

1963.] *The Midland Railway Company* [No. 47.
of Western Australia Limited
Acquisition Agreement.

THE MIDLAND RAILWAY
COMPANY OF WESTERN
AUSTRALIA LIMITED
ACQUISITION AGREEMENT.

12° Elizabeth II., No. XLVII.

No. 47 of 1963.

AN ACT to approve an Agreement made between the Directors of the London Board of The Midland Railway Company of Western Australia Limited, The State, and the Commissioners of the Rural and Industries Bank of Western Australia, and for other purposes.

[Assented to 9th December, 1963.]

BE it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and the Legislative Assembly of Western Australia, in this present Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as *The Midland Railway Company of Western Australia Limited Acquisition Agreement Act, 1963.* Short title.

2. This Act shall come into operation on a date to be fixed by proclamation. Commence-
ment.

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Interpre-
tation.

3. In this Act, unless the contrary intention appears—

“the Agreement” means the Agreement a copy of which is set forth in the First Schedule to this Act;

“the Bank” means The Rural and Industries Bank of Western Australia established under the Rural and Industries Bank Act, 1944;

“the Commission” means the Western Australian Government Railways Commission constituted under the Government Railways Act, 1904;

“the Treasurer” means the Treasurer of the State acting for and on behalf of the Crown in right of the State; and

expressions used in this Act have the same respective meanings as in the Agreement.

Approval of
Agreement.

4. The Agreement is approved and may be carried into effect notwithstanding the provisions of any other Act.

Powers
of the
Commis-
sioners of
the Rural and
Industries
Bank.

5. (1) The Nominee—

(a) shall be taken to have had power to enter into the Agreement and to make an offer to acquire the unified ordinary stock of the Company;

(b) is empowered to—

(i) do all such things that by or under the Agreement the Nominee may do or be required to do;

(ii) acquire all the unified ordinary stock of the Company and to do all such things and carry out such obligations under the provisions of the Companies Act, 1948 of the United Kingdom and amendments, as may be necessary to acquire that stock;

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- (c) is empowered to do all such things as are incidental to any power conferred on the Nominee by this section and that are, in its opinion, necessary or desirable for the purpose of giving effect to the Agreement; and
- (d) in particular may for the purpose of giving effect to the Agreement create, issue and sell—
 - (i) stock to be called “The Rural and Industries Bank of Western Australia 5½% “A” Debenture Stock” (in this Act called “A” stock); and
 - (ii) stock to be called “The Rural and Industries Bank of Western Australia “B” Debenture Stock” (in this Act called the “B” stock)

which the parties to the Agreement have agreed shall be respectively the Government Sterling Bonds and Government Substitutionary Guarantee Bonds for the purposes of the Agreement.

(2) “A” stock and “B” stock may be created by a resolution to that effect duly passed by the Nominee.

*Vide s. 14,
Act No. 51
of 1944.*

6. (1) The due redemption of the principal moneys secured by the “A” stock and the due payment of interest thereon and the due payment of the principal moneys secured by the “B” stock, are, by virtue of this section,

*Sum
secured by
stock to be
a charge on
the Funds
of the Bank
and
guaranteed
by State.*

- a) charged on and secured upon the Funds of the Bank referred to in section twenty-six of the Rural and Industries Bank Act, 1944; and
- (b) guaranteed by the Treasurer.

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(2) The Treasurer shall cause any money required for fulfilling any guarantee given by this section and any money required to carry out any obligations of the State arising out of or in connection with the Agreement to be paid out of the Public Account referred to in section four of the Audit Act, 1904, and that Account is hereby to the necessary extent appropriated accordingly.

(3) The principal moneys secured by any "A" stock or "B" stock and the interest on those moneys, if any, rank equally and without any right of priority or preference as between themselves.

Second
Schedule
to apply to
Stock.

7. (1) The provisions of the Second Schedule to this Act apply to "A" stock and "B" stock issued pursuant to this Act.

(2) A notice of any trust, express, implied or constructive shall not be received by the Nominee, the Registrar of Stock or by an officer or agent of the Nominee in relation to any "A" stock or "B" stock and the Nominee, Registrar of Stock, officer or agent is not bound to see to the execution of any trust to which any of that stock may be subject.

Power of
Treasurer
to give
guarantees,
etc.

