

Hon. Mr. Ward.

GOVERNMENT ADVANCES TO SETTLERS.

ANALYSIS.

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| <p>Title.
Preamble.</p> <p>1. Short Title.</p> <p style="text-align: center;">PART I.</p> <p style="text-align: center;">(1.) <i>Office.</i></p> <p>2. "The Government Advances to Settlers Office" established.</p> <p>3. Superintendent constituted.</p> <p>4. Power to suspend Superintendent or appoint Deputy.</p> <p>5. Powers of Deputy Superintendent.</p> <p>6. Acts of Deputy not to be questioned.</p> <p>7. Power to appoint officers.</p> <p>8. To hold office during pleasure.</p> <p>9. To be subject to Civil Service Acts.</p> <p>10. To give security.</p> <p>11. Power to appoint valuers.</p> <p>12. Description of Superintendent.</p> <p>13. Manner in which deeds, &c., to be executed, &c.</p> <p>14. Proceedings against Superintendent. Signature, &c., to be judicially noticed.</p> <p style="text-align: center;">(2.) <i>General Board.</i></p> <p>15. General Board constituted.</p> <p>16. Members thereof.</p> <p>17. Provision when Superintendent holds another office.</p> <p>18. Quorum.</p> <p>19. Minute-books of proceedings to be kept. May make by-laws.</p> <p>20. General Board to assist and advise Superintendent.</p> <p style="text-align: center;">(3.) <i>Districts and District Boards.</i></p> <p>21. Districts and District Boards.</p> <p>22. Members of District Board.</p> <p>23. Duties of District Board.</p> <p>24. To be under control of General Board.</p> <p style="text-align: center;">(4.) <i>Business.</i></p> <p>25. Classes of land on which money may be advanced.</p> <p style="text-align: center;">(5.) <i>Investment Funds.</i></p> <p>26. Classes of funds to be invested.</p> <p style="text-align: center;">PART II.</p> <p style="text-align: center;">THE DEBENTURE FUND.</p> <p>27. Agents may be appointed for raising loans.</p> <p>28. May raise sum not exceeding £1,500,000 in any year. Proviso.</p> <p>29. All sums raised to be used for advances under Act.</p> <p>30. Agents may prescribe mode of repayment, &c., of loans.</p> <p>31. Debentures may be converted into stock.</p> <p>32. Rate of interest on bonds, debentures, &c.</p> | <p>33. Amount of bonds, &c., outstanding not to exceed amount authorised.</p> <p>34. Bonds, &c., to be countersigned.</p> <p>35. Bonds, &c., chargeable upon Consolidated Fund.</p> <p>36. Agents may delegate their powers.</p> <p>37. Removal or resignation of Agents.</p> <p>38. Security for persons lending moneys.</p> <p>39. Securities heretofore charged on revenues not affected.</p> <p style="text-align: center;">PART III.</p> <p style="text-align: center;">THE LAND-BOND FUND.</p> <p>40. Colonial Treasurer may raise sums by land-bonds.</p> <p>41. For this purpose to have powers contained in Part II.</p> <p style="text-align: center;">PART IV.</p> <p style="text-align: center;">ADVANCES ON MORTGAGES.</p> <p style="text-align: center;">(1.) <i>General.</i></p> <p>42. How advances to be made. First Schedule. Amount of advance.</p> <p>43. Conditions, subject to which advances will be made.</p> <p>44. Provisions relating to mortgages. Second Schedule. Third Schedule.</p> <p>45. Register of mortgages.</p> <p>46. Mortgage docket to be executed subject to provisions of Act. Covenants, &c., implied therein. Fourth Schedule.</p> <p style="text-align: center;">(2.) <i>Advances from the Land-bond Fund.</i></p> <p>47. Land-bond voucher to be made out for advance. Fifth Schedule.</p> <p>48. And forwarded to Colonial Treasurer.</p> <p>49. Mode of signing land-bonds.</p> <p>50. Application of moneys raised by land-bonds.</p> <p>51. Form of land-bond. Sixth Schedule.</p> <p>52. Land-bonds to be Government securities.</p> <p>53. Not to exceed aggregate of outstanding mortgages.</p> <p style="text-align: center;">PART V.</p> <p style="text-align: center;">ACCOUNTS AND AUDIT.</p> <p>54. All moneys received to be paid to Advances to Settlers Office Account.</p> <p>55. All moneys to be property of Crown. May be paid through Postmasters.</p> <p>56. Accounts to be kept by Superintendent.</p> <p>57. Management Account may be supplemented from Consolidated Fund.</p> <p>58. Superintendent to prepare annual balance-sheet.</p> <p>59. Powers of Colonial Treasurer.</p> <p>60. Powers of Controller and Auditor-General.</p> |
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PART VI. ASSURANCE FUND.	PART VIII. GENERAL.
61. Certain moneys to be paid to Public Trustee to form an Assurance Fund.	(2.) <i>Penalties.</i> 67. Penalty if officer take fee or reward. 68. Penalty for acting when interested. 69. Penalty for bribing officer.
PART VII. APPLICATION OF MONEYS RECEIVED FROM MORTGAGORS.	(3.) <i>Fees.</i>
62. Manner in which interest received to be applied.	70. Scale of valuation fees. Seventh Schedule. Scale of costs. Eighth Schedule.
63. Application of repayments of principal moneys advanced from Debenture Fund.	(4.) <i>Regulations, &c.</i>
64. Application of repayments of principal moneys advanced from Land-bond Fund.	71. Regulations.
65. Application of other moneys.	72. Regulations to be gazetted.
66. Investment of moneys paid over to Public Trustee.	73. Forms in Schedules may be altered. 74. Bankruptcy Act not to apply. Schedules.

A BILL INTITULED

Title.	AN ACT to enable the Government to assist Settlers by advancing Money to them on Mortgage at reasonable Rates of Interest.
Preamble.	WHEREAS by reason of the high rates of interest charged on mortgage of land, and the heavy incidental expenses connected therewith, settlers are heavily burdened and the progress of the colony is much retarded: And whereas it is expedient that the Government should afford such relief in the premises as is consistent with the public safety : BE IT THEREFORE ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows :—
Short Title.	1. The Short Title of this Act is “The Government Advances to Settlers Act, 1894.”

PART I.

15

(1.) *Office.*

“The Government Advances to Settlers Office” established.

2. For the purpose of carrying out the objects of this Act, there is hereby established an office, to be called “The Government Advances to Settlers Office,” administered and managed by an officer to be called the Superintendent, who shall be appointed by the Governor, and shall hold office during pleasure.

Superintendent constituted.

3. The Superintendent is hereby constituted a corporation sole under the style of “The Government Advances to Settlers Office Superintendent,” with perpetual succession and a seal of office, which shall be kept and used by him alone.

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Power to suspend Superintendent or appoint Deputy.

