fourth of each issue of debentures, and not exceeding in the aggregate two hundred thousand pounds, and any such subscriptions shall be deemed to be a local loan within the meaning of the National Debt and Local Loans Act, 1887, and that Act shall apply accordingly.
- (4) Such sums not exceeding in the whole the sum of one hundred and thirty-five thousand pounds as may be required for the purpose of making such advances as aforesaid or for procuring the underwriting of debentures as aforesaid shall be issued out of the Consolidated Fund or the growing produce thereof at such times and to such amounts as the Treasury think fit.
- (5) The sums payable towards the cost of the administration the company shall be paid out of moneys provided by Parliament.
- (6) Any sums paid by the company by way of repayment of or interest on advances made by the Department shall be paid to the Exchequer.