

19. The association shall have a first and paramount lien upon all the shares registered in the name of each member (whether solely or jointly with others) for his debts, liabilities, and engagements solely or jointly with any other person to or with the association, whether the period for the repayment, fulfilment, or discharge thereof shall have actually arrived or not; and such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the association's lien, if any, on such shares.

20. For the purpose of enforcing such lien the directors may sell the shares subject thereto in such manner as they think fit; but no sale shall be made until notice in writing of the intention to sell shall have been served on such member, his executors or administrators, and default shall have been made by him or them in the payment, fulfilment, or discharge of such debts, liabilities, or engagements for seven days after such notice.

21. The net proceeds of any such sale shall be applied in or towards satisfaction of such debts, liabilities, or engagements, and the residue, if any, paid to such member, his executors, administrators, successors, or assigns.

22. A certificate under the hands of two of the directors and countersigned by the secretary that the power of sale hereinbefore mentioned has arisen and is exercisable by the association under these articles shall be conclusive evidence thereof.

23. Upon any sale after forfeiture, or for enforcing a lien in purported exercise of the powers hereinbefore given, the directors may cause the purchaser's name to be entered in the register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money; and after his name has been entered in the register in respect of such shares the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and against the association exclusively.

TRANSFER OF SHARES.

24. The instrument of transfer of any share shall be signed both by the transferor and transferee, and the transferor shall be deemed the holder of such share until the name of the transferee is entered in the register in respect thereof.

25. The instrument of transfer of any share shall be in writing in the usual form, or in the following form, or as near thereto as circumstances will admit:—

I, _____, of _____, in consideration of the sum of _____ pounds paid to me by _____ of _____ (hereinafter called "the said transferee"), do hereby transfer to the said transferee _____ shares numbered _____ in the _____ Co-operative Rural Intermediate Credit Association, Limited, to hold unto the said transferee, his executors, administrators, and assigns, subject to the several conditions on which I held the same immediately before the execution hereof; and I, the said transferee, do hereby agree to take the said shares, subject to the conditions aforesaid.

As witness our hands the _____ day of _____

Witness to the signature of, &c.

26. No transfer shall be made to an infant or person of unsound mind.

27. Every instrument of transfer shall be left at the office for registration, accompanied by such evidence as the association may require to prove the title of the transferor or his right to transfer the shares.

28. All instruments of transfer which shall be registered shall be retained by the association, but any instrument of transfer which the directors may decline to register shall be returned to the person depositing the same.

29. A fee not exceeding two shillings and sixpence may be charged for each transfer, and shall, if required by the directors, be paid before the registration thereof.

30. The transfer-books and register of members may be closed during such time as the directors think fit, not exceeding in the whole thirty days in each year.

31. The directors may refuse to register any transfer of a share or shares—

(a) Where the association has a lien on the share or shares;

(b) Where it is not proved to their satisfaction that the proposed transferee is a responsible person and a farmer.

32. No share shall be assigned or transferred except with the precedent approval of the Board.

TRANSMISSION OF SHARES.

33. The executors or administrators of a deceased member (not being one of several joint holders) shall be the only persons recognized by the association as having any title to the shares registered in the name of such member, and in case of the death of any one or more of the joint holders of any registered shares the survivor or survivors shall be the only persons recognized by the association as having any title to or interest in such shares.

34. Any committee of a lunatic member or any person becoming entitled to shares in consequence of the death or bankruptcy of any member, upon producing such evidence that he sustains the character in respect of which he proposes to act under this article or of his title as the directors think sufficient, may, with the consent of the directors, be registered as a member in respect of such shares, or may transfer such shares.

35. The directors may from time to time increase the capital of the association by the allotment of any shares for which application may be made under section 51 (1) of the Rural Intermediate Credit Act, 1927.