



## The Defence (Finance) Regulations (Isle of Man) 1939.

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### The Capital Issues Exemptions (No. 1) (Isle of Man) Order, 1939.

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His Excellency the Lieutenant Governor has, under the powers provided by paragraphs (1) and (2) of Regulation 6 of the Defence (Finance) Regulations (Isle of Man) 1939, made an Order (a copy of which is appended) dated 18th January, 1940 exempting from the provisions of those paragraphs certain transactions which are specified in the Order.

Copies of the Order may be obtained on application to Government Office, price 2d. each.

By Order,

Government Office,  
Isle of Man.

19th January, 1940.

B. E. SARGEAUNT,

Government Secretary.

Price 2d. Net.

ISLE OF MAN  
TO WIT.

BY HIS EXCELLENCY VICE-ADMIRAL THE RIGHT HONOURABLE  
THE EARL GRANVILLE, C.B., D.S.O., LIEUTENANT GOVERNOR  
OF THE SAID ISLE, &c., &c., &c.

**THE DEFENCE (FINANCE) REGULATIONS (ISLE OF MAN), 1939.**

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**THE CAPITAL ISSUES EXEMPTIONS (No. 1) (ISLE OF MAN)  
ORDER, 1939.**

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Whereas it is provided by paragraphs (1) and (2) of Regulation 6 of the Defence (Finance) Regulations (Isle of Man), 1939, that the Governor may by order grant exemptions from the provisions of those paragraphs :

Now, therefore, I the said Lieutenant Governor, in pursuance of the said paragraphs hereby make the following Order :—

1. Subject to the provisions of this Order, there shall be exempted from the provisions of paragraphs (1) and (2) of Regulation 6 of the Defence (Finance) Regulations (Isle of Man), 1939, any transaction of the kinds mentioned in the said paragraph (1) so long as the value of the consideration involved, together with the value of the consideration involved in any previous transaction of those kinds by the same person in the previous twelve months, or in the period beginning with the third day of September, nineteen hundred and thirty-nine, whichever is the shorter period, does not exceed ten thousand pounds.

In this paragraph the expression “the consideration involved” means—

- (a) if the transaction in question is an issue of securities the amount to be raised by the issue of the securities, or, in the case of securities with a nominal value, the amount to be raised or the total nominal value, whichever is the greater;
- (b) if the transaction in question is the receipt of money on loan, the total amount of money lent or agreed to be lent;
- (c) if the transaction in question is a public offer of securities for sale, the total price at which the securities are offered;
- (d) if the transaction in question is the renewal of any security, the amount the date for payment of which is altered by the renewal;
- (e) if the transaction in question is the postponement of the date of maturity of any security, the amount secured at the date of the postponement.

2. (1) Subject to the provisions of this Order, there shall also be exempted from the said paragraphs (1) and (2) —

- (a) borrowings by local authorities and other public authorities which under Act of Tynwald have to receive the approval of Tynwald, and borrowings by the Isle of Man Education Authority which have to receive the approval of the Council of Education, and borrowings of local authorities which have to receive the approval of the Local Government Board under section 10 of the Local Government Amendment Act, 1929, and section 10 of the Local Government (No. 2) Act, 1938.

Provided that a loan raised by a local or other public authority shall be borrowed only from the Insular Government, or from persons resident in this Isle, or from persons or corporations whose business is carried on exclusively in this Isle.

- (b) issues of capital and public offers of securities for sale by, and the renewal or postponement of the date of maturity of securities issued by Industrial and Provident Societies and building societies whose business does not consist wholly or mainly in investing in land or securities;

- (c) issues for the purpose of
- (i) subdividing any securities into securities of a smaller denomination, or
  - (ii) consolidating any securities into securities of a larger denomination, or
  - (iii) converting shares into stock of equal nominal value or converting stock into shares of equal nominal value,
- so long as, in any of the three cases, the operation does not involve the subscription of any new money;
- (d) the allotment of fully paid shares by a private company to the vendors of any undertaking or their nominees, if no part of the consideration for the allotment of the shares consists of cash, other than cash forming part of the assets of the undertaking or cash which has been paid to the vendors as or as part of the purchase price of the undertaking;
- (e) issues of shares for a consideration not exceeding one hundred pounds in all to the subscribers of a memorandum of association;
- (f) issues of securities on the amalgamation of two or more companies in exchange for the securities of those companies, so long as the operation does not involve the subscription of any new money and none of the amalgamated companies has, at any time after the third day of September, nineteen hundred and thirty-nine, entered into any transaction without the consent of the Governor by virtue only of paragraph 1 of this Order.
- (g) issues of securities on any such conversion, amalgamation or transfer as is specified in subsection (8) of section ten of the Prevention of Fraud (Investments) Act, 1939 (an Act of the Imperial Parliament), so long as the operation does not involve the subscription of any new money;
- (h) issues of securities in the ordinary course of business to a person carrying on the business of banking, or to his nominee, in respect of advances made or overdrafts granted by that person from time to time, not being advances made or overdrafts granted on the terms, or in the expectation, of repayment wholly or partly by the issue of any securities or by the transfer of any securities issued after the making of the advance or the granting of the overdraft;
- (i) receipt by a local authority in the Isle of Man of money on loan from a person carrying on the business of banking for the recoupment of expenditure or the settlement of debts incurred by that local authority before the thirteenth day of September, nineteen hundred and thirty-nine in respect of capital works, being money received on loan on the terms, or in the expectation, that the loan will or may be repaid wholly or partly by the issue of any securities or by the transfer of any securities issued after the making of the loan;
- (j) transactions carried out in pursuance of a binding obligation entered into before the third day of September, nineteen hundred and thirty-nine, or in the case of the issue or renewal, or the postponement of the date of maturity, of any mortgage or charge (not being a mortgage or charge created by, or for the purpose of securing, debentures or debenture stock) before the eleventh day of December, nineteen hundred and thirty-nine.

(2) In this paragraph the expression "Industrial and Provident Societies and Building Societies" means societies registered under the Industrial and Building Societies Acts, 1892 and 1928.

3. Nothing in this Order applies in relation to any issue of securities made wholly or partly for the purpose of capitalising profits or reserves.

4. This Order may be cited as the Capital Issues Exemptions (No. 1) (Isle of Man) Order, 1939.

Dated this 18th day of January, 1940.

GRANVILLE,

Lieutenant Governor.