

SAORSTAT ÉIREANN

BILLE NA nUACHTARLANN, 1928.

CREAMERY BILL, 1928.

*Mar do ritheadh ag dhá Thigh an Oireachtais.
As passed by both Houses of the Oireachtas.*

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SAORSTAT ÉIREANN

BILLE NA nUACHTARLANN, 1928.

CREAMERY BILL, 1928.

BILL

entitled

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AN ACT TO MAKE PROVISION FOR THE MORE EFFECTIVE REGULATION AND CONTROL IN CERTAIN RESPECTS OF THE DAIRYING INDUSTRY AND PERSONS AND CO-OPERATIVE SOCIETIES ENGAGED THEREIN WITH A VIEW TO THE BETTER RE-ORGANISATION OF THAT INDUSTRY AND FOR OTHER MATTERS CONNECTED WITH SUCH RE-ORGANISATION.

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BE IT ENACTED BY THE OIREACHTAS OF SAORSTAT ÉIREANN AS FOLLOWS:—

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Definitions.

1.—In this Act—

the expression “the Minister” means the Minister for Lands and Agriculture;

the expression “the Company” means the Dairy Disposal Company, Limited;

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the word “society” means a society registered under the Industrial and Provident Societies Act, 1893, having for its object the manufacture of butter, cream or other dairy product;

the expression “the Department” means the Department of Agriculture and Technical Instruction for Ireland; and

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the expression “creamery” includes any factory or plant for the manufacture of milk products or by-products or any crude milk collecting station or depot.

Liability to pay for new milk supplies.

2.—(1) Where a creamery or a company owning a creamery was (whether before or after the passing of this Act) acquired with moneys provided by the Oireachtas, every person carrying on a creamery who obtains (whether before or after the passing of this Act) a supply of milk (in this Act referred to as a new milk supply) from a person who supplied milk to such creamery at any time after the 22nd day of February, 1927, shall, unless he obtained such new milk supply under an Agreement with the Company in the form set out in the First Schedule to this Act or the form set out in the Second Schedule to this Act, be liable to pay in accordance with this Act to the Company a principal sum calculated in the manner hereinafter specified with interest at the rate and from the date hereinafter mentioned.

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(2) The Principal sum payable in respect of a new milk supply by any person to the Company under this section shall be ascertained and certified by the Department in accordance with the following provisions, that is to say:—

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(a) the Department shall in respect of such person select and appoint the year in which the selection is made or some earlier year not being prior in any case to the year 1927;

- (b) the Department shall ascertain the day in the year so appointed on which such person received the largest quantity (in this Act referred to as the peak day quantity) of milk on foot of the said new milk supply but such day shall not be a day following one on which such person was not open to receive milk supplies;
- (c) the Department shall appoint the day (in this Act referred to as the transfer day) on which such new milk supply was transferred from the said creamery to the said person and such day shall normally be the day on which such new milk supply was first received by such person, but the Department may in any particular case appoint any earlier day not more than six months prior to the said day on which such new milk supply was first so received;
- (d) the said principal sum payable by such person to the Company shall be calculated by the Department at the rate of one pound for every complete gallon of milk in the peak day quantity;
- (e) the interest payable by such person to the Company shall be interest on the said principal sum at the rate of five and one-half per cent. per annum from the transfer day;
- (f) the Department shall issue to the Company a certificate (in this Act referred to as a certificate of liability) in respect of such person certifying the amount of the said principal sum payable by such person to the Company under this section and the rate at and date from which interest on such principal sum is payable under this section by such person to the Company.

(3) Every certificate of liability issued by the Department under this section shall be conclusive evidence of all matters purported to be certified therein.

- 3.—(1) When the Department has duly issued to the Company a certificate of liability in respect of any person other than a society the Company may serve by post on such person notice of the issue of such certificate together with (either included in such notice or as a separate document) a copy of such certificate and at the expiration of seven days from the service of such notice and copy certificate such person shall, unless or save in so far as he becomes exempted under this section, be liable to pay to the Company the principal sum stated in such certificate together with interest thereon at the rate of five and one-half per cent. per annum from the transfer day stated in such certificate until payment and the same shall be recoverable from him by the Company as a simple contract debt.

Certificates of liability in respect of persons other than societies.

- (2) If, when notice of the issue of a certificate of liability and a copy of such certificate is served on any person by the Company under this section, such person within seven days after such service gives to the Company notice of his intention to cease to receive the new milk supply to which such certificate of liability relates and does within such seven days cease to receive such new milk supply, then such person shall be exempt from liability to pay the principal sum mentioned in such certificate or the interest thereon for so long as he does not receive such new milk supply but in the event of his subsequently again receiving such new milk supply such exemption shall cease and he shall forthwith become liable to pay the said principal sum with interest thereon from the transfer day in accordance with this Act as if he had never been so exempted.

- 4.—(1) When the Department has duly issued to the Company a certificate of liability in respect of a society the Company shall forthwith serve by post on such society notice of the issue of such certificate together with (either included in such notice or as a separate document) a copy of such certificate and thereupon such society shall become and be liable to pay to the Company the principal sum and interest stated in such certificate in the manner following, that is to say, to pay the said principal sum by eight

Certificates of liability in respect of societies.

equal annual instalments of which the first instalment shall be payable on the 1st day of November next after the issue of such certificate together with interest on the said principal sum at the rate of five and one-half per cent. per annum from the transfer day to the date of payment and the subsequent instalments shall be payable on the 1st day of November in each of the succeeding seven years together with interest at the rate aforesaid from the payment of the previous instalment on the amount of the principal sum for the time being outstanding.