8. (1) For the purposes of this Act and the Agreement the Treasurer—

- (a) shall guarantee the repayment of all principal moneys and interest thereon, if any, in respect of which "A" stock and "B" stock have been issued under this Act in accordance with the Agreement;
- (b) may give such directions and do all such other acts and things as he may deem necessary or desirable for the purpose of carrying out or giving effect to the Agreement on the part of the State; and
- (c) may give such indemnities to the liquidator of the Company (if any) as the liquidator may require before he distributes the assets of the Company to the Nominee or the purchaser.

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(2) For the purposes of facilitating the discharge by the Nominee of its financial obligations under the Agreement, the Treasurer may issue outside the Commonwealth in the name of the State, such securities in favour of the Nominee as the Treasurer may decide.

9. Where the Nominee issues any "A" stock or "B" stock or both in accordance with the Agreement, the Treasurer shall make to the Nominee advances of amounts of money sufficient to enable the Nominee to pay, as and when they become due for repayment, the principal moneys and interest thereon or any instalment of the principal moneys in respect of which any such bonds have been so issued.

Power of Treasurer to provide Nominee with funds to meet sums secured by stock.

10. Where at any time after the Completion Date, the Commonwealth Development Bank of Australia, Provident and Pensions Holdings Proprietary Limited and the E.S. & A. Nominees (Australia) Proprietary Limited at the request of the Treasurer, each release the Company from the debts and interest thereon, if any, owing by the Company to it, the Treasurer shall assume the liability for the debt and interest on such terms and conditions as may be agreed upon before that date by the Treasurer and the Commonwealth Development Bank of Australia, Provident and Pensions Holdings Proprietary Limited and E.S. & A. Nominees (Australia) Proprietary Limited, as the case may be.

Power of Treasurer to assume liability for certain debts of the Midland Railway Company of Western Australia Limited.

11. The Nominee and any attorney or agent of the Nominee and the Registrar of Stock is hereby indemnified by the Treasurer in respect of any act done in good faith by the Nominee, attorney, agent or the Registrar of Stock for the purpose of carrying the Agreement into effect and in respect of any losses, costs or damages incurred by the Nominee, attorney, agent or Registrar of Stock as a result of, or arising out of, that act.

Indemnity.

Power of the
Commission
to lease
Midland
railway.

12. (1) The Commission may lease upon such terms and conditions as the Commission and the Company may agree upon, the railway in the State owned by the Company, including all land owned by it upon which the railway is constructed or any such land that is used in connection with or for the purposes of that railway and all buildings, fixed assets, locomotives, road service vehicles, rolling stock of whatsoever kind and all necessary, proper and usual works and conveniences of whatsoever kind so owned and so used, all of which are in this section called "the Midland railway".

(2) On and after the Vesting Date and during the currency of any lease of the Midland railway to the Commission pursuant to subsection (1) of this section—

- (a) the railway shall be deemed to have been duly opened for traffic under the Government Railways Act, 1904;
- (b) the railway shall be deemed to be a Government railway within the meaning of that Act; and
- (c) the provisions of that Act, subject to the provisions of the Agreement and this section, apply to the railway.

Seniority of
employees.

13. (1) For the purposes of giving effect to and implementing The Schedule to the Agreement in respect of the seniority to be granted to any employee of the Company who is employed in a permanent capacity within the meaning of section three of the Government Employees (Promotions Appeal Board) Act, 1945, in any department, agency or instrumentality of the State, the provisions of this section apply.

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(2) Where following negotiation between the representatives of the vendor and of the purchaser referred to in clause one of The Schedule to the Agreement, the representatives have reached agreement as to the seniority to be granted to any employee referred to in subsection (1) of this section—

- (a) the terms of the agreement shall be reduced to writing;
- (b) effect shall be given to the agreement according to its tenor; and
- (c) the employee has that seniority notwithstanding the provisions of the Government Employees (Promotions Appeal Board) Act, 1945, or of any other Act.

(3) Where the representatives referred to in subsection (2) of this section do not reach agreement as to the seniority to be granted to any employee referred to in that subsection, within a period of sixty days from and including the Vesting Date, the employee may at any time within thirty days after the expiration of that period, request in writing a Stipendiary Magistrate appointed or deemed to be appointed under the Stipendiary Magistrates Act, 1957, and appointed by the Governor for the purpose, to determine the seniority of the employee.

