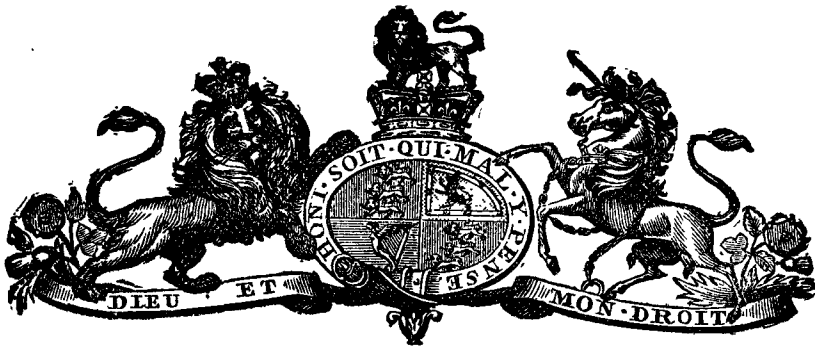


NEW ZEALAND.



TRICESIMO QUINTO

VICTORIÆ REGINÆ.

No. XXXVI.

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AN ACT to amend the Law legalizing the granting of Preferable Liens on certain Yearly Crops. Title.

[16th November 1871.]

WHEREAS it is expedient to amend the law legalizing the granting of preferable liens on yearly crops of agricultural produce without parting with the possession thereof: Preamble.

BE IT THEREFORE ENACTED by the General Assembly of New Zealand in Parliament assembled and by the authority of the same as follows:—

1. The Short Title of this Act shall be "The Agricultural Produce Lien Act 1871" and it shall come into operation on the first day of January next. Short Title. Commencement of Act.

2. "The Agricultural Produce Lien Act 1870" is hereby repealed. Provided however that this repeal shall not affect or prejudice any lien or security made or given under the authority of the said Act before the coming into operation of this Act and every such lien or security made or given under the said Act shall and may be enforced and acted on as if this Act had not been passed. Repeal of "The Agricultural Produce Lien Act 1870."

3. The term "agricultural produce" shall for the purposes of this Act mean European flax hemp hops wheat maize barley oats and grass whether for hay or for grain and all cereal and root crops and *Phormium tenax*. Interpretation of terms.

Agricultural Produce Lien.

Advances on agricultural produce may be secured.

4. Whenever any person shall *bonâ fide* do any of the following things—

- (1.) Make any advance of money or goods to any holder of land or
- (2.) Make any present advance of money or goods to any holder of land and agree whether absolutely or conditionally to make any future or further advances of money or goods to such holder of land or
- (3.) Give any negotiable instrument to any holder of land or make draw accept or indorse any such instrument at the request of any holder of land or
- (4.) Give to any holder of land or at his request make draw accept or indorse any negotiable instrument and agree whether absolutely or conditionally to renew or give make draw accept or indorse any future or other negotiable instrument—

on the condition of receiving as security for the same the growing crop or crops of agricultural produce on such land such security shall be in the form in the Schedule hereto or to the effect thereof.

Form of security may be altered.

5. It shall be lawful for the parties to any such security to alter or vary the form thereof given in the Schedule hereto with respect to the provisions or conditions to be inserted therein as circumstances may require Provided that nothing herein contained shall be construed to permit or allow of the insertion of any provisions or conditions contrary to this Act and the said form shall in all cases be adhered to as much as possible.

Security in certain cases void.

6. Every such security shall be void as against any person other than the lienor unless the same shall be registered within one or other of the periods hereinafter mentioned in a like manner and with the like officer as provided in a case of wool security made under the provisions of the "Wool and Oil Securities Act 1858" if made and given by the owner of the said land in respect of sheep belonging to him and then depasturing upon the same.

Period for registering security.

7. When any such security is made or given within fifty miles of the place where such security would have to be registered under the provisions of this Act then the period within which the same shall be registered shall be seven days from the date thereof and where the same is made or given more than fifty miles from the place where such security would have to be registered as aforesaid then the period within which the same shall be so registered shall be fourteen days from the date thereof.

Provision in cases of dishonor of negotiable instruments.

8. Whenever any person shall have taken from any holder of land a security upon the terms mentioned in subsections three and four of section four of this Act and shall fail or neglect to honor retire or pay any negotiable instrument made drawn accepted or indorsed by him in accordance with the said subsections and the obligation to honor pay or retire which shall rest on any such person then and in any such case the security so taken shall cease to operate in favour of the lienee and the agricultural produce therein mentioned shall revert to and revest in the lienor as effectually as if such security had never been given.