4. The Governor in Council may from time to time—

(1.) In the case of the death, removal, or resignation of the Superintendent, appoint some other fit and proper person in his stead;

(2.) If he shall deem it expedient so to do, temporarily suspend the Superintendent;

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- (3.) Appoint some person to act as the Deputy of such Superintendent in the case of the illness, suspension, or absence from duty of the Superintendent.
- 5 5. The Deputy-Superintendent shall, during the time he acts as such Deputy, have all the powers and perform all the duties of the Superintendent. Powers of Deputy Superintendent.
6. No person shall be concerned to inquire whether any occasion has arisen requiring or authorising the Deputy-Superintendent to act as such Deputy. Acts of Deputy not to be questioned.
- 10 7. The ~~Colonial Treasurer~~ Governor in Council may from time to time appoint such officers, ~~agents~~, and clerks (hereinafter called "the staff") as may be necessary for the business of the Government Advances to Settlers Office (hereinafter called "the Advances to Settlers Office"). Power to appoint officers.
- 15 8. The staff shall hold their offices during pleasure, ~~but and~~ shall in all other respects be subject to the orders, direction, and control of the Superintendent. To hold office during pleasure.
- 20 9. The Superintendent and staff shall be paid such salaries as may be fixed from time to time by the General Assembly, and shall be subject to the laws for the time being in force affecting and regulating the Civil Service of the colony. To be subject to Civil Service Acts.
- 25 10. The Superintendent, and every member of the staff whose fidelity is not guaranteed under "The Civil Service Officers' Guarantee Act, 1893," shall severally give security for the faithful discharge of their duties in such form, by such sureties, and to such amount as the Governor, by regulations or otherwise, may from time to time direct. To give security.
- New clause.*
- 30 11. The Governor in Council may also from time to time appoint such Valuers (not being members of the staff) as he may deem necessary for the business aforesaid, and they shall be paid such remuneration as may be appropriated for that purpose by the General Assembly. Power to appoint Valuers.
- 35 12. In all deeds, instruments, or documents of any kind incident to the business of the Advances to Settlers Office, or the purposes of this Act, the Superintendent shall be described by his corporate style. Description of Superintendent.
- 40 13. (1.) All deeds, instruments, and other documents to be executed by the Superintendent under seal shall be executed by him by signing his name underneath his corporate style, and affixing his seal, at a duly-constituted meeting of the hereinafter-mentioned General Board, one member whereof shall subscribe his name as witness. Manner in which deeds, &c., to be executed, &c.
- (2.) All documents to be signed by the Superintendent shall be signed in his personal name with the addition of his corporate style.
- 45 14. (1.) All proceedings in any Court, or before any person by or against the Superintendent as such Superintendent, shall be instituted, prosecuted, and defended in his corporate style and capacity only. Proceedings against Superintendent.
- 50 (2.) The appointment, signature, and seal of the Superintendent and Deputy-Superintendent, and the appointment and signature of every member of the General Board shall be judicially noticed without further proof. Signature, &c., to be judicially noticed.

(2.) *General Board.*

- General Board constituted. 14 15. For the purpose of better carrying out the objects of this Act, there is hereby constituted a Board, under the style of "The Government Advances to Settlers Board" (elsewhere throughout this Act called "the General Board"), consisting of six persons in addition to the Superintendent. 5
- Members thereof. 15 16. The Superintendent shall be *ex officio* Chairman of the General Board, and the six persons holding for the time being the offices of the Colonial Treasurer, the Public Trustee, the Government Insurance Commissioner, the Surveyor-General, the Solicitor-General, and the Commissioner of Taxes shall be, *ex officio*, members of the General Board. 10
- Provision when Superintendent holds another office. 16 17. In the event of the Superintendent at any time holding conjointly any one of the other above-mentioned offices, the Governor shall appoint some other public officer to be a member of the General Board, so that the number of members may at no time be less than six, exclusive of the Superintendent. 15
- Quorum. 17 18. (1.) ~~Three~~ *Four* members shall form a quorum at any meeting of the General Board, whose resolutions shall be binding on the General Board and upon every person purporting to be affected thereby. 20
- (2.) In the temporary absence of the Superintendent, or Deputy-Superintendent, the other members present at a General Board meeting may appoint a Chairman from among themselves.
- (3.) The Chairman shall have a deliberative and also a casting vote. 25
- Minute-books of proceedings to be kept. 18 19. (1.) The General Board shall at all times cause proper minute-books to be kept, in which shall be entered full and faithful minutes of all the proceedings at each General Board meeting, with proper tabulated details of the business transacted thereat. The minutes of each meeting shall be read and confirmed at the next succeeding meeting, and signed as correct by the Chairman. 30
- May make by-laws. (2.) The General Board may, from time to time, make by-laws for regulating the general conduct of business and proceedings of the General and District Boards. 35
- General Board to assist and advise Superintendent. 19 20. (1.) The General Board shall co-operate with and assist the Superintendent in carrying out the objects of this Act, and advise with him upon all matters connected therewith. 40
- (2.) A resolution of the General Board shall bind the Superintendent.

(3.) *Districts and District Boards.*

- Districts and District Boards. 20 21. It shall be lawful for the Governor from time to time, by Order in Council, to constitute and define such districts throughout the colony as he may think fit, and to appoint a District Board in each district. 45
- Members of District Board. 21 22. Each District Board shall consist of such Government officers or other fit persons (being not less than three) and shall be located in such town as the Governor in Council may appoint.

22 23. The duties of the District Boards shall be to receive and consider all applications for advances on land within their respective districts, to report thereon to the General Board, and co-operate generally with the Superintendent and the General Board in carrying out the objects of this Act.

Duties of District Board.

23 24. The District Boards shall be under the control of the General Board.

To be under control of General Board.

(4.) *Business.*

24 25. The business of the Advances to Settlers Office is the advancing of money on first mortgages of the following classes of lands in New Zealand, free from all encumbrances, liens, and interests other than leasehold interests, that is to say—

Classes of land on which money may be advanced.

(1.) Freehold land held in fee-simple under "The Land Transfer Act, 1885," or registered under "The Deeds Registration Act, 1868"; or

(2.) Crown land held on perpetual lease under "The Land Act, 1885"; or

(3.) ~~Crown land held on lease in perpetuity under "The Land Act, 1892;" or~~

New subsections.

(3.) Crown land held under Parts III. and IV. of "The Land Act, 1892"; or

(3A.) Crown land held on lease as a small grazing-run under "The Land Act, 1885," or under "The Land Act, 1892"; or

(3B.) Crown land held on agricultural lease under "The Mining Act, 1891"; or

(3c.) Crown land held on lease (not being for mining purposes) under "The Westland and Nelson Coal Fields Administration Act, 1877"; or

(4.) Native land held on lease in perpetuity under "The West Coast Settlement Reserves Act, 1892."

(5.) *Investment Funds.*

25 26. The funds of the Advances to Settlers Office to be invested by way of advances on mortgage as aforesaid consist of,—

Classes of funds to be invested.

(1.) The proceeds of all Government loans raised from time to time under Part II., of this Act (hereinafter called "the Debenture Fund");

(2.) The proceeds of all Government loans raised from time to time under Part III., of this Act (hereinafter called "the Land-bond Fund").

PART II.

THE DEBENTURE FUND.

26 27. For the purposes of this Act the Governor in Council is hereby empowered to appoint any two or more persons he may think fit as Agents for the purpose of raising and managing the loans

Agents may be appointed for raising loans.

authorised to be raised under this Part of this Act, with all such powers as may be necessary to carry into effect the purposes of this Act, and in their appointments to define the relative powers of such Agents.

May raise sum not exceeding £1,500,000 in any year.