(2) When a society has become liable under this section to pay a principal sum to the Company by instalments, then—

- (a) if any such instalment of the said principal sum or any interest thereon remains unpaid for thirty days after the same has become due, or
- (b) if such society ceases to carry on its business, or
- (c) if an order is made or a special or extraordinary resolution is passed for the winding up of such society, or
- (d) if such society fails to perform or comply with any of the provisions of the next following section of this Act on its part to be performed or complied with,

the whole or the said principal sum then unpaid shall, notwithstanding anything contained in the foregoing sub-section, become immediately payable with interest thereon at the rate aforesaid and all securities for the said principal sum shall become immediately enforceable.

Issue of debt
shares by
societies.

5.—(1) When the Department has issued under this Act to the Company a certificate of liability in respect of a society, it shall be lawful for such society to issue and such society if and when so required by the Company shall issue to the supplier of milk on account of whose milk supply such certificate of liability was issued shares (in this section referred to as debt shares) of the nominal value of one pound each in such society the number of such shares to be so issued to any such supplier being calculated at the rate of three or such greater number as the company shall require of such shares for every cow then owned by such supplier as certified by the Department.

(2) Debt shares issued by a society in pursuance of this section shall be available to the Company as a security for the recovery from such society of the principal sum and interest (in this sub-section collectively referred to as the debt) mentioned in the certificate of liability in consequence of which such debt shares were issued and for that purpose the following provisions shall have effect, that is to say:—

- (a) such society shall be deemed to have charged the capital of such debt shares with repayment in the manner provided by this Act of the debt;
- (b) such society shall, so long as any part of the debt remains unpaid, either by deduction per gallon on the price of milk purchased by it from the holder of such debt shares or in such other way as it may decide call up in each year so much of the capital at the time uncalled of such debt shares as may be required to provide for the payment to the Company of the amount of the instalment and interest of the debt falling due in that year;
- (c) all moneys so called up shall be paid into a separate account in the joint names of the Company and such society, and shall be applied for the purpose only of paying to the Company the instalment of the debt and interest as and when the same shall be payable under this Act;
- (d) such society shall not, until the debt has been paid in full, make any call upon the capital of the said debt shares other than the calls hereinbefore require to be made nor apply any part of any sum received on foot of any such last-mentioned call otherwise than towards the reduction of the debt;

(e) on the happening of any of the events on which the unpaid balance of the principal of the debt becomes immediately payable, such society shall, if so required by the Company, forthwith call up the remainder of the capital at that time uncalled on the said debt shares, or so much thereof as shall be required (in addition to any other moneys of such society available for the purpose and any sum then standing to the credit of the said separate account in the said joint names) to repay to the Company the total amount then outstanding on foot of the debt and shall pay the moneys received on foot of such calls into the said separate account to be applied for the sole purpose of paying to the Company the sum then due on foot of the debt.

6.—Any agreement (in this Act included in the expression "agreement validated by this Act") in the form or substantially in the form set out in the First Schedule to this Act and made whether before or after the passing of this Act between the Company and a Society shall be and (in the case of any such agreement made before the passing of this Act) be deemed always to have been valid and accordingly it is hereby declared that as and from the date of such agreement such society shall have and (where such agreement was made before the passing of this Act) be deemed always to have had power, notwithstanding anything contained in the Industrial and Provident Societies Act, 1893, and the rules of such society, to do all such acts and things and execute all such documents as may be necessary or proper to carry out the terms of such agreement.

Validation of agreements in form in First Schedule.

7.—Any agreement (in this Act included in the expression "agreement validated by this Act") in the form or substantially in the form set out in the Second Schedule to this Act and made whether before or after the passing of this Act between the Company and a society shall be and (in the case of any such agreement made before the passing of this Act) be deemed always to have been valid and accordingly it is hereby declared that as and from the date of such agreement such society shall have and (where such agreement was made before the passing of this Act) be deemed always to have had power, notwithstanding anything contained in the Industrial and Provident Societies Act, 1893, and the rules of such society, to do all such acts and things and execute all such documents as may be necessary or proper to carry out the terms of such agreement.

Validation of agreements in form in Second Schedule.

8.—Any agreement (in this Act included in the expression "agreement validated by this Act") in the form or substantially in the form set out in the Third Schedule to this Act and made whether before or after the passing of this Act between the Department and a society shall be and (in the case of any such agreement made before the passing of this Act) be deemed always to have been valid and accordingly it is hereby declared that as and from the date of such agreement such society shall have and (where such agreement was made before the passing of this Act) be deemed always to have had power, notwithstanding anything to the contrary contained in the Industrial and Provident Societies Act, 1893 and the rules of such society, to do all such acts and things and execute all such documents as may be necessary or proper to carry out the terms of such agreement.

Validation of agreements in form in Third Schedule.

9.—(1) Where a society is required by or under this Act or is bound by an agreement validated by this Act to issue shares to any person and does issue such shares accordingly to such person and such person refuses or neglects to take such shares or some of such shares, it shall not be lawful for such society to take any supply of milk from such person so long as such refusal or neglect continues.

Refusal to take shares in a society.

(2) If a society takes a supply of milk from any person in contravention of this section such society shall be guilty of an offence under this section and shall be liable on summary conviction thereof to a fine not exceeding ten pounds together with a further fine not exceeding two pounds for every day during 5 which the offence continues.

Milk supply
from share-
holder of
another
society.

10.—(1) Where a society is required by or under this Act or is bound by an agreement validated by this Act to issue shares to any person and does issue such shares accordingly then, whether such person does or does not take such shares, it shall not be 10 lawful without the consent of the Department signified in writing for any other society to take any supply of milk from such person.

(2) If a society takes a supply of milk from any person in contravention of this section it shall be lawful for the Department to serve by post on such society a notice in writing requiring 15 such society to cease to take a supply of milk from such person and if such society after the expiration of seven days from the service of such notice takes a supply of milk from such person such society shall be guilty of an offence under this section and shall be liable on summary conviction thereof to a fine not 20 exceeding ten pounds together with a further fine not exceeding two pounds for every day during which the offence continues.

(3) When the Department is satisfied that any person to whom debt shares have been issued by a society under the authority of section 5 of this Act would suffer any injustice or unreasonable 25 hardship by supplying or continuing to supply milk to such society, the Department may authorise any other society to accept a supply of milk from such person.

