

17. Upon receipt of the approved annual quota or the approved quarterly allocation or any revision thereof the Executive Board shall consider the same and shall proceed to fix the total annual quota or the total quarterly allocation as the case may be at such approved quantity, or any less amount to be divided among the owners as may be decided by the Executive Board. Such total annual quota and total quarterly allocation shall be disposed of among the owners in manner hereinafter appearing. Provided that in the case of the fixation of output for the remainder of the year 1930 which may be unexpired at the time of the commencement of the Scheme the Board shall not be under any obligation to fix the allocation for that period upon a quarterly basis or upon the basis of an annual quota but shall divide the quantity (if any) among the owners in the same proportions as the total annual quota is to be divided under the provisions hereinafter contained.

18. (i) The Board may divide the total annual quota among the different classes of coals produced by the owners and the following provisions of this Scheme shall then be construed and applied accordingly.

(ii) The total annual quota or the proportion applicable to any class of coal produced by the owners shall be divided by the Board amongst the owners and for this purpose the Board shall fix the output for each owner in respect of that year hereinafter called "the annual quota" which shall bear the same proportion to the standard tonnage of such owner as the total annual quota bears to the total standard tonnage of all the owners. Provided that in any distribution of the total annual quota by classes of coal the annual quota for each owner in respect of such classes shall be so apportioned that the distribution shall be in the same proportion for all such owners. Provided that an owner becoming or ceasing to be such during the currency of any year shall be entitled only to a rateable proportion of his annual quota for that year. Provided also that an owner's annual quota may be varied during any year to conform with the alteration of his standard tonnage but so that the alteration of the owner's annual quota shall only be operative for the same period as his standard tonnage.

19. Each owner shall be entitled to raise during each quarter such proportionate part of his annual quota (as is hereinafter mentioned) together with such further quantity as may be fixed for such owner under the provisions hereinafter contained. The Executive Board shall so far as practicable fix proportionate parts to apply for each quarter having regard to the number of working days in each quarter of the year respectively, but shall, subject to this and to any other circumstances which may appear to them to be material, endeavour to fix the proportion as near as possible at one equal fourth part of such owner's annual quota.

20. (i) The total quarterly allocation shall be divided among the owners by the Executive Board in manner following, that is to say:

(ii) After making allowance for:

(a) the quarterly proportion of the total annual quota already referred to;

(b) amounts necessary to provide for any increase in the owners' annual quota due to increase of their standard tonnages;

(c) deficiencies estimated or liable to be brought forward from the preceding quarter under the provisions hereinafter contained;

(d) any amounts additional to the quantities allocated to owners under the provisions of the Scheme which may be necessary to comply with contracts entered into under the provisions of Section 4 of the Act and subject to the provisions therein contained the Board shall decide what further quantity (if any) of the difference between the approved quarterly allocation fixed by the Central Council, and the total of the said allowances shall be raised during the quarter and the Board may in its discretion during such quarter increase the quantity so fixed, but not in excess of the approved quarterly allocation without first receiving the approval of the Central Council.

(iii) The further quantities so determined from time to time shall be allocated among owners generally or if the Board so decide among owners producing any particular class or classes of coal in such shares that the quantity allocated to each owner shall bear the same proportion to the total further quantity as the owner's standard tonnage or the proportion thereof applicable to the particular class of coal as the case may be bears to the total standard tonnage of all the owners or of the proportions thereof applicable to such particular class of coal.

(iv) The amount so allocated to any owner is hereinafter referred to as the owner's "period quota," and the owner's period quota, together with the quarterly proportion of the annual quota is hereinafter referred to as the owner's "quarterly allocation"; and the total of the owner's four quarterly allocations is hereinafter referred to as the owner's "total allocation."

21.—(i) No owner shall produce more than his quarterly allocation in any quarter except:

(a) for the purpose of producing deficiencies carried forward from one quarter to another in the same year to the extent hereinafter permitted, or

(b) in the case of an owner claiming the protection of Section 4 of the Act in respect of any contract and then only upon satisfying the Executive Board upon the matters required and to the extent permitted by them or under the provisions of the said Section, or

(c) otherwise under the provisions for transfer hereinafter contained; and any owner acting in contravention hereof shall be liable to the penalties prescribed in clause 43 of the Scheme.

(ii) Each owner intending to claim to carry forward any deficiency from one quarter to another shall at least 28 days before the end of the quarter in which the deficiency arises, notify the Board of his intention so to do and of his estimate of such deficiency. The claim for such deficiency (hereinafter called the "quota deficiency") shall be the lesser of the following amounts, namely:

(a) the actual amount by which the quarterly proportion of his annual quota exceeds his output for the quarter after deducting