27 28. (1.) Such Agents shall have full power and authority to raise from time to time in Great Britain or elsewhere, by bonds, debentures, or scrip, or by the issue of inscribed stock under "The New Zealand Consolidated Stock Act, 1877," or otherwise, such sum or sums not exceeding in the aggregate the sum of one million five hundred thousand pounds in any one year, as the Governor in Council may from time to time authorise: Provided that whenever the total amount of bonds or other securities authorised to be created in any one year is not issued within such year, the aforesaid Agents may at any subsequent period create and issue bonds or other securities for the balance of the amount so authorised as aforesaid, in addition to the amount authorised to be issued at or during such subsequent period: 5 10 15

Proviso.

Struck out.

(2.) The authority hereby conferred upon the Governor in Council is a continuing authority, and may be exercised from time to time until this Part of this Act is repealed. 20

New proviso.

Provided further that the authority hereby conferred upon the Governor shall absolutely cease at the expiration of two years from the date of the coming into operation of this Act; and provided further that the total amount raised under this Act shall not exceed in the aggregate three million pounds sterling. 25

All sums raised to be used for advances under Act.

28 29. All sums raised under this Part of this Act shall be raised for the purpose of being advanced by way of mortgage under the provisions of this Act. 30

Agents may prescribe mode of repayment, &c., of loans.

29 30. The aforesaid Agents shall have full power and authority to prescribe the mode and conditions of repayment of the aforesaid loans, the time of such repayment, the rates of interest thereon, and the time and place when and where principal and interest shall be made payable. 35

Debentures may be converted into stock.

30 31. In addition to the general powers by this Act conferred upon the aforesaid Agents, they may from time to time agree that debentures issued by them shall be converted into stock created or issued under "The New Zealand Consolidated Stock Act, 1877," and may either specify the terms of such conversion or arrange that such terms shall be subsequently agreed upon. 40

Rate of interest on bonds, debentures, &c.

31 32. No bond, debenture, or other security issued under this Part of this Act shall be sold or otherwise disposed of at a price which will yield to the purchaser thereof a higher rate of interest by the year than *four pounds* for every hundred pounds of the purchase-money given for the same; but such bonds, debentures, or other securities may for the purposes of temporary advances be hypothecated or mortgaged upon such terms as to interest as the said Agents may deem expedient. 45

- 32 33. The amount of all bonds, debentures, scrip, or other securities issued under this Act outstanding at any one time shall never exceed the amount for the time being authorised to be raised under section *twenty-eight* hereof.
- 5 33 34. Every bond, debenture, scrip, or other security issued under the authority of this Act shall be countersigned by the Controller and Auditor-General, or by an officer of Audit to be appointed from time to time for that purpose by the Controller and Auditor-General.
- 10 34 35. The sum of money named in any bond, debenture, scrip, or other security issued under the authority of this Act, and all interest thereon, are a charge upon and shall be paid out of the Consolidated Fund of New Zealand.
- 15 35 36. All the powers vested in any Agents appointed under this Part of this Act may by such Agents be wholly or partly delegated to two or more other Agents, subject to such conditions as the Agents delegating such powers may think fit.
- 20 36 37. The Governor may at any time, and from time to time, remove or accept the resignation of any Agent appointed by him under this Part of this Act, and in any such case, or if any such Agent should die, the Governor may appoint another person in his place, and such appointment may be made by telegraphic message or otherwise.
- 25 37 38. No person, body, or authority from whom the whole or any part of such sums shall be borrowed and raised as aforesaid shall be concerned to see or inquire whether or to what extent the powers given in this Act have been previously exercised or are intended to be exercised; and all moneys raised or purporting to be raised under this Act shall, so far as concerns the lender, be deemed to be raised within the powers by this Act conferred in that behalf, and to have
- 30 38 39. Nothing in this Act contained shall be held to prejudice, alter, affect, or vary any security heretofore charged on the revenues of New Zealand or any of them.

Amount of bonds, &c., outstanding not to exceed amount authorised.

Bonds, &c., to be countersigned.

Bonds, &c., chargeable upon Consolidated Fund.

Agents may delegate their powers.

Removal or resignation of Agents.

Security for persons lending moneys.

Securities heretofore charged on revenues not affected.

PART III.

35 THE LAND-BOND FUND.

- 39 40. It shall be lawful for the Colonial Treasurer to raise from time to time in New Zealand, or elsewhere, by land-bonds as hereinafter prescribed, such sums as the Superintendent may from time to time request.
- 40 40 41. The provisions of Part II. of this Act, contained in sections *twenty-seven* to *thirty-nine* hereof, shall apply to the loans to be raised and the land-bonds to be issued under this Part of this Act, contained in this and the last-preceding section hereof, and the Colonial Treasurer shall accordingly have all the powers thereby conferred
- 45 upon the Governor and his Agents:
- Provided that at no time shall the total aggregate of all sums raised and outstanding under Part II. and under this Part of this Act exceed the aggregate of all sums for the time being authorised to be raised under said Part II.

Colonial Treasurer may raise sums by land-bonds.

For this purpose to have powers contained in Part II.

PART IV.

ADVANCES ON MORTGAGES.

(1.) *General.*

How advances to be made.

41 42. (1.) No advance shall be granted except upon the written application of the proposed borrower, and by the resolution of a duly-constituted meeting of the General Board at which the question is duly considered. 5

First Schedule.

(2.) Every such application shall be in the form in the *First* Schedule hereto.

Amount of advance.

(3.) No advance shall be granted for a sum of less than fifty or more than five thousand pounds, and every advance shall be for fifty pounds or a multiple of fifty pounds. 10

(4.) *Not more than five thousand pounds shall be advanced to any one borrower.*

(5.) *Applications for loans not exceeding five hundred pounds shall have priority over applications for larger sums.* 15

Conditions, subject to which advances will be made.

42 43. (1.) No advance on the security of freehold lands shall be granted for an amount exceeding two-thirds of the value of the security, *if it consist of rural land, or one-half if it consist of urban or suburban land; and the class of land shall in each instance be determined by the Board.* 20

(2.) No advance on the security of leasehold lands shall be granted unless and until,—

(a.) All covenants and conditions on the lessee's part contained or implied in the lease are complied with *up to the date of the application for the advance*; and 25

(b.) The lessee is entitled under his lease to compensation for all improvements made by him on the land comprised therein.

(3.) No advance on the security of leasehold lands shall be granted for an amount exceeding one-half of the value of the lessee's interest in the lease. 30

(4.) The valuation of every security shall be made by or on behalf of the Superintendent and to the satisfaction of the General Board. 35

(5.) The security shall consist of some one or more of the four classes of land mentioned in section *twenty-five* hereof, free from all encumbrances, liens, and interests other than leasehold interests.

(6.) The valuer's report shall in each instance be signed by him and addressed to the Superintendent, and particulars thereof shall be noted in the minute-book of the General Board. 40

Provisions relating to mortgages.