(4) A society which has been authorised by the Department to accept a supply of milk from a person to whom debt shares 30 have been issued by another society under this Act shall be liable for the payment to the Company of such portion of the debt in respect of which such debt shares were issued as the Department shall determine, and a corresponding deduction shall be made 35 from the balance of such debt remaining due to the Company by the Society by which such debt was incurred.

(5) The uncalled balance of debt shares issued by a society to a person in respect of whose milk supply an authorisation is given by the Department to any other society under sub-section 40 (3) of this section shall be cancelled, such cancellation to take effect as from the date on which such authorisation was given.

(6) A society which obtains a supply of milk on the authorisation of the Department as provided by sub-section (3) of this section may issue and such society if and when so required by the Department shall issue to the person from whom such supply 45 is obtained such number of shares of the nominal value of one pound each as the Department shall certify to be equal to the nearest pound in total nominal amount to the uncalled balance of the debt shares in respect of which such person's liability was cancelled in accordance with sub-section (5) of this section. 50

Removal of
limit on
shareholding.

11.—Notwithstanding anything contained in the Industrial and Provident Societies Act, 1893 or the rules of a society, a member of such society may hold an interest in shares in such society in excess of two hundred pounds, if and so far as such excess is due 55 to his holding shares issued by such society under or in accordance with this Act or under any agreement validated by this Act.

Guarantees by
societies of
other societies.

12.—Whenever the Department has whether before or after the passing of this Act advanced any moneys on loan to a society, any other society shall have power and in the case of any moneys 60 so advanced before the passing of this Act be deemed always to have had power to guarantee the repayment of such moneys to the Department.

13.—(1) It shall not be lawful for any person—

Prohibition of
unlicensed
acquisition or
establishment
of creameries.

(a) to acquire by purchase or otherwise a creamery which at the time of such acquisition is being worked and carried on as a creamery, or

5 (b) to establish a creamery in any premises in which the business of a creamery is not being carried on at the time of such establishment,

unless such acquisition or establishment is done by such person under and in accordance with a licence in that behalf granted to
10 such person by the Minister under this section.

(2) It shall not be lawful for any person to maintain a creamery which was acquired or established by him or any other person in contravention of this section.

(3) The Minister may, if he so thinks fit, grant to any person
15 a licence to acquire a specified creamery then being worked and carried on as a creamery or a licence to establish a creamery in any specified premises and the Minister may attach to any such licence such conditions as he shall think proper and shall specify in such licence.

20 (4) If any person acquires, establishes, or maintains a creamery in contravention of this section he shall be guilty of an offence under this section and shall be liable on summary conviction thereof to a fine not exceeding one hundred pounds together with, in the case of a continuing offence, a further fine not exceeding
25 ten pounds for every day during which such offence is continued.

(5) Where the business of a creamery is extended by the addition thereto of a class, branch, or department of creamery business not then carried on in such creamery, such class, branch, or department of business shall for the purposes of this section be
30 deemed to be a separate creamery, and this section shall apply thereto accordingly.

(6) For the purposes of this section the establishment of a creamery by a person shall be deemed to take place when such creamery is opened by such person for the carrying on of
35 creamery business therein.

14.—(1) It shall not be lawful for any person after the expiration of one month from the passing of this Act to maintain a creamery to which this section applies unless such person is authorised so to do by licence granted by the Minister under this
40 section.

Prohibition of
unlicensed
maintenance of
certain
creameries.

(2) The Minister may, if he so thinks fit, grant to any person a licence to maintain a specified creamery to which this section applies subject to such (if any) conditions as the Minister shall specify in such licence.

45 (3) If any person maintains a creamery in contravention of this section he shall be guilty of an offence under this section and shall be liable on summary conviction thereof to a fine not exceeding one hundred pounds together with a further fine not exceeding twenty-five pounds for every day during which the offence
50 is continued.

(4) This section applies to any creamery which, on or after the 1st day of January, 1928, and before the passing of this Act, either was opened for the first time for the carrying on of creamery business therein or was re-opened for the carrying on
55 of creamery business after a period during which such business was not carried on therein and also applies to any creamery the business of which was, on or after the 1st day of January, 1928, and before the passing of this Act, extended by the addition thereto of a class, branch, or department of creamery business not
60 then carried on in such creamery.

15.—(1) Every person in charge of a creamery within the meaning of this Act shall, upon being so required for the purposes of this Act by an officer of the Department, produce to such officer all records, books and other documents in his custody
65 relating to such creamery and permit such inspector to examine and take copies of or extracts from the same.

Inspection of
records, etc.,
of creameries.

(2) If any person fails or refuses to comply with the provisions of this section, he shall be guilty of an offence under this section and shall be liable on summary conviction thereof to a fine not exceeding five pounds.

Powers of inspectors.

16.—(1) Any matter or thing required or authorised by this Act (other than this section) to be done by the Department may be done by an inspector of the Department and when so done shall for the purposes of this Act be deemed to have been done by the Department. 5

(2) A document purporting to be issued by the Department under this Act and purporting to be signed on behalf of the Department by an inspector of the Department shall without proof of the signature of such inspector or of his authority to act as such inspector be received in evidence in all courts of justice as such document until the contrary is proved. 10 15

(3) In this section the expression “inspector of the Department” means an officer of the Department authorised either specially or generally by the Department to act as an inspector for the purposes of this Act.

Regulations.

17.—The Minister may by order make regulations in relation to any matter arising under this Act and generally for the purpose of carrying this Act into effect. 20

Expenses.

18.—All expenses incurred by the Minister or the Department in the execution of this Act shall, to such extent as may be sanctioned by the Minister for Finance, be paid out of moneys provided by the Oireachtas. 25

Short title.

19.—This Act may be cited as the Creamery Act, 1928.

FIRST SCHEDULE.