(4) The Stipendiary Magistrate—

- (a) shall hear and determine any request made to him pursuant to this section as soon as practicable after the receipt by him of the request;
- (b) shall hear and determine the request in such manner as he determines; and
- (c) has for the purpose all the powers of a Royal Commission under the Royal Commissioners Powers Act, 1902 and in applying that Act to the Stipendiary Magistrate a

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reference to the Chairman of a Royal Commission under that Act shall be read as a reference to the Stipendiary Magistrate.

(5) In determining the seniority of an employee pursuant to this section the Stipendiary Magistrate shall, in addition to any other matters that he considers relevant to the case, have regard to the following—

- (a) the terms of the Agreement;
- (b) the length of service of the employee with the Company and in particular the length of service in the grade or class in which he was last employed by the Company; and
- (c) the representations by the representatives of the vendors, the Company, the purchaser, the employee making the request and the industrial unions of workers concerned, and such other persons as the Stipendiary Magistrate thinks fit to hear at the hearing of the request of the employee.

(6) The determination of the Stipendiary Magistrate under this section as to the seniority of the employee is final and conclusive and effect shall be given thereto according to its tenor, notwithstanding the provisions of the Government Employees (Promotions Appeal Board) Act, 1945, or of any other Act.

Regulations.

14. The Governor may make such regulations as he deems necessary for carrying the purposes and provisions of this Act and the Agreement into effect.

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FIRST SCHEDULE.

Section 3.

THIS AGREEMENT UNDER SEAL made the 9th day of September One thousand nine hundred and sixty three

BETWEEN: SIR ROBERT PHILIP WYNDHAM ADEANE O.B.E. SIR NORMAN GEORGE TOUCHE, Bart., COLONEL COLIN BOUSFIELD BROOME and RICHARD THOMAS ROBINSON all of 35 New Broad Street London E.C. 2 England Company Directors (hereinafter called "the Vendors") the present Directors of the London Board of the Midland Railway Company of Western Australia Limited a Company incorporated in England and having its registered office in Western Australia situated at the corner of William and Newcastle Streets Perth in the said State (hereinafter called "the Company") which Vendors are the party of the first part

THE HONOURABLE DAVID BRAND M.L.A. Premier and Treasurer of the State of Western Australia acting for and on behalf of the State of Western Australia (hereinafter called "the Purchaser") of the second part and

THE COMMISSIONERS OF THE RURAL AND INDUSTRIES BANK OF WESTERN AUSTRALIA a body corporate constituted by the Rural and Industries Bank Act 1944-1958 (Western Australia) and having its principal place of business at 54 Barrack Street Perth aforesaid (hereinafter called "the Nominee") of the third part

WHEREAS the issued capital of the Company is Five hundred and ninety three thousand one hundred and sixty two pounds (£593,162) Sterling Unified Ordinary Stock divided into Five hundred and ninety three thousand one hundred and sixty two (593,162) stock units of One Pound (£1) Sterling each fully paid up

AND WHEREAS the Purchaser is prepared to cause the Nominee to acquire on behalf of the Purchaser the whole of the said issued Unified Ordinary Stock (hereinafter called "the stock") of the Company and the Nominee agrees to so acquire the stock and the Vendors being stockholders of the Company have agreed to sell and recommend all other stockholders of the Company to sell and transfer their stock in the Company to the Nominee on the terms and conditions hereinafter expressed

NOW IT IS HEREBY AGREED AND DECLARED by and between the parties hereto as follows

1. (1) (a) Throughout this Contract
 - (i) The expression "Government Sterling Bonds" means Bonds Debentures or Inscribed or Registered Stock issued or guaranteed by the State of Western Australia or issued by the Nominee and guaranteed by the said State (or

issued by a statutory corporation approved by the London Board of Directors of the Company and guaranteed by the said State) payable in Sterling in London bearing interest at the rate of Five pounds ten shillings (£5 10 0) Sterling per centum per annum computed from the First day of July One thousand nine hundred and sixty three and redeemable by twenty consecutive equal annual instalments the first instalment of principal and interest to be paid on the Thirtieth day of June One thousand nine hundred and sixty four and subsequent instalments to be paid annually thereafter