43 44. With respect to every mortgage executed under this Act the following provisions shall apply :—

(1.) The Superintendent shall be the sole mortgagee in his corporate style and capacity : 45

(2.) The term of the loan shall be thirty-six and one-half years :

(3.) The loan, with interest thereon at the rate of *five* per centum per annum, shall be repaid to the Superintendent by seventy-three half-yearly instalments, all such instalments being of equal amount except the last, and the first half-yearly instalment being payable six months after the date of the loan : 50

(4.) Every such half-yearly instalment shall consist partly of principal and partly of interest, but every such instal-

ment shall, except the last, be at the rate of *three pounds* for every one hundred pounds of the loan :

- 5 (5.) All such half-yearly instalments shall be calculated and paid according to the table in the *Second Schedule* hereto, which sets forth as to every *one hundred* pounds of the loan all the half-yearly instalments, and shows also how much of each and every half-yearly instalment is on account of principal and how much thereof is for interest, and also what balance of principal is owing by the borrower at the due date of each half-yearly instalment :
- 10 (6.) Irrespective of the prescribed half-yearly instalments the mortgagor may from time to time pay to the Superintendent any sum of not less than five pounds or a multiple of five pounds in reduction of the mortgage debt :
- 15 (7.) Such last-mentioned payments shall not affect the prescribed half-yearly instalments or the obligation of the mortgagor in respect thereof, but shall be held and applied as hereinafter provided :
- 20 (8.) All such last-mentioned payments shall be credited with interest at the rate of four pounds per centum per annum with yearly rests until such payments, together with the accumulations of interest thereon, are equal to the balance of principal owing for the time being according to the aforesaid table, together with all other moneys (if any other) owing under the mortgage, when they shall be set off against such principal and other moneys, and the mortgagor shall be entitled to a discharge of the mortgage on payment of the prescribed fees.
- 25 (9.) ~~The form of mortgage in the Third Schedule to this Act (hereinafter called the "mortgage docket") shall be used.~~
- 30 Third Schedule.

New Subsection.

- 35 (9.) The respective forms of mortgage in the first and second parts of the Third Schedule to this Act (hereinafter called "the mortgage docket") shall be used for mortgages of land held under "The Land Transfer Act, 1885," and land registered under "The Deeds Registration Act, 1868," respectively.

44 45. A register of mortgages shall be kept in the Advances to Settlers Office, and in such register shall be entered full particulars of every mortgage. Register of mortgages.

45 46. (1.) Every mortgage docket shall be deemed to be executed by the mortgagor subject to the provisions of this Act, and the provisions of this Act shall apply thereto accordingly. Mortgage docket to be executed subject to provisions of Act.

45 (2.) In every mortgage docket there shall be implied on the part of the mortgagor and in favour of the mortgagee the covenants and conditions contained in the first part of the *Fourth Schedule* hereto : Covenants, &c., implied therein. Fourth Schedule.

New Proviso.

50 Provided that in the covenants implied in mortgages of land registered under "The Deeds Registration Act, 1868," that Act shall be read in lieu of "The Land Transfer Act, 1885," whenever the last-mentioned Act occurs.

(3.) In every mortgage docket of leasehold land there shall be similarly implied as an additional covenant the covenant contained in the second part of the said *Fourth* Schedule.

New.

(3A.) In every docket of agricultural land there shall be similarly implied an additional covenant, the covenant contained in the third part of the said *Fourth* Schedule. 5

(4.) All such covenants and conditions shall extend to and include the executors, administrators, and assigns of the mortgagor and the successors and assigns of the Superintendent. 10

(5.) Every mortgage docket of *land held under "The Land Transfer Act, 1885,"* shall, for all purposes whatsoever, be deemed to be a memorandum of mortgage within the meaning and under the provisions of "~~The Land Transfer Act, 1885,~~ *that Act,* the Superintendent being the mortgagee, and the person signing the docket *being* the mortgagor of such person's estate and interest in the land named in the docket, *and the principal sum thereby secured being the principal sum named in the docket.* 15

New Subsection.

(6.) Every mortgage docket of land registered under "*The Deeds Registration Act, 1868,*" shall for all purposes whatsoever be deemed to be a deed or instrument within the meaning of that Act, and a deed of conveyance of land by way of mortgage within the meaning of "*The Property Law Consolidation Act, 1883,*" and may be registered under the former Act accordingly, the Superintendent *being* the mortgagee and the person signing the docket *being* the mortgagor of the land therein mentioned. 20 25

(2.) *Advances from the Land-bond Fund.*

Land-bond voucher to be made out for advance. Fifth Schedule. 46 47. When the General Board has duly resolved to grant any application for a mortgage, and desires that the advance be made out of the Land-bond Fund, a land-bond voucher in the form in the *Fifth* Schedule hereto shall be signed by the Superintendent under seal. 30

And forwarded to Colonial Treasurer. 47 48. Such voucher shall be forwarded to the Colonial Treasurer, who may thereupon prepare and issue land-bonds for the amount specified therein. 35

Mode of signing land-bonds. 48 49. Such land-bonds shall be signed on behalf of the colony by the Colonial Treasurer, and countersigned as mentioned in section *thirty-four* of this Act. They shall also before being issued be numbered consecutively and entered in a register-book in the Treasury Office. 40

Application of moneys raised by land-bonds. 49 50. The Colonial Treasurer shall pay into the hereinafter-mentioned Advances to Settlers Office Account all moneys raised by the issue of land-bonds.

Form of land-bond. Sixth Schedule. 50 51. Every land-bond—

(1.) Shall be in the form in the *Sixth* Schedule hereto. 45

(2.) Shall be for ten pounds or a multiple of ten pounds, and shall bear interest at the rate of *three pounds ten shillings* per centum per annum, payable half-yearly.

(3.) Shall have the same currency as the mortgage for the purposes of which it was issued. 50

(4.) Shall be payable to bearer, and shall pass by delivery, without assignment or indorsement.

51 52. For the purposes of investment of trust funds, and otherwise,
all land-bonds are hereby declared to be Government securities.

Land-bonds to be
Government
securities.
Not to exceed
aggregate of out-
standing mortgages.

52 53. The aggregate of all outstanding land-bonds issued shall at
no time exceed the aggregate of all outstanding mortgages from the
5 Land-bond Fund.

PART V.

ACCOUNTS AND AUDIT.

53 54. The Debenture Fund, the Land-bond Fund, and all other
moneys whatsoever belonging or payable to the Superintendent,
10 shall be paid into a bank, to be appointed by the Governor, to the
credit of an account called "The Government Advances to Settlers
Office Account," elsewhere throughout this Act called "the Advances
to Settlers Office Account," which shall be operated on only by
cheque signed by the Superintendent and countersigned by the Audit
15 Office.

All moneys received
to be paid to
Advances to Settlers
Office Account.

54 55. (1.) All moneys in the Advances to Settlers Office Account,
or payable into that account by any person whomsoever, and also all
moneys owing by any mortgagor on the security of any mortgage
under this Act, whether the same be accrued due or not, are hereby
20 declared to be the property of the Crown, and recoverable accordingly
as from debtors to the Crown.

All moneys to be
property of Crown

(2.) All such moneys as aforesaid are hereby declared to be
public moneys within the meaning of "The Public Revenues Act,
1891."

25 (3.) Any moneys payable to the Superintendent or to the Ad-
vances to Settlers Office Account may be lodged for credit of that
account with such Postmasters as the Postmaster-General may
authorise; and the amount of such lodgments shall be transferred
by the Postmaster-General to the credit of the Advances to Settlers
30 Office Account as often as the Superintendent and the Postmaster-
General may arrange.