FORM OF AGREEMENT FOR PURCHASE OF PREMISES, ETC.

THIS AGREEMENT, made the _____ day of _____ between the Dairy Disposal Company, Limited, having its registered office at 42-43 St. Stephen's Green, Dublin (hereinafter called the vendors, which expression shall be deemed to include its successors and assigns where the context so admits or requires), of the one part, and

a Society incorporated under the Industrial and Provident Societies Act, 1893 (hereinafter called the Purchasing Society, which expression shall be deemed to include its successors and assigns where the context so admits or requires), of the other part: Whereas in the year 1926 the Irish Agricultural Organisation Society, Limited, with a view to aiding the Dairying Industry in Ireland, opened negotiations for the acquisition of the business and undertakings of the Condensed Milk Company of Ireland (1924), Limited, and of the Newmarket Dairy Company, Limited, to the end that redundant creameries might be eliminated with resultant benefit to the Dairying Industry: And whereas the said Irish Agricultural Organisation Society, Limited, being unable by its proper funds to finance such a purchase, requested the Government of Saorstát Eireann to make due provision for the acquisition of the said business and undertakings, which the said Government duly agreed to do: And whereas the vendors were duly incorporated under the Companies Acts with the object of facilitating the allotment and distribution of the business and undertakings of the said two Companies to and among selected Co-operative Creamery Societies, and the entire issued capital of the said two Companies is now held by or in trust for the Vendors: And whereas the vendors are taking all necessary steps to put the said Condensed Milk Company of Ireland (1924), Limited, and the Newmarket Dairy Comptny, Limited, into liquidation forthwith: And whereas the _____ Limited (hereinafter called the Company), holds the premises known as _____

situate at _____ under
Lease dated the _____ day of _____
subject to the yearly rent of £ _____ : And whereas by
resolution of the Committee of Management of the Purchasing
Society dated the _____ day of _____ it was
resolved that the Purchasing Society should purchase the said
premises together with the plant, equipment, utensils, furniture,
etc., thereon, and the milk supply attached thereto, and also the
goodwill connected therewith, for the price or sum of £ _____,
such sum to be payable by eight yearly instalments, with simple
interest not exceeding 5½ per cent. per annum on the amount
outstanding for the time being, and that the said purchase price
should be secured by charge or mortgage, and that shares should
be issued by the Purchasing Society to the suppliers so as afore-
said obtained by the Purchasing Society to cover the amount of
the said purchase money, and that the amount payable on the
shares so issued should be earmarked for the payment of the said
purchase price: And whereas the Purchasing Society is prepared
and hereby undertakes to issue shares to all former suppliers of
milk to the Company in the said area who have and will become
members of the Purchasing Society: Now it is hereby agreed as
follows:—

1. The Vendors agree to sell or procure to be sold by the _____
(hereinbefore and hereinafter called the Company) or its Liquidator to the Purchasing Society, and the Purchasing Society agree to purchase on the terms and conditions hereinafter appearing all that and those

2. The purchase shall include the fixed and movable machinery, plant, equipment, furniture, and other chattels on the said premises, the milk supply attached thereto, and also the goodwill of the business carried on therein.

3. The consideration for the said purchase shall be the said purchase price of £ , and the said purchase price shall be paid by the Purchasing Society in eight equal yearly instalments, payable in manner hereinafter appearing, with simple interest at the rate of £5 10s. 0d. per cent. per annum on the amount for the time being outstanding, and the payments of the said instalments and interest shall be secured to the Vendors, as hereinafter mentioned.

4. The Purchasing Society shall covenant to pay to the Vendors the said purchase monies, with interest thereon as aforesaid, from the day of by eight equal yearly instalments, whereof the first shall fall due on the day of , and the succeeding payments on the day of in each successive year, with the addition to each instalment of all interest due to the date of payment of the said instalment.

5. In any of the following events the entire balance of the purchase money then remaining unpaid, and all interest thereon shall become immediately payable, and all securities therefor shall become immediately enforceable:—

- (a) If any instalment of principal or interest, or any part thereof, shall remain unpaid for thirty days after the same shall have become due.
- (b) If the Purchasing Society ceases to carry on its business
- (c) If an order shall be made, or a special or extraordinary resolution be passed, for winding up the Purchasing Society.
- (d) If the Purchasing Society commits a breach of any of the covenants, agreements, or provisions in any mortgage charge or agreement entered into between the Purchasing Society and the Vendors, and on its part to be observed and performed.

6. The said purchase price and the interest thereon shall be secured by a first mortgage or charge on the said premises sold, which mortgage shall be prepared by the Vendors, and shall contain such powers and provisions, and be in such form as the Vendors may reasonably require, and shall be executed immediately after the assurance of the premises to the Purchasing Society. The premises shall be insured by the Purchasing Society against loss by fire in the sum of £ , at least, in an office to be approved by the Vendors in the joint names of the Vendors and the Purchasing Society.

7. By way of further security for the payment of the purchase monies and interest, the Purchasing Society shall charge the capital of the shares issued as hereinbefore recited with the repayment of the said purchase price, and the Purchasing Society shall covenant and agree that so long as any part of the said purchase monies shall remain unpaid the Purchasing Society shall, either by a deduction per gallon on the price of milk purchased by it from the holders of such shares, or in such other way as the Purchasing Society may decide, call up in each year so much of the said capital at that time uncalled on such shares as may be required, to provide for payment to the Vendors of the instalment falling due in that year. The monies so deducted on foot of the said calls shall be paid into a separate account in the joint names of the Vendors and the Purchasing Society, and shall be applied for the purpose only of paying to the Vendors the instalments of purchase money and interest as and when the same shall become payable to them as aforesaid. The Purchasing Society shall not until the repayment in full of the last and all previous instalments of the total sum to be paid to the Vendors under these presents, and all interest thereon, make any calls whatsoever on the capital of the said shares, save as aforesaid, nor apply any part of any sum received on foot of any call made in accordance with the foregoing provisions other than towards