(ii) The expression "Government Substitutionary Guarantee Bonds" means Bonds Debentures or Inscribed or Registered Stock issued or guaranteed by the State of Western Australia or issued by the Nominee and guaranteed by the said State (or issued by a Statutory Corporation approved by the London Board of Directors of the Company, and guaranteed by the said State) payable in Sterling in London free of interest and redeemable by sixteen consecutive equal annual instalments of one shilling Sterling each the first of such instalments to be paid on the First day of January One thousand nine hundred and sixty five and subsequent instalments to be paid annually thereafter

(iii) The expression "the Completion Date" means the date on which the offer by the Nominee to purchase the shares of the assenting shareholders becomes absolute pursuant to clause 6 hereof

(iv) The expressions "existing London Board" and "existing Local Board" mean respectively the London Board of Directors and the Local Board of Directors of the Company holding office immediately prior to the Completion Date

(v) The expression "Vendors" means the Vendors and each of them jointly and severally

(vi) The expression "Vesting Date" means the date so described in clause 13 hereof

(b) Where in this Contract anything is required to be done within or after any period of time or on any date then such period or date may be altered or changed by mutual agreement between the parties hereto by exchange of letters between their respective solicitors in Western Australia namely Messrs. Stone James & Co. Perth Solicitors for the Vendors and the State Crown Solicitor Perth Solicitor for the Purchaser and the Nominee

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(c) Any approval or notice required or permitted to be given by or to any party hereto may be given by or to the said Solicitors for the party concerned

(2) The Purchaser will take all reasonable steps as soon as reasonably possible to apply to have the Government Sterling Bonds and the Government Substitutionary Guarantee Bonds listed on the London Stock Exchange and failing that will apply to have the same listed on the Stock Exchange of Perth

2. The Vendors and all other stockholders of the Company who assent in manner herein provided (collectively referred to as "the assenting stockholders") shall sell and the Nominee offers subject to clause 4 hereof to purchase all or such number as is hereinafter provided of the stock of the Company at the price and time and in the manner of payment therefor as herein contained

3. The price agreed to be paid is One pound (£1) Sterling per stock unit in the Company which shall be satisfied by the issue of Government Sterling Bonds of the face value of that amount

4. (1) The offer by the Nominee in clause 2 hereof is conditional upon:

(a) its approval and acceptance in writing on or before 7th October 1963 in the manner and form mentioned in sub-clause 6 (1) by stockholders holding not less than nineteen twentieths in value of the issued capital of the Company (or such less number as the purchaser may consider sufficient)

(b) The Trustees for the holders of the Company's Reversionary Certificates amounting to Five hundred and sixty six thousand nine hundred and twenty eight pounds (£566,928) Sterling agreeing to release and discharge the Company from all the rights claims and interests of the said holders (and Trustees) in or against the Company or its assets whether in a winding up or otherwise

(c) The Trustees for the Guaranteed Debenture Stockholders In Consideration of the payment to them of one shilling Sterling on each stock unit of Guaranteed Debenture Stock by the Company on or before the First day of January One thousand nine hundred and sixty four which the parties

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hereto acknowledge that the Company shall do (thereby leaving sixteen annual instalments of one shilling Sterling each remaining payable on each said stock unit) Agreeing:

(i) that the liability for payment of the monies owed by the Company to the Guaranteed Debenture Stockholders be satisfied by the delivery to the Trustees of Government Substitutionary Guarantee Bonds (or evidence of title thereto) in the names of the individual Guaranteed Debenture Stockholders or in the name of the Trustees if and as required by the Trustees at the rate of one for each One pound (£1) Sterling stock unit of Guaranteed Debenture Stock

(ii) to discharge and release the Company from all liability to the said Guaranteed Debenture Stockholders

PROVIDED THAT this condition (c) may be waived by the purchaser at any time by notice in writing to Messrs. Stone James & Co. the Vendors' Solicitors in Western Australia

(d) The Australian Loan Council being the Council created in pursuance of the Agreement in the Schedule to the Financial Agreement Act 1928 (Western Australia) approving the issue or guarantee by the State of Western Australia of such Government Sterling Bonds and Government Substitutionary Guarantee Bonds as the Purchaser may desire to issue or guarantee

(e) The passing and coming into operation of the Act referred to in sub-clause 6 (1) hereof

(2) In this clause the expression "Guaranteed Debenture Stock" means the stock referred to as