May be paid through
Postmasters.

55 56. In addition to such other accounts as he may think neces-
sary, the Superintendent shall cause to be kept the following
accounts, made up to the close of each financial year, ending the
35 thirty-first day of March, that is to say,—

Accounts to be kept
by Superintendent.

(1.) The Management Account, which shall be charged with—

(a.) All interest and charges payable in respect of the
loans raised by the Government for the purposes of the
40 Debenture Fund and the Land-bond Fund;

(b.) One-tenth of all moneys received in respect of
interest on investments under this Act (to be transferred
to an Assurance Fund, as hereinafter provided);

(c.) All salaries and other expenses incurred in the
general management of the Advances to Settlers Office;

45 (d.) All interest payable in respect of advances
obtained from the Consolidated Fund under section
fifty-seven of this Act;

- (e.) All other moneys payable under this Act :
And shall be credited with—
- (f.) All interest received in respect of investments under this Act ;
- (g.) All costs and fees received in respect of mortgages or otherwise ; 5
- (h.) All other moneys paid into the Advances to Settlers Office Account other than moneys belonging to the Debenture Fund or the Land-bond Fund, whether invested or uninvested. 10

(2.) An Investment Account, which shall be credited with—

(a.) All moneys received from the Government or the Colonial Treasurer for the purposes of the Debenture Fund and the Land-bond Fund ; and

(b.) All principal moneys repaid by mortgagors : 15
And shall be charged with all moneys invested on mortgage.

Management Account may be supplemented from Consolidated Fund.

56 57. If the balance in the Management Account is at any time insufficient to meet the charges thereon, the Colonial Treasurer may from time to time advance such sums out of the Consolidated Fund 20 as may be necessary to meet the deficiency :

(a.) Provided that the total amount so advanced in any one financial year does not exceed the sum appropriated by Parliament for such purpose ; and

(b.) Provided further that all moneys so advanced shall be repaid 25 by the Superintendent into the Consolidated Fund so soon as the balance in the Management Account will admit of such repayment.

Superintendent to prepare annual balance-sheet.

57 58. The Superintendent shall within sixty days after the close of each financial year as aforesaid prepare a balance-sheet showing — 30

(1.) The whole receipts and expenditure of the Advances to Settlers Office Account during such year ;

(2.) The whole receipts and expenditure of the Management Account, including the advances from and repayments to the Consolidated Fund, and the balance outstanding 35 due to that fund ;

(3.) The whole receipts and expenditure of the Investment Account, showing the moneys invested under this Act, and distinguishing the Debenture Fund from the Land Bond Fund investments ; 40

(4.) Such further accounts and particulars as may be prescribed by regulations under this Act.

Powers of Colonial Treasurer.

58 59. The Colonial Treasurer shall have full access to all the accounts, documents, and papers in the Advances to Settlers Office, and the Superintendent shall at all times furnish to the Colonial 45 Treasurer all such information as the latter may require.

Powers of Controller and Auditor-General.

59 60. The Controller and Auditor-General shall have, in respect of the Superintendent, the Advances to Settlers Office, the accounts thereof, and all persons employed therein, and in respect of all other persons employed under this Act, all the powers which he possesses 50 under the provisions of " The Public Revenues Act, 1891."

PART VI.

ASSURANCE FUND.

60 61. (1.) One-tenth as aforesaid of all moneys received in respect of interest on investments under this Act shall, as and when paid into
5 the Management Account, be thence transferred and paid over to the Public Trustee as an Assurance Fund. Certain moneys to be paid to Public Trustee to form an Assurance Fund.

(2.) Into the same Assurance Fund shall be paid the balance (if any) standing to the credit of the Management Account at the close of each financial year.

10 (3.) The Assurance Fund shall be held and invested by the Public Trustee in manner provided in section *sixty-six* of this Act.

PART VII.

APPLICATION OF MONEYS RECEIVED FROM MORTGAGORS.

61 62. With respect to interest—

15 All interest received from mortgagors shall be applied—

(a.) First, in satisfaction of the interest payable in respect of the loans raised under Parts II. and III. of this Act;

20 (b.) Secondly, as to one-tenth thereof, in the establishment of the Assurance Fund mentioned in section *sixty-one* of this Act;

(c.) And the residue shall be available for the general expenses of the Advances to Settlers Office.

62 63. With respect to principal moneys advanced from the Debenture Fund—

25 (1.) All repayments of such principal moneys shall be paid over to the Public Trustee for investment as a sinking fund, called the "Debenture Sinking Fund."

30 (2.) The interest earned by such sinking fund shall be payable to the Superintendent, but the capital shall be held and retained by the Public Trustee at the disposal of the Colonial Treasurer towards redemption of the bonds issued under Part II. of this Act.

35 (3.) The Colonial Treasurer may, however, from time to time direct the Public Trustee to pay over such sinking fund, or any part thereof, to the Superintendent for reinvestment on mortgages under this Act as part of the Debenture Fund, and the Public Trustee shall obey such direction.

63 64. With respect to principal moneys advanced from the Land-bond Fund—

40 (1.) All prescribed half-yearly instalments thereof shall be paid over to the Colonial Treasurer, who shall apply the same in redeeming land bonds in manner to be provided by regulations under this Act, and in the meantime shall credit the Superintendent with interest thereon at the rate of three pounds ten shillings per centum per annum.

Manner in which interest received to be applied.

Application of repayments of principal moneys advanced from Debenture Fund.

Application of repayments of principal moneys advanced from Land-bond Fund.

- (2.) The interest so credited as aforesaid to the Superintendent shall be charged against the Consolidated Fund without further appropriation.
- (3.) All other repayments of principal shall be paid over to the Public Trustee for investment and accumulation as a sinking fund, called the "Land-bond Mortgagors' Sinking Fund," towards satisfaction of the several mortgages in respect of which such repayments have been made. 5
- (4.) Upon satisfaction as aforesaid of any such mortgage,—
 - (a.) The amount applied in effecting such satisfaction shall be paid over by the Public Trustee to the Colonial Treasurer, and thereupon the provisions of subsection one of this section shall apply thereto; and 10
 - (b.) The surplus (if any) incident to such mortgage shall, at the request of the Superintendent, be paid by the Public Trustee into the Management Account. 15

Application of other moneys.

64 65. With respect to other moneys—

All other moneys received from mortgagors shall be available for the general expenses of the Advances to Settlers Office.

Investment of moneys paid over to Public Trustee.

65 66. All moneys paid over to the Public Trustee for investment under the provisions of this Act shall be invested by him in such of the securities sanctioned by section ten of "The Public Trust Office Acts Amendment Act, 1891," as will yield the highest rate of interest, and, save in so far as is otherwise provided by this Act, he shall dispose of such moneys and the interest thereon as the Governor in Council may from time to time direct. 20 25

PART VIII.

GENERAL.

Struck out.

(1.) *District Solicitors and Valuers.*

District Solicitors appointed.

Duties of District Solicitors.

District Valuers appointed.

Appointment and tenure of District Solicitors and Valuers.

Their salaries.