the reduction of the total sum to be paid to the Vendors under these presents. Provided that on the happening of any of the events specified in Paragraph 5 hereof, the Purchasing Society, if required by the Vendors so to do, shall forthwith call up the remainder of the capital at that time uncalled on the said shares, or so much thereof as shall be required, in addition to any other monies of the Purchasing Society available for the purpose, and any sum outstanding to the credit of the joint account aforesaid, to repay to the Vendors the total amount then outstanding on foot of the purchase money and interest due to the Vendors under and by virtue of these presents, and shall pay the monies received on foot of such calls into the joint account aforesaid, to be applied for the sole purpose of paying to the Vendors the sum then due on foot of the purchase money and interest. The said charge upon the capital of the said shares shall be prepared by the Vendors, and shall contain such powers and provisions and be in such form as the Vendors may reasonably require, and shall be executed immediately after the assurance of the premises to the Purchasing Society.

8. The Purchasing Society hereby agrees with the Vendors to make such alterations and additions in its rules as may be reasonably required by the Vendors for the purpose of making provision for the following matters:—

- (1) For carrying into effect the provisions of these presents and for securing the payment of the purchase money in manner hereinbefore agreed.
- (2) For ensuring so far as may be lawful that members shall sell milk only to the Purchasing Society.
- (3) For regulating the number of Ordinary Shares to be held by members.
- (4) For the payment of calls on shares of members by deductions out of the price payable to them for milk supplied.
- (5) For the issue of Loan Guarantee Shares as a further security for the payment of the purchase monies and interest in the event of the new shares issued to new members not proving sufficient to cover the amount of the purchase money.
- (6) For regulating the power of the Committee of the Purchasing Society to sanction the transfer of shares.
- (7) For regulating the appointment of auditors and stock-takers and the approval of such appointments by the Department of Lands and Agriculture.
- (8) For the holding of audits and stocktakings.

Such alterations and additions shall apply to all former suppliers of milk to the premises the subject of this agreement who have or will become members of the Purchasing Society, and shall remain in force until the purchase monies hereinbefore contracted to be paid and all interest thereon shall have been paid to the Vendors.

9. The premises are held

10. The Vendors will on closing hand to the Purchasers the following and no other documents, viz.:—

11. The Purchasing Society shall accept the title of the Company to the premises, milk supply, and goodwill without search or enquiry as good and sufficient in all respects, and shall make no objection or requisition in respect of the same on any point or matter whatsoever.

12. The purchase shall be completed on the day of and the Purchasing Society will be entitled on that date to a proper assurance of the premises and a proper assignment of the milk supply. The Purchasing Society shall

not require the concurrence of any person other than the Liquidator of the Company and the Vendors in the Conveyance to them, and shall make no objection on the ground that any other person ought to be and is not a party. All outstanding legal estates, if any, shall be traced and got in by and at the expense of the Purchasing Society, and the Vendors shall be under no obligation in respect thereof.

13. The Conveyance to the Purchasing Society shall include a covenant by the Purchasing Society to pay, observe, perform, and indemnify the Vendors against the rents and covenants of the Lease, and a further covenant that the Purchasing Society will at all times keep the Vendors indemnified in respect of the contracts or orders, the benefit whereof is to be assigned, and against all proceedings, costs, damages, claims, payments, and liabilities by reason of the non-performance or non-execution of the said several contracts or orders.

14. The Purchasing Society shall, notwithstanding any discrepancies or variations in names, quantities, measurements, boundaries, abutments, or otherwise, admit the identity of the premises with that comprised in the muniments upon the evidence afforded by a comparison of the description in this agreement with the muniments and plans thereto (if any).

15. The premises are believed and shall be taken to be correctly described as to tenure, quantity or otherwise, and are sold subject to all rents and outgoing, and to all incidents of tenure, rights of way, and other rights and easements (if any) affecting the same; and if any error, misstatement, or omission shall be discovered in the particulars of the premises as described in this agreement, or any of the documents of title, the same shall not annul the sale nor be a ground for the allowance of any compensation by the Vendors in respect thereof.

16. All profits in respect of the business and premises up to the date fixed for completion and all outgoing in respect thereof up to the same date (including ascertained liabilities then previously incurred in respect of the said business, but not discharged) shall, as the case may be, belong to or be discharged by the Vendors, and from the date fixed all outgoing and losses (including all liabilities and outgoing arising out of any uncompleted contracts and engagements and all future claims in respect of all completed contracts and engagements) shall be discharged by and the rents and profits (including the receipts from the business) shall belong to the Purchasing Society; and the rents, profits, and outgoing shall, if necessary, be apportioned for the purpose of this provision. Provided that the Purchasing Society shall not be let into actual possession or receipt of the rents or profits until the completion of the purchase. If from any cause whatever other than the wilful default of the Vendors the purchase shall not be completed on or before the date fixed for completion, the Purchasing Society shall pay to the Vendors all costs and expenses incurred by the Vendors in carrying on the said business in the interval between the date fixed for completion and the date of actual completion, and shall not be entitled to any compensation for the Vendors' delay or otherwise, but this stipulation shall be without prejudice to the Vendors' rights under any other of these conditions.

17. Until the actual completion of the purchase the Vendors shall retain possession of the premises and the right to control the conduct and management of the business, but without prejudice to the provision as to the appropriation of profits and the liability for outgoing and losses hereinbefore contained. If the purchase be not completed on the day fixed, the Vendors shall carry on the business until the date of actual completion for the benefit and at the sole risk and costs in all respects (including the Manager's salary) of the Purchasing Society.

18. The receipts for the last rents accrued due up to the date fixed for the completion of the purchase shall be accepted as conclusive evidence of the performance and observance of the covenants and conditions in the Lease under which the same is held, and of the payments of all rents accrued due, and of the performance and observance of all the covenants and conditions contained in the Superior Lease (if any), or of the effectual waiver of any breach (whether continuing or not) of any covenant or condition up to the actual completion of the purchase, without proof being required of the title or authority of the person giving the said receipt.