(a) "Second Mortgage Debenture Stock" in a Deed made the Thirtieth day of June One thousand nine hundred and sixty between the Company of the first part The Industrial and General Trust Limited whose registered office is at 1 Pinner's Hall in the City of London of the second part The Trustees Corporation Limited whose registered office is at Winchester House Old Broad Street in the City of London of the third part The Commissioners of the Rural and Industries Bank of Western Australia a body corporate constituted by the Rural and Industries Bank Act 1944-1954 (Western Australia) and then having its principal place of business at

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555-565 Hay Street Perth in the State of Western Australia of the fourth part and The Commonwealth Development Bank of Australia of the fifth part, and

(b) "Guaranteed Debenture Stock" in a Deed made the Twentysecond day of January One thousand nine hundred and sixty two between the Company of the first part The Trustees Corporation Limited of the second part and the Purchaser of the third part

5. The Vendors shall as soon as reasonably practicable issue to all stockholders of the Company a circular informing them of this Contract and the offer of the Nominee herein and enclosing a form of Transfer for assent to and acceptance of the said offer both of which circular and form of Transfer shall be in a form approved by the Purchaser or his solicitors.

6. (1) Upon stockholders of the Company holding not less than nineteen twentieths in value of the issued capital of the Company (or such less numbers as the Purchaser may consider sufficient) assenting to this Contract and Accepting with regard to all their stock the offer of the nominee hereby made In Writing by Transfer in the form enclosed in the said circular and upon the conditions in paragraphs (b) and (d) and unless waived paragraph (c) of clause 4 being fulfilled and complied with then the Purchaser will cause to be introduced a Bill in the Parliament of Western Australia for an Act to ratify this Contract

(2) On the Fourteenth day next following the coming into operation of the said Act (if any) whether by proclamation or otherwise and upon approval being given in the terms of sub-clause (2) of Clause 10 hereof then the offer of the Nominee contained in clause 2 shall become absolute and thereupon the purchase of the stock belonging to the assenting stockholders shall be completed

7. The Vendors will on the Completion Date cause to be registered all transfers of stock from assenting stockholders to the Nominee lodged with the Company and on the completion of such registration the Vendors will exchange the stock certificate issued as a result of such registration for the certificates of title for the Government Sterling Bonds referred to in clause 3 which certificates will be delivered by the Purchaser to the Company's London Office for distribution by the Vendors to such of the assenting stockholders who in the form of the said Transfer authorise the Vendors so to do. The stamp duty on such Transfers shall be the responsibility of the Purchaser and may be paid by the Company on behalf of the Purchaser

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8. (1) This Agreement is also conditional on:

(a) No liabilities being incurred or assets being disposed of or contracts so to do being entered into by the Company between the date of the balance sheet referred to in paragraph (a) of clause 9 hereof namely the Thirtieth day of June One thousand nine hundred and sixty two and the Completion Date except in the ordinary course of business

(b) The Company's Certificates of Title to base minerals in respect of approximately Two million seven hundred and fourteen thousand (2,714,000) acres of land granted to the Company in the State of Western Australia not being disposed of charged or otherwise dealt with between the date hereof and the Completion Date without the consent of the Purchaser

(c) No dividend being declared or paid between the date of the said balance sheet and the Completion Date

(d) The General Manager of the Company in Western Australia verifying the correctness of the inventories and schedules delivered to the Purchaser of the principal assets of the Company in Western Australia

(2) The Vendors will use their best endeavours as from the date of their execution hereof to ensure that the conditions contained in sub-clause (1) of this clause are fulfilled and complied with

9. The Vendors hereby warrant that to the best of their knowledge information and belief:

(a) The audited balance sheet of the Company for the year ending the Thirtieth day of June One thousand nine hundred and sixty two gives a true and fair view of the state of the Company's affairs at that date

(b) That since the date of such balance sheet there has been no material change in the financial position of the Company adverse to the Company

(c) There are no actions at law commenced pending or threatening against the Company other than a counter claim by one Giles in Action M. No. 33 of 1962 in the Supreme Court of Western Australia commenced by the Company against him for damages arising out of collision between one of the Company's locomotives and a tractor owned by Giles in which Giles counter claims Af486. 11. 6 alleged to be the costs of repairs to the said tractor.