66. For the purposes of this Act and otherwise there shall be appointed in each district under this Act a duly-qualified barrister and solicitor of the Supreme Court of New Zealand, to be called "the District Solicitor," who shall not engage in general practice, but shall devote himself exclusively to the legal business of the Advances to Settlers Office, the Public Trust Office, the New Zealand Government Insurance Department, and all other departments of the Government service. 30 35

67. For the purposes of this Act and otherwise there shall be appointed in each district under this Act one or more fit persons, to be called "District Valuers," who shall devote themselves exclusively to the business of valuing and inspecting properties on behalf of and under instructions from the respective offices and departments aforesaid, and shall engage in no other business. 40

68. Every District Solicitor and District Valuer shall be appointed by the Governor in Council, and shall hold office during pleasure. 45

69. District Solicitors and District Valuers shall be paid such salaries as in each instance may be fixed from time to time by the General Assembly. 50

70. In addition to their salaries, District Solicitors and District Valuers shall be paid such travelling-allowances as may from time to time be fixed by regulations under this Act.

Their travelling-allowances.

(2.) *Penalties.*

5 71. Every District Solicitor or District Valuer who for professional or business services rendered, directly or indirectly, takes any fee or reward from any person save as aforesaid shall be dismissed from his office; and, if such fee or reward be taken in connection with business done on behalf of any of the offices or departments as
10 aforesaid, he shall be further liable to imprisonment for any term not exceeding *two* years with or without hard labour.

Penalty if Solicitor or Valuer take fee or reward.

New clause.

(1.) *Penalties.*

15 67. Every person employed in the business of the Advances to Settlers Office who directly or indirectly takes any fee or reward from any applicant for a loan under this Act shall be dismissed from his office and be liable to imprisonment for any term not exceeding
20 *two* years with or without hard labour.

Penalty if officer take fee or reward.

20 ~~72~~ 68. Every person who,—
(a.) Having any pecuniary interest in any land tendered as security for a loan under this Act, or
(b.) Being a partner of the applicant for a loan, acts as District Valuer in connection with such land or loan, or sits and votes at any meeting of the General Board or a Local Board upon any resolution having reference to such land
25 or loan,—

Penalty for acting when interested.

shall be liable to a penalty of not less than *fifty* pounds nor more than *two hundred* pounds, and shall also be dismissed from his office.

30 ~~73~~ 69. Every person who,—
In respect of any loan or application for any loan, bribes, or attempts to bribe, or corruptly influences any person whomsoever appointed or acting under this Act,—
is liable to imprisonment for any term not exceeding *two* years, with or without hard labour.

Penalty for bribing officer.

35 ~~3~~ (2.) *Fees.*

74 70. (1.) Valuation-fees shall be payable by the proposed borrower in any event, and according to the scale in the *Seventh* Schedule hereto.

Scale of valuation fees.
Seventh Schedule.

40 (2.) The costs and fees of preparing and completing any mortgage and of discharging it shall be payable by the mortgagor according to the scale in the *Eighth* Schedule hereto.

Scale of costs.
Eighth Schedule.

(3.) The Governor in Council may vary any of the aforesaid costs and fees.

4 (3.) *Regulations, &c.*

45 ~~75~~ 71. The Governor in Council may from time to time make rules and regulations for all or any of the following purposes, that is to say,—

Regulations.

50 (1.) For the conduct of the business of the Advances to Settlers Office:
(2.) For determining the duties of the staff, and the forms, amounts, and nature of the securities to be furnished by each member of the staff:

- (3.) For the custody and control of the moneys in the Advances to Settlers Account, and the payment of moneys to, and the withdrawal of moneys from, that account; the mode of keeping and rendering that account, and any other account in connection with the Advances to Settlers Office: 5
- (4.) For the receipt and payment of moneys under this Act :
- (5.) For determining what moneys under this Act shall be invested, and in what securities :
- (6.) For the safe custody of securities :
- (7.) For the principle and method to be adopted in valuing lands for the purposes of this Act : 10
- (8.) For the method of redeeming land bonds, and the disposal of them when redeemed :
- (9.) For prescribing what accounts, registers, and books shall be kept, and in what form : 15
- (10.) For fixing the scale of costs and fees for the preparation, completion, and discharge of mortgages, and the valuation of securities :
- (11.) For prescribing the functions and duties of District Boards : 20
Struck out.

(12.) For prescribing the functions and duties of District Valuers and District Solicitors; the scales of their travelling-allowances; the mode of paying their salaries and allowances, and of apportioning the same amongst the various offices and departments : 25

- (12.) *For prescribing the duties of valuers, and the scales of their salaries and travelling allowances :*
- (12a.) *For specifying the rules of good husbandry :*
- (13.) For exempting any person employed under this Act from the examinations prescribed by the Civil Service Regulations : 30
- (14.) For any object or purpose that may be deemed necessary for the efficient administration of this Act.

Regulations to be gazetted.

76 72. All such rules and regulations shall be gazetted, and thenceforth shall be binding and conclusive upon all persons as if the same had been contained in this Act. 35

Forms in Schedules may be altered.

77 73. The Governor in Council may from time to time alter any of the forms in the Schedules hereto.

Bankruptcy Act not to apply.

78 74. "The Bankruptcy Act, 1892," shall not apply to this Act.

Schedules.

SCHEDULES.

FIRST SCHEDULE.

FORM OF APPLICATION FOR LOAN UNDER "THE GOVERNMENT ADVANCES TO SETTLERS ACT, 1894."

,18 .

To the Superintendent.

I, A.B., of _____, hereby apply for an advance on mortgage under the provisions of the above-mentioned Act, as per particulars at foot hereof, and I enclose _____, being the valuation-fee as per scale in margin.

I am,
A.B.,
Applicant.

Particulars.

Advance: £ _____
Security: [Give section, block, district, area, with volume and folio of the certificate of title.] _____
Applicant: [Give full name, occupation, and address.] _____

[Insert scale of valuation fees.]

[Insert scale of costs, &c., mortgage.]

SECOND SCHEDULE.

TABLE OF PRESCRIBED HALF-YEARLY INSTALMENTS FOR EVERY ONE HUNDRED POUNDS OF THE LOAN.