19. The purchase money shall be apportioned between the parties for the purpose of stamp duty as follows, namely—
 £ shall be for the price of the said premises, milk supply, and goodwill, and £ shall be the price of the movable chattels transferable by delivery.

20. If the purchase shall not be completed by the date fixed for the completion through failure of the Purchasing Society to comply with any of these conditions, the Vendors shall be at liberty to rescind the sale to the Purchasing Society and to re-sell the premises; the loss (if any) arising out of such re-sale, and all expenses attending the same, shall be made good and paid by the Purchasing Society as liquidated damages, and any increase of price on such re-sale shall belong to the Vendors.

21.—Every act or thing which the Vendors may by virtue of these presents be bound to do or perform, shall for the purposes of this agreement be deemed to have been done or performed by them if done or performed by the Liquidator of the Company.

IN WITNESS whereof the Vendors have hereunto affixed their corporate seal and the Purchasing Society, pursuant to resolution of its Committee dated the day of 192 , has hereunto affixed its seal the day and year first in these presents written.

SEAL.

Sealed and delivered by the said Dairy Dis- posal Company Limited, in the presence of	}	}	Directors. Secretary.
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SEAL.

Sealed and delivered by the said..... in the presence of	}	}	Members of Committee. Secretary.
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SECOND SCHEDULE.

FORM OF AGREEMENT FOR PURCHASE OF MILK SUPPLY.

THIS AGREEMENT, made the _____ day of _____
 BETWEEN THE DAIRY DISPOSAL
 COMPANY, LIMITED, having its registered office at 42-43
 St. Stephen's Green, Dublin (hereinafter called the Vendors,
 which expression shall be deemed to include its successors and
 assigns where the context so admits or requires), of the one part,
 and _____ a Society
 incorporated under the Industrial and Provident Societies Act,
 1893 (hereinafter called the Purchasing Society, which expression
 shall be deemed to include its successors and assigns where the
 context so admits or requires), of the other part. WHEREAS in
 the year 1926 the Irish Agricultural Organisation Society,
 Limited, with a view to aiding the Dairying Industry in Ireland,
 opened negotiations for the acquisition of the business and under-
 takings of the Condensed Milk Company of Ireland (1924),
 Limited, and of the Newmarket Dairy Company, Limited, to the
 end that redundant creameries might be eliminated with resultant
 benefit to the said Dairying Industry: AND WHEREAS the said
 Irish Agricultural Organisation Society, Limited, being unable
 by its proper funds to finance such a purchase, requested the
 Government of Saorstát Éireann to make due provision for the
 acquisition of the said business and undertakings, which the said
 Government duly agreed to do: AND WHEREAS the Vendors
 were duly incorporated under the Companies Acts with the object
 of facilitating the allotment and distribution of the business and
 undertakings of the said two Companies to and among selected
 Co-operative Creamery Societies, and the entire issued capital of
 the said two Companies is now held by or in trust for the Vendors:
 AND WHEREAS the Vendors are taking all necessary steps to
 put the said Condensed Milk Company of Ireland (1924), Limited,
 and the Newmarket Dairy Company, Limited, into liquidation
 forthwith: AND WHEREAS the milk supply from redundant
 creameries hitherto owned by the Condensed Milk Company of
 Ireland (1924), Limited, or the Newmarket Dairy Company,
 Limited (hereinafter called the Companies) in the area adjacent
 to the Purchasing Society, and portion of the milk supply from
 creameries not purchased by the Purchasing Society from the
 Companies, or either of them, has by virtue of the various
 hereinbefore recited matters been rendered available for allot-
 ment to the Purchasing Society by the Vendors: AND WHEREAS
 by resolution of the Committee of Management of the Purchasing
 Society dated the _____ day of _____, 192____, it was
 resolved that the Purchasing Society should pay to the Vendors
 a price for the said milk supply calculated at the rate of £1 for
 each gallon of the said supply as at the peak day of the year _____,
 such payment to be spread over eight yearly instalments, with
 simple interest not exceeding 5½ per cent. per annum on the
 amount outstanding for the time being, and that shares should be
 issued by the Purchasing Society to the suppliers so as aforesaid
 obtained by the Purchasing Society to cover the amount of the
 said purchase money, and that the amount payable on the shares
 so issued should be earmarked for the payment of the said pur-
 chase price: PROVIDED ALWAYS that in a case where such an
 issue of shares might impose an undue hardship or work or
 injustice, the parties hereto may request the Inspectors of the
 Department of Lands and Agriculture to certify what number of
 shares should be issued and to what suppliers, and such certi-
 ficate shall be final and binding between the parties: AND
 WHEREAS the Purchasing Society is prepared and hereby
 undertakes to issue shares to all former suppliers of milk to the
 Companies or either of them in the said area who have or will
 become members of the Purchasing Society: NOW IT IS HEREBY
 AGREED as follows:—

1. The Vendors agree to sell or procure to be sold by the Com-
 panies, or the Liquidators thereof, to the Purchasing Society, and
 the Purchasing Society agree to purchase on the terms and condi-
 tions hereinafter appearing, the said milk supply.

2. The purchase price of the said milk supply shall be ascertained hereafter, as is by this agreement hereinafter provided, and the said purchase price shall be paid by the Purchasing Society in eight equal yearly instalments, payable in manner hereinafter appearing, with simple interest at the rate of £5 10s. per cent. per annum on the amount for the time being outstanding, and the payments of the said instalments and interest shall be secured to the Vendors as hereinafter mentioned.