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(d) Full and true disclosure has been made to the Deputy Commissioner of Taxation Perth of all material facts necessary for assessment of the Company's taxes

10. (1) The Vendors shall retain full responsibility to meet and discharge the liability to the holders of the Company's Reversionary Certificates referred to in paragraph (b) of clause 4 hereof and all accrued legal or moral obligations of every kind if any to:

(a) The Directors of the existing London Board and of the Local Board including the General Manager other than for normal fees up to Completion Date

(b) The staff of the London Office

(2) The Purchaser acknowledges that since negotiations between the parties of the first and second parts commenced profits have been made by the Company and agrees that from these profits a sum to be approved by the Vendors and the Purchaser may be provided by the Company to meet and discharge the liabilities to the Reversionary Certificate holders and to the Directors of the existing London Board and Local Board (including the General Manager) and London Staff mentioned in sub-clause (1) of this clause and this Contract shall be conditional on approval being given in the terms of this sub-clause

11. After the Completion Date the members of the existing London Board and the existing Local Board shall at the request of the Purchaser tender their resignation from office but until so requested shall remain and carry out the duties of Directors for a period not exceeding one calendar month

12. Until the Completion Date the Vendors will cause the business of the Company to be carried on in a proper and businesslike manner and as far as practicable in the manner such business has heretofore been carried on

13. It is hereby agreed and declared by the parties hereto (other than the Nominee):

(a) That if and when the railway of the Company is vested in or taken over by the Purchaser (the date of which vesting or taking over is hereinafter called "the Vesting Date") the general rules and stipulations contained in the Schedule hereto so far as practicable and reasonable shall apply as regards the employees (except members of the Local Board as such) of the Company employed in Western Australia immediately before the Vesting Date

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(b) That the said general rules and stipulations shall apply with all necessary adaptations and modifications to such employees of the Company at the Completion Date whose services are terminated on the ground of redundancy after the Completion Date and before the Vesting Date

14. Unless the Completion Date occurs before the Thirty first day of December One thousand nine hundred and sixty three the Purchaser Nominee or the Vendors may determine this Contract by notice in writing given by the Purchaser (who is hereby appointed agent for the Nominee for giving or receiving notices referred to in this clause) to the London Board of the Company or by the London Board to the Purchaser as the case may be and upon such determination the same shall become void and of no effect without giving rise to any claim for damages or otherwise by any party against the other or others or by any assenting stockholder against any party hereto

IN WITNESS whereof the parties hereto have hereunto set their hands and seals the day and year first before written

THE SCHEDULE

1. (1) The Purchaser undertakes to offer employment in State Departments agencies or instrumentalities to all employees of the Company employed in Western Australia immediately before the Vesting Date on conditions not less favourable on the whole than those which the employees enjoyed in their employment with the Company
- (2) The Purchaser undertakes to make a similar offer to any employee of the Company at the Completion Date whose services are terminated on the ground of redundancy after the Completion Date and before the Vesting Date. The rules and stipulations of this Schedule shall apply with all necessary adaptations and modifications to any such employee mentioned in this sub-paragraph
- (3) The offers referred to in the preceding sub-clauses shall be made in such manner as shall ensure continuity of employment to the employees concerned
- (4) The actual terms and conditions of employment (including seniority to be granted to the Company's employees in the service of the Purchaser) to be offered by the Purchaser to employees of the Company in pursuance of the undertaking referred to in the preceding sub-paragraphs of this clause shall be the subject of negotiation between representatives of the Vendors and of the Purchaser

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2. Any employee who does not desire to transfer to the Purchaser's service at the Vesting Date will be paid by the Purchaser in cash all amounts due to him for long service leave and accrued leave and also the amount standing accrued to him under the Company's Staff Gratuity Scheme

3. The Company's Staff Gratuity Scheme shall mean the arrangement at present in force covering the Company's employees in Western Australia (excluding the General Manager and members of the Local Board) where by those employees are deemed to earn a lump sum Retiring Allowance at the rates set out hereunder

Wages Employees: One fifth of one month's pay for every year of service

Salaried Officers: One fourth of one month's pay for every year of service

Executive Officers: Two fifths of one month's pay for every year of service

"Pay" for the purpose of this Scheme means the average wage or salary (exclusive of overtime or any special allowance) calculated by taking the employee's wage or salary at date of termination of service with the Company and at one year and at two years prior to this date and obtaining the average of these three amounts. The lump sum retiring allowance calculated as described herein plus or minus some discretionary amount decided upon by the Local Board having regard to the quality of the service rendered by the employee is paid to the employee on his retirement from the Company's service

For the purposes of this Schedule the lump sum retiring allowance shall be calculated as above without the addition or deduction of any discretionary amount

Provided that for the purposes of this Schedule no employee with less than five years service with the Company at the Vesting Date shall be deemed a beneficiary in the said Scheme.