Half-year.	Prescribed Half-yearly Instalment.	Apportioned thus :						Balance of Principal owing.
		On Account of Interest at Five per Cent.			On Account of Principal.			
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	
1st	3 0 0	2 10 0	0 10 0	0 10 0	99 10 0			
2nd	3 0 0	2 9 9	0 10 3	0 10 3	98 19 9			
3rd	3 0 0	2 9 6	0 10 6	0 10 6	98 9 3			
4th	3 0 0	2 9 3	0 10 9	0 10 9	97 18 6			
5th	3 0 0	2 9 0	0 11 0	0 11 0	97 7 6			
6th	3 0 0	2 8 8	0 11 4	0 11 4	96 16 2			
7th	3 0 0	2 8 5	0 11 7	0 11 7	96 4 7			
8th	3 0 0	2 8 1	0 11 11	0 11 11	95 12 8			
9th	3 0 0	2 7 10	0 12 2	0 12 2	95 0 6			
10th	3 0 0	2 7 6	0 12 6	0 12 6	94 8 0			
11th	3 0 0	2 7 2	0 12 10	0 12 10	93 15 2			
12th	3 0 0	2 6 11	0 13 1	0 13 1	93 2 1			
13th	3 0 0	2 6 7	0 13 5	0 13 5	92 8 8			
14th	3 0 0	2 6 3	0 13 9	0 13 9	91 14 11			
15th	3 0 0	2 5 10	0 14 2	0 14 2	91 0 9			
16th	3 0 0	2 5 6	0 14 6	0 14 6	90 6 3			
17th	3 0 0	2 5 2	0 14 10	0 14 10	89 11 5			
18th	3 0 0	2 4 9	0 15 3	0 15 3	88 16 2			
19th	3 0 0	2 4 5	0 15 7	0 15 7	88 0 7			
20th	3 0 0	2 4 0	0 16 0	0 16 0	87 4 7			
21st	3 0 0	2 3 7	0 16 5	0 16 5	86 8 2			
22nd	3 0 0	2 3 2	0 16 10	0 16 10	85 11 4			
23rd	3 0 0	2 2 9	0 17 3	0 17 3	84 14 1			
24th	3 0 0	2 2 4	0 17 8	0 17 8	83 16 5			
25th	3 0 0	2 1 11	0 18 1	0 18 1	82 18 4			
26th	3 0 0	2 1 6	0 18 6	0 18 6	81 19 10			
27th	3 0 0	2 1 0	0 19 0	0 19 0	81 0 10			
28th	3 0 0	2 0 6	0 19 6	0 19 6	80 1 4			
29th	3 0 0	2 0 0	1 0 0	1 0 0	79 1 4			
30th	3 0 0	1 19 6	1 0 6	1 0 6	78 0 10			
31st	3 0 0	1 19 0	1 1 0	1 1 0	76 19 10			
32nd	3 0 0	1 18 6	1 1 6	1 1 6	75 18 4			
33rd	3 0 0	1 18 0	1 2 0	1 2 0	74 16 4			
34th	3 0 0	1 17 5	1 2 7	1 2 7	73 13 9			
35th	3 0 0	1 16 10	1 3 2	1 3 2	72 10 7			
36th	3 0 0	1 16 3	1 3 9	1 3 9	71 6 10			
37th	3 0 0	1 15 8	1 4 4	1 4 4	70 2 6			
38th	3 0 0	1 15 1	1 4 11	1 4 11	68 17 7			
39th	3 0 0	1 14 5	1 5 7	1 5 7	67 12 0			
40th	3 0 0	1 13 10	1 6 2	1 6 2	66 5 10			
41st	3 0 0	1 13 2	1 6 10	1 6 10	64 19 0			
42nd	3 0 0	1 12 6	1 7 6	1 7 6	63 11 6			
43rd	3 0 0	1 11 9	1 8 3	1 8 3	62 3 3			
44th	3 0 0	1 11 1	1 8 11	1 8 11	60 14 4			
45th	3 0 0	1 10 4	1 9 8	1 9 8	59 4 10			
46th	3 0 0	1 9 7	1 10 5	1 10 5	57 14 5			
47th	3 0 0	1 8 10	1 11 2	1 11 2	56 3 3			
48th	3 0 0	1 8 1	1 11 11	1 11 11	54 11 4			
49th	3 0 0	1 7 3	1 12 9	1 12 9	52 18 7			
50th	3 0 0	1 6 6	1 13 6	1 13 6	51 5 1			
51st	3 0 0	1 5 8	1 14 4	1 14 4	49 10 9			
52nd	3 0 0	1 4 9	1 15 3	1 15 3	47 15 6			
53rd	3 0 0	1 3 11	1 16 1	1 16 1	45 19 5			
54th	3 0 0	1 3 0	1 17 0	1 17 0	44 2 5			
55th	3 0 0	1 2 1	1 17 11	1 17 11	42 4 6			

TABLE OF PRESCRIBED HALF-YEARLY INSTALMENTS FOR EVERY ONE HUNDRED POUNDS OF THE LOAN—*continued.*

Half-year.	Prescribed Half-yearly Instalment.	Apportioned thus:		Balance of Principal owing.
		On Account of Interest at Five per Cent.	On Account of Principal.	
56th	£ s. d. 3 0 0	£ s. d. 1 1 1	£ s. d. 1 18 11	£ s. d. 40 5 7
57th	3 0 0	1 0 2	1 19 10	38 5 9
58th	3 0 0	0 19 2	2 0 10	36 4 11
59th	3 0 0	0 18 1	2 1 11	34 3 0
60th	3 0 0	0 17 1	2 2 11	32 0 1
61st	3 0 0	0 16 0	2 4 0	29 16 1
62nd	3 0 0	0 14 11	2 5 1	27 11 0
63rd	3 0 0	0 13 9	2 6 3	25 4 9
64th	3 0 0	0 12 7	2 7 5	22 17 4
65th	3 0 0	0 11 5	2 8 7	20 8 9
66th	3 0 0	0 10 3	2 9 9	17 19 0
67th	3 0 0	0 9 0	2 11 0	15 8 0
68th	3 0 0	0 7 8	2 12 4	12 15 8
69th	3 0 0	0 6 5	2 13 7	10 2 1
70th	3 0 0	0 5 1	2 14 11	7 7 2
71st	3 0 0	0 3 8	2 16 4	4 10 10
72nd	3 0 0	0 2 4	2 17 8	1 13 2
73rd	1 14 0	0 0 10	1 13 2	...

THIRD SCHEDULE.

First Part.

UNDER "THE GOVERNMENT ADVANCES TO SETTLERS ACT, 1894."

Mortgage Docket.

Debenture Fund [or Land-bond Fund, as the case may be.]

To be registered as a Memorandum of Mortgage under the provisions of "The Land Transfer Act, 1885."

Mortgagor: [A.B., of Wellington, farmer.]

Estate: [Freehold in fee-simple, or leasehold, as the case may be.]

Land: [Area and particulars:]

Reference to title in Register of the District Land Registrar:

Mortgagee: The Government Advances to Settlers Office Superintendent.

Principal sum:

Date of advance:

Date of first prescribed half-yearly instalment:

And for the better securing to the Superintendent, as mortgagee, the payment in manner prescribed by the above-mentioned Act of the said principal sum, interest, and other moneys, I hereby mortgage to the Superintendent all my estate and interest in the said land above described.

As witness my hand as mortgagor, this

day of

18 .

A.B.

Mortgagor.

Signed by the said A.B. as mortgagor, in the presence of C.D.

[Memorandum of leasehold interests, if any.]

New.

SECOND PART.

UNDER "THE GOVERNMENT ADVANCES TO SETTLERS ACT, 1894."

Debenture Fund (or Land-bond Fund, as the case may be).

To be registered as a deed of conveyance of land by way of mortgage under the provisions of "The Deeds Registration Act, 1868."

Mortgagor: [A.B., of Wellington, farmer.]

Land: [Area and particulars.]

Mortgage: The Government Advances to Settlers Office Superintendent.

Principal sum:

Date of advance:

Due date of first prescribed half-yearly instalment:

AND for the purpose of securing to the Superintendent the payment of the aforesaid principal sum of _____, with interest and other moneys, in accordance with the provisions of this deed and of "The Government Advances to Settlers Act, 1894," the above-named A.B. hereby conveys and assures to the Superintendent, by way of mortgage, the land above described, with all appurtenances thereto belonging.

In witness whereof the said A.B. has hereunto subscribed his name this day of _____, 18 _____.