3. The Department of Lands and Agriculture, through its Inspectors or Inspector, shall with all convenient speed ascertain and certify what new milk supply shall have been obtained by the Purchasing Society from suppliers to redundant creameries, or to creameries not purchased by the Purchasing Society of the Newmarket Dairy Company or of the Condensed Milk Company (1924), Limited, or either of them respectively, by reason of the matters aforesaid, and shall further certify what was the gallonage received as at the peak day of the year from such suppliers of the said Companies or either of them respectively. Both parties hereto agree to accept such finding and certificate as finally and conclusively binding between them, and the purchase price of the supply so as aforesaid obtained by the Purchasing Society, which supply shall be deemed to have been purchased by the said Purchasing Society from the Vendors, shall be taken to be a sum equal to £1 for every gallon of the supply certified as having been received by the Companies or either of them from the aforesaid suppliers as at the peak day of the said year : PROVIDED ALWAYS that if within days of receiving the said certificate the Purchasing Society shall object to the calculation of the purchase price upon the above basis, then said Department, through its Inspector or Inspectors, shall certify the amount of the milk supply received by the said Purchasing Society from such new suppliers as at the peak day of the year , and on such second certificate being furnished it shall be finally binding between the parties hereto as is hereby agreed, and the purchase price of the supply so as aforesaid obtained by the Purchasing Society shall thereupon be taken to be a sum equal to £1 for every gallon of the supply certified as having been received by the Purchasing Society as at the peak day of the year.

4. The Purchasing Society shall covenant to pay to the Vendors the said purchase monies, with interest thereon as aforesaid, from day of , by eight equal yearly instalments, whereof first shall fall due on the 1st day of November, , and the succeeding payments on the 1st day of November in each successive year, with the addition to each instalment of all interest due to the date of payment of the said instalment.

5. In any of the following events the entire balance of the purchase monies then remaining unpaid, and all interest thereon shall become immediately payable, and all securities therefor shall become immediately enforceable:—

- (a) If any instalment of principal or interest or any part thereof shall remain unpaid for thirty days after the same shall have become due.
- (b) If the Purchasing Society ceases to carry on its business.
- (c) If an order shall be made, or a special or extraordinary resolution be passed, for winding-up the Purchasing Society.
- (d) If the Purchasing Society commits a breach of any of the covenants, agreements, or provisions in any mortgage or agreement entered into between the Purchasing Society and the Vendors, and on its part to be observed and performed.

6. By way of security for the payment of the purchase monies and interest, the Purchasing Society shall charge the capital of the shares issued as hereinbefore recited with the repayment of

the said purchase price, and the Purchasing Society shall covenant and agree that so long as any part of the said purchase monies shall remain unpaid the Purchasing Society shall, either by a deduction per gallon on the price of milk purchased by it from the holders of such shares, or in such other way as the Purchasing Society may decide, call up in each year so much of the said capital at that time uncalled on such shares as may be required, to provide for the payment to the Vendors of the instalment falling due in that year. The monies so deducted on foot of the said calls shall be paid into a separate account in the joint names of the Vendors and the Purchasing Society, and shall be applied for the purpose only of paying to the Vendors the instalments of purchase money and interest as and when the same shall become payable to them as aforesaid. The Purchasing Society shall not, until the repayment in full of the last and all previous instalments of the total sum to be paid to the Vendors under these presents and all interest thereon, make any calls whatsoever on the capital of the said shares save as aforesaid, nor apply any part of any sum received on foot of any call made in accordance with the foregoing provisions other than towards the reduction of the total sum to be paid to the Vendors under these presents. Provided that on the happening of any of the events specified in Paragraph 5 hereof, the Purchasing Society, if required by the Vendors so to do, shall forthwith call up the remainder of the capital at that time uncalled on the said shares, or so much thereof as shall be required, in addition to any other monies of the Purchasing Society available for the purpose, and any sum outstanding to the credit of the joint account aforesaid, to repay to the Vendors the total amount then outstanding on foot of the purchase money and interest due to the Vendors under and by virtue of these presents, and shall pay the monies received on foot of such calls into the joint account aforesaid to be applied for the sole purpose of paying to the Vendors the sum then due on foot of the purchase money and interest. The said charge upon the capital of the said shares shall be prepared by the Vendors, and shall contain such powers and provisions and be in such form as the Vendors may reasonably require, and shall be executed immediately after the assurance of the premises to the Purchasing Society.

7. The Purchasing Society hereby agrees with the Vendors to make such alterations and additions in its rules as may be reasonably required by the Vendors for the purpose of making provision for the following matters:—

- (1) For carrying into effect the provisions of these presents and for securing the payment of the purchase monies in manner hereinbefore agreed.
- (2) For ensuring so far as may be lawful that members shall sell milk only to the Purchasing Society.
- (3) For regulating the number of Ordinary Shares to be held by members.
- (4) For the payment of calls on shares of members by deductions out of the price payable to them for milk supplied.
- (5) For the issue of Loan Guarantee Shares as further security for the payment of the purchase monies and interest in the event of the new shares issued to new members not proving sufficient to cover the amount of the purchase money.
- (6) For regulating the power of the Committee of the Purchasing Society to sanction the transfer of shares.
- (7) For regulating the appointment of auditors and stock-takers and the approval of such appointments by the Department of Lands and Agriculture.
- (8) For the holding of audits and stocktakings.

Such alterations and additions shall apply to all former suppliers of milk to the Companies or either of them who have or will become members of the Purchasing Society, and shall remain in force until the purchase monies hereinbefore con-

tracted to be paid, and all interest thereon, shall have been paid to the Vendors.

8. The Purchasing Society shall accept the title of the Companies to the said milk supply without search or enquiry as good and sufficient in all respects, and shall make no objection or requisition in respect of the same on any point or matter whatever.

9. The purchase shall be completed on the _____ day of _____ and the Purchasing Society will be entitled on that date to a proper assignment of the milk supply. The Purchasing Society shall not require the concurrence of any person other than the Liquidators of the Companies and the Vendors in the assignment to them, and shall make no objection on the ground that any other person ought to be and is not a party.