Security to give preferable lien to holder.

9. The person *bonâ fide* taking a security under and completed in accordance with the provisions of this Act shall have a preferable lien upon and be entitled to the whole of the agricultural produce therein mentioned not only while growing but afterwards when cut or separated from the soil and whether stacked or stored on the land where raised or on or in any other place or premises and possession of such agricultural produce by the lienor shall be to all intents and purposes

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in the law the possession of the person taking such security but upon repayment of all principal interest and other moneys in such security specified or secured thereby the possession of and property in the agricultural produce comprised therein shall revert to and re-vest in the lienor.

10. No security duly made and completed under and in accordance with the provisions of this Act shall be extinguished or prejudicially affected by any subsequent sale mortgage or other encumbrance of or upon the land on which any such agricultural produce shall be nor by the death or bankruptcy of the lienor.

No sale or mortgage subsequently made to affect security.

11. If the lienor his executors administrators or assigns shall neglect or refuse at the time specified in the memorandum of lien either to pay off the whole of any principal interest or other moneys specified or secured as aforesaid with interest as agreed upon or to give up the agricultural produce contained in any security to the lienee thereof in pursuance of any such security such lienee his executors administrators or assigns may enter into possession thereof and may gather take and carry away and sell the same and may employ the proceeds in repaying himself the amount due and owing or secured to him under his security and all expenses incurred by him in connection therewith and shall pay the balance to the lienor his executors administrators or assigns.

On failure to pay amount secured lienee may enter and sell.

12. No security made under the provisions of this Act shall prejudicially affect the rights of any landlord or mortgagee of any land whereon the agricultural produce comprised in such security shall be growing.

Securities not to prejudice landlord or mortgagee.

13. The Registrar or other officer with whom any such security shall be registered pursuant to the provisions of this Act shall keep a separate registry of all such securities and shall be entitled to the like fees in respect of the registration of the same as in the case of wool and oil securities made under the provisions of the "Wool and Oil Securities Act 1858."

Registrar to keep separate book.

14. Every person shall have access to the register kept under the provisions of this Act and to the duplicate copy of any security on paying a fee of one shilling for every search against one person and a fee of one shilling for every duplicate copy examined.

Searches.

15. No security granted under the provisions of this Act shall continue in force for a longer period than one year from the date thereof.

Liens not to extend for more than a year.

16. Every lienor who by sale or delivery of any agricultural produce affected by any security given by him or by any other means shall defraud the lienee of the same or any part thereof and thus or by any means directly or indirectly defeat invalidate or impair his right of property in the same shall be guilty of a misdemeanour and shall be liable on conviction thereof to a fine not exceeding three times the amount of the loss thereby sustained or to imprisonment with or without hard labour for any period not exceeding two years.

Penalty for fraud on lienee.

SCHEDULE.

Schedule.

FORM OF SECURITY WHERE ADVANCE OF MONEY OR GOODS IS SECURED.

MEMORANDUM of Lien made this day of 18 between A.B. of
in the Province of * (hereinafter called the "lienor") of the one part and C.D.
of * (hereinafter called the "lienee") of the other part: WITNESSETH that in con-
sideration of the advance of £ paid to the lienor in money on the signing
hereof [or value of which the lienor admits to have received in goods from the lienee]

* The full names residences and occupations of the parties must be inserted.

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the lienor doth hereby in pursuance of "The Agricultural Produce Lien Act 1871" give to the lienee a preferable lien to the extent of the said advance together with interest thereon at the rate of £ per centum per annum on the crop [or crops] of [*Here state the nature of the produce*] this year growing and to grow on the land [*Here describe the land or state where the crops on which security given are stacked or stored*]. And it is hereby expressly agreed between the said parties that unless on or before the day of 18 the lienor pays to the lienee the sum of £ with interest thereon at the rate aforesaid the said crop [or crops] shall be gathered and made marketable by the lienor or at his expense and shall be delivered at to the lienee or to his order in which event he may sell the same [*Here state mode and conditions of sale and state any particular condition or undertaking on the part of either party as to the power of sale or otherwise*]. And it is further agreed that out of the proceeds of any such sale the lienee may pay himself the said sum and interest and all costs and expenses of such sale and shall pay over to the lienor the balance (if any) or if there be a deficiency may recover the same against the lienor as a debt. IN WITNESS whereof the said parties to these presents have hereunto set their hands the day and year firstly hereinbefore written.

A.B.

Witness to signature of lienor—

WELLINGTON, NEW ZEALAND:

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