Provided further that the said Gratuity Scheme except as referred to in this Schedule shall in no way be continued by the Purchaser nor will any employee of the Company be entitled to any claim thereto other than as mentioned in this Schedule

4. (1) The Purchaser will appoint a Magistrate to hear and determine appeals (other than with respect to seniority) in accordance with clause 5 of this Schedule

(2) The decision of the Magistrate will be final and binding on the employee and the Purchaser as if it were the decision of a single arbitrator appointed by the parties under the Arbitration Act 1895 as amended

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The Magistrate may make rules as to and decide the procedure to be followed at the hearing or consideration of appeals and decide whether the appeals will be by *viva voce* hearing or in writing.

5. Where any employee considers that in relation to himself the provisions of paragraphs 1 and 2 of this Schedule have not been complied with he may within three calendar months from and including the Vesting Date appeal against his treatment to a Magistrate appointed under paragraph 4 of this Schedule

No such appeal shall be heard unless and until the employee agrees in writing that the decision of the Magistrate shall be final and binding as set out in paragraph 4 of this Schedule

6. The Magistrate referred to in paragraph 4 hereof shall cease to receive appeals three calendar months after the Vesting Date

7. Length of service by any employee with the Company shall be counted as service with the Purchaser for the purpose of qualifying for entrance to the Superannuation Fund constituted under the Superannuation and Family Benefits Act 1938 as amended (herein called "the W.A. Government Superannuation Fund") but without prejudice to any requirements as to fitness of health and other requirements or conditions for such entrance

8. The amount standing accrued to each employee under the Company's Staff Gratuity Scheme at the Vesting Date shall unless otherwise agreed by the Purchaser be held in trust to be paid with interest as hereinafter mentioned to him (or his personal representatives) on his ceasing to be employed by the Purchaser. While the amount is so held in trust it shall accumulate compound interest at the rate of $4\frac{1}{2}$ per centum per annum

9. Should any employee at any time desire payment of the gratuity due to him to be used for the purchase of units in the W.A. Government Superannuation Fund then the Purchaser shall after proof of his intention so to do pay the amount of gratuity applied for to such W.A. Government Superannuation Fund such amount being not more than the total amount of gratuity to employee's credit.

10. (1) Before Completion Date the Vendors shall cause to be prepared and completed due and proper records and statements of all accrued leave including annual leave long service leave and sick leave with respect to every

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employee of the Company employed in Western Australia immediately before the Completion Date and shall permit the Purchaser by his agents from time to time to inspect and take copies of such records and statements

The said records and statements shall be kept and maintained up to date by the Company until the Vesting Date and on that date all of the said records and statements shall be delivered to the Purchaser

(2) At the Vesting Date each employee transferred to the Purchaser's employment shall be credited with all accrued leave due to him on account of service with the Company including annual leave long service leave and sick leave.

Signed Sealed and Delivered by }
the said SIR ROBERT PHILIP } Robert Adeane.
WYNDHAM ADEANE, O.B.E., in the }
presence of: } [L.S.]

Wilfred Moeller,
Director.
Tyehall, Chiddingstone, Kent.

Signed Sealed and Delivered by }
the said SIR NORMAN GEORGE } Norman G. Touche.
TOUCHE, Bart., in the presence }
of: } [L.S.]

Wilfred Moeller,
Director.
Tyehall, Chiddingstone, Kent.

Signed Sealed and Delivered by }
the said COLONEL COLIN } C. B. Broome.
BOUSFIELD BROOME in the }
presence of: } [L.S.]

Wilfred Moeller,
Director.
Tyehall, Chiddingstone, Kent.

Signed Sealed and Delivered by }
the said RICHARD THOMAS } R. T. Robinson.
ROBINSON in the presence }
of: } [L.S.]

J. S. Dowson.

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Acquisition Agreement.