10. Until the actual completion of the purchase the Purchasing Society shall not be let into possession of the said milk supply or of the rent or profits arising therefrom, and until that date the business to which the said milk supply is attached shall be carried on by the Vendors for their own profit and advantage. If from any cause whatever other than wilful default of the Vendors the purchase shall not be completed on or before the date fixed for completion, the Purchasing Society shall pay to the Vendors interest on the instalment of the purchase money payable on that date at the rate of 6 per cent. per annum from that date until completion of the purchase, together with all costs and expenses incurred by the Vendors in carrying on the said business in the interval between the date fixed for completion and the date of actual completion, and shall not be entitled to any compensation for the Vendors' delay or otherwise, but this stipulation shall be without prejudice to the Vendors' rights under any other of these conditions.

11. If the purchase shall not be completed by the date fixed for completion through failure of the Purchasing Society to comply with any of these conditions, the Vendors shall be at liberty to rescind the sale to the Purchasing Society and to re-sell the said milk supply; the loss (if any) arising out of such re-sale and all expenses attending same shall be made good and paid by the Purchasing Society as liquidated damages, and any increase of price on such re-sale shall belong to the Vendors.

12. Every act or thing which the Vendors may by virtue of these presents be bound to do or perform shall for the purposes of this agreement be deemed to have been done or performed by them if done or performed by the Liquidators of the Companies or Company.

IN WITNESS whereof the Vendors have hereunto affixed their corporate seal and the Purchasing Society, under resolution of its Committee dated the _____ day of _____, 192____, has hereunto affixed its seal the day and year first in these presents written.

Sealed and delivered	}	Seal.	
by the Vendors in the			
presence of			
	}		Director
			Secretary.

Sealed and delivered	}	Seal.	
by the Purchasing			
Society in the presence			
of			
	}		Members
			of
			Committee
			Secretary.

THIRD SCHEDULE.

FORM OF AGREEMENT FOR LOAN BY THE DEPARTMENT.

THIS AGREEMENT made the _____ day of _____ 19____

BETWEEN The _____ Co-operative
Limited, having its registered office at _____
in the County of _____

(hereinafter called the Society which expression where the context so admits or requires shall also include its successors and assigns) of the one part and THE DEPARTMENT OF AGRICULTURE AND TECHNICAL INSTRUCTION FOR IRELAND (hereinafter called the Department which expression where the context so admits or requires shall also include the successors and assigns) of the other part. WHEREAS the Society being desirous to extend its business has applied to the Department for an advance of the sum of £ _____ to enable it to erect and equip at _____ in the County of _____

AND WHEREAS the Department have agreed to advance the said sum upon the terms and in the manner following NOW IT IS HEREBY DECLARED AND AGREED by and between the parties as follows:—

1. The Department shall advance to the Society the sum of £ _____ in such instalments and at such times as the Department shall determine, which sum the Society hereby covenants and undertakes shall be expended upon the erection and equipment of _____ at _____ in accordance with the requirements of and subject to the satisfaction of the Department.

2. The Society hereby covenants that it will repay to the Department the said sum by seven equal annual instalments together with simple interest upon the amount which shall be for the time being due at the rate of $5\frac{1}{2}\%$ per annum, the said instalments to be paid on the _____ day of _____ in each year commencing in the year _____ until the whole shall have been repaid.

3. As security for the said repayment, the Society doth hereby covenant as follows:—

(a) That it shall forthwith execute to the Department a valid first mortgage of the said premises so as aforesaid to be acquired by it, the said mortgage to be prepared by the Department at the expense of the Society and to contain all such powers provisions and clauses as the Department may deem fit, and the Society doth hereby covenant that it will show good and valid title to the said premises so as aforesaid to be mortgaged by it.

(b) That in addition to the said mortgage it shall as and when so called upon to do by the Department raise additional share capital either from its existing members or from such new members as may be available for it through the erection of the said _____

and that the amount of the said new share capital shall not be less than the sum of £ _____ Divided into _____ Ordinary shares of One Pound each, and that all moneys to be derived by the Society from such new share capital shall be allocated to and forthwith paid over to the Department in reduction of the said advance. Such new share capital shall be issued at the option of the Society either subject to calls by instalments to be approved of by the Department or in the alternative subject to payment by deduction from the price of milk supplies by the new members such deductions not to exceed pence in the pound. All moneys received by

the Department in respect of such additional share capital shall be credited to the amount of the principal debt then due and outstanding and the remaining annual payments shall be reduced proportionately.

(c) That it will execute such binding deed of covenant as the Department may consider necessary to secure to the Department the moneys to be derived from such new share capital, and that it will insert in its rules any additional rules or clauses which may be necessary to validate the hypothecation of the said share capital to the repayment of the said advance in manner aforesaid.

4. The Society doth hereby agree that it shall forthwith have a General Resolution passed by its members embodying and ratifying the terms of this Agreement.

IN WITNESS whereof the seal of the said Society attested according to the rules thereof has been affixed the day and year first herein written.

SEAL.

..... } Members of
..... } Committee.

.....Secretary.

BILLE NA NUACHTARLANN, 1928.

CREAMERY BILL, 1928.

BILLE

BILL

dá ngairmtear

entitled

Acht chun soerú do dhéanamh chun gnó na déiríochta agus daoine agus comharchumainn a bhíonn ag gabháil do san do rialáil agus do stiúra níos éifeachtúla maidir le nithe áirithe d'fhonn an gnó san d'ath-chó-ghléasa níos fearr agus i gcóir nithe eile a bhaineann leis an ath-chó-ghléasa san.

An Act to make provision for the more effective regulation and control in certain respects of the dairying industry and persons and co-operative societies engaged therein with a view to the better re-organisation of that industry and for other matters connected with such re-organisation.

*Rithte ag dhá Thigh an Oireachtais,
31adh Iúil, 1928.*

*Passed by both Houses of the Oireachtas,
31st July, 1928.*

BAILE ATH CLIATH:
FOILLSITHE AG OIFIG AN TSOLATHAIR.

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