Signed Sealed and Delivered by }
The Honourable DAVID BRAND }
M.L.A. Premier and Treasurer of }
the State of Western Australia, } David Brand.
acting for and on behalf of the }
State of Western Australia in the } [L.S.]
presence of: }

C. W. Court.

The Common Seal of the COM- }
MISSIONERS OF THE RURAL }
AND INDUSTRIES BANK OF }
WESTERN AUSTRALIA was hereto }
affixed by GEORGE WESTERN }
CURTIS an Authorised Officer in }
the presence of GEORGE HIRAM } [C.S.]
HANKIN a member of the Commis- }
sioners pursuant to a resolution }
passed at a meeting of the Com- }
missioners this 9th day of Septem- }
ber 1963 }

G. W. Curtis,
Officer Authorised.

G. Hankin,
Commissioner.

Section 7.

SECOND SCHEDULE.

1. A reference in this Schedule to any amount of money shall be taken to refer to Sterling currency.

2. (a) The "A" stock shall consist of an issue of 593,162 stock units of £1 each.

(b) The "B" stock shall consist of an issue of 592,360 stock units of sixteen shillings each.

3. (a) On the first day of July nineteen hundred and sixty-four and on that day in each of the next succeeding nineteen years (each of which days are in this Schedule called "a repayment day") the Bank shall pay in London in the United Kingdom to each person who is, on a repayment day, the holder of any of the "A" stock units the sum of one shilling in respect of each such stock unit held by him on that repayment day.

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(b) On each repayment day the Bank shall pay in London in the United Kingdom to a person who is, on a repayment day, the holder of any of the "A" stock units, interest on the principal sum remaining unpaid as on the last preceding repayment day, which interest shall be calculated at the rate of five pounds ten shillings per centum per annum and in respect of the amount of interest to be so paid on the first repayment day the interest shall be calculated from the first day of July nineteen hundred and sixty-three.

(c) On the first day of January nineteen hundred and sixty-five and on that day in each of the next succeeding fifteen years (each of which days are in this paragraph called "a repayment day") the Bank shall pay in London in the United Kingdom to a person who is the holder on a repayment day, of any of the "B" stock units the sum of one shilling in respect of each such stock unit held by him on that repayment day.

4. The Bank may purchase all, or any, of the "A" stock or "B" stock.

5. (a) The Bank shall cause to be kept at the office of its agent in London in the United Kingdom in one or more books, a register of stock for the purpose of registering therein "A" stock and "B" stock held by persons in the United Kingdom.

(b) The Bank shall appoint a person in London to be the Registrar of Stock.

(c) An appointment of a Registrar of Stock under this clause may be made by the appointment of the holder for the time being of an office, specifying the office but without naming the holder, and in any such case each successive holder of that office and each person who for the time being, occupies or performs the duties of that office shall, without further appointment or other authority, and while he holds or occupies or performs the duties of that office, be the Registrar of Stock under this Act in terms of that appointment.

(d) The Registrar of Stock shall cause the names and the place of residence of the holders of "A" stock and "B" stock and the amount of each such stock held by each of them to be entered in the register of stocks.

(e) The Registrar of Stock shall issue to the holder of any "A" stock or "B" stock a certificate of the proprietorship of the stock in a form approved by the Registrar.

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6. A copy of, or extract from, any entry in a register of stock and a copy of any document relating to stock in the custody of the Registrar of Stock, is evidence of the matters contained therein if—

- (a) it is proved to be an examined copy or extract; or
- (b) it purports to be signed and certified as a true copy or extract by the Registrar of Stock.

7. The regulations, rules and instructions generally from time to time observed and enforced at the London Registry of the Reserve Bank of Australia in relation to and for the control and regulation of the Commonwealth Government Inscribed Stock or Australian Consolidated Stock registered or domiciled in the United Kingdom and in particular any of those regulations, rules and instructions that relate to the following matters in connection with any of that stock, that is to say—

- (a) the transfer and registration of;
 - (b) stock certificate of;
 - (c) the change or alteration of the name and address of holders of;
 - (d) persons under legal disability dealing with, or being holders of;
 - (e) the death of the holder of;
 - (f) dealings under a power of attorney in respect of;
 - (g) probate, letters of administration and transmission in respect of;
 - (h) transfers executed outside the United Kingdom in respect of; and
 - (i) the payment of dividends due in respect of, any such stock so registered or domiciled in the United Kingdom, apply with such modifications as the circumstances require and so far as they are applicable to that stock, to the "A" stock and "B" stock issued under this Act.
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