Signed by the above-named A.B. in the presence of _____ C.D.

[Occupation and address.]

A.B.,
Mortgagor.

FOURTH SCHEDULE.

FIRST PART.

COVENANTS to be implied in every mortgage docket on the part of the person executing the docket, his executors, administrators, and assigns, as mortgagor, in favour of the Superintendent, his successors and assigns, as mortgagee.

Firstly, That the mortgagor will pay the principal sum mentioned in the mortgage docket, with interest thereon, in accordance with the provisions of "The Government Advances to Settlers Act, 1894," and will, six months after the date of the advance as mentioned in the mortgage docket, pay the first half-yearly instalment prescribed by that Act in respect of such principal and interest.

Secondly, that the mortgagor will forthwith insure, and, so long as any money remains owing on this security, will keep insured, all buildings and erections for the time being situate on the said land against loss or damage by fire in the name of the Superintendent, in their full insurable value, in some reputable insurance office to be approved by him, and will duly and punctually pay all premiums and sums of money necessary for the purpose of keeping every such insurance on foot. And will, not later than the forenoon of the day on which any premium falls due, deliver the receipt therefor to the Superintendent, who shall also be entitled to the exclusive custody of all policies of insurance.

Thirdly, that the mortgagor will from time to time, so long as any money remains owing on this security, well and substantially repair, and keep in good and substantial repair and condition, all buildings or other improvements erected and made upon the said land: And, that the Superintendent may at all times be at liberty, by himself, his agents or servants, to enter upon the said land to view and inspect the said buildings and improvements.

Fourthly, that if the mortgagor fails or neglects to insure or keep insured the said buildings and erections as aforesaid, or to deliver any premium receipt as aforesaid, or to repair the said buildings and improvements, or to keep them in good and substantial repair and condition as aforesaid, then and in any such case, and as often as the same shall happen, it shall be lawful for but not obligatory on the Superintendent, at the costs and expense in all things of the mortgagor, to insure the said buildings, or any of them in such sum as aforesaid or in any less sum, or to pay such premium, or to repair the said buildings and improvements and keep them in good and substantial repair and condition.

Fifthly, that in the event of the said buildings and erections or any of them being destroyed or damaged by fire, all moneys received by the Superintendent under any insurance in respect of such destruction or damage shall be applied, at his sole

option, either in or towards rebuilding or repairing the buildings and erections so destroyed or damaged, or in or towards payment of the principal, interest, and other moneys for the time being covered by this security, notwithstanding that the same or any of them may not have accrued due under the terms of these presents.

Sixthly, that all moneys expended by the Superintendent in and about effecting or keeping on foot any insurance as aforesaid, or in repairing or keeping in repair any of the said buildings and improvements as aforesaid, or in attempting to exercise or enforce any power, right, or remedy herein contained or implied in favour of the Superintendent, shall be payable to him by the mortgagor on demand, and until paid shall be charged on the said land, together with interest at the rate of five per centum per annum, computed from the date or dates of such moneys being expended.

Seventhly, that the power of sale and incidental powers in that behalf conferred upon mortgagees by "The Land Transfer Act, 1885," shall be implied herein, with this modification: that they may be exercised without any notice or demand whatsoever if and whenever the mortgagor makes default for fourteen days in the full and punctual payment of any of the said prescribed half-yearly instalment or any part thereof, or of any other moneys hereby secured, in accordance with the respective covenants for payment thereof herein contained, or if and whenever the mortgagor makes default in the faithful observance and performance of any other covenant or condition on his part herein contained or implied.

Eighthly, that if and whenever the mortgagor makes any such default as in the last-preceding covenant mentioned, it shall be lawful for the Superintendent to call up and compel payment of all principal, interest, and other moneys for the time being owing under this security, notwithstanding that the time or times hereinbefore appointed for the payment thereof respectively may not have arrived.

Ninthly, that the covenants, powers, and provisions implied in mortgages by "The Land Transfer Act, 1885," are modified or negatived in so far as they are inconsistent with or repugnant to these presents: And it is hereby declared that this mortgage is subject to all the provisions of "The Government Advances to Settlers Act, 1894," relating to mortgages under that Act.

SECOND PART.

Additional Covenant to be implied in every Mortgage Docket of Leasehold Land.

That the mortgagor will at all times punctually pay the rent reserved by and faithfully perform and observe all the covenants and conditions contained in the lease mentioned in the mortgage docket; and that, if he fail or neglect to do so, it shall be lawful for, but not obligatory on, the Superintendent so to do at the cost and expense in all things of the mortgagor.

New.

THIRD PART.

Additional Covenant to be implied in every Mortgage Docket of Agricultural Land.

That the mortgagor will at all times cultivate and manage the mortgaged land in a skilful and proper manner and according to the rules of good husbandry.

FIFTH SCHEDULE.

UNDER "THE GOVERNMENT ADVANCES TO SETTLERS ACT, 1894."

Land-Bond Voucher.

No. of application :
 Name of applicant :
 Amount of advance :
 Particulars of security :
 Date of resolution of General Board approving :

The Hon. the Colonial Treasurer is requested to issue land-bonds for the amount of this advance.

Dated this day of , 1 .

The Government Advances to Settlers Office Superintendent.

A.B., (L.S.)

Witness to signature and seal of the Superintendent—

C.D.,

Member of the General Board.

SIXTH SCHEDULE.

No.

NEW ZEALAND.

UNDER "THE GOVERNMENT ADVANCES TO SETTLERS ACT, 1894."

Land Bond.

ON presentation of this bond at the Treasury, at Wellington, or London, on the day of , 1 , or on such earlier day as may be announced by publication in the *New Zealand Gazette*, the bearer will be entitled to receive the sum of pounds, together with such interest thereon, computed at the rate of three pounds ten shillings per centum per annum, as may be found to be unpaid on the day of such presentation as aforesaid.

Interest on this bond, at the rate aforesaid, is payable half-yearly on the and the in each year during the currency hereof at the Treasury, at Wellington, or London, or any post-office money-order office within the colony; but the bond ceases to be current and no interest will be paid thereon after the day of presentation thereof for payment as aforesaid.

The principal and interest are a charge upon and will be paid out of the accrued income of the Consolidated Fund of the colony.

Dated at the Treasury, at Wellington, this day of , 1 , and signed on behalf of the Colony of New Zealand by—

Countersigned—
G.H.

E.F.,
Colonial Treasurer.

SEVENTH SCHEDULE.

SCALE OF VALUATION-FEES TO BE PAID BY APPLICANT IN ANY EVENT, AND TO ACCOMPANY THE APPLICATION.

	£	s.	d.
On application for loan not exceeding £200	0	5	0
On application for loan exceeding £200 and not exceeding £500	0	10	6
On application for loan exceeding £500 and not exceeding £1,000	1	1	0
And for every additional £1,000	0	10	6

EIGHTH SCHEDULE.

SCALE OF COSTS AND FEES FOR PREPARING MORTGAGE (TO BE DEDUCTED FROM THE ADVANCE).

Mortgages under "The Land Transfer Act, 1885."

Law costs,—	£	s.	d.
If advance be not exceeding £1,000	0	10	0
If advance be over £1,000	1	1	0
with cash disbursements, which are the same in every case—namely:—			
Search fee	0	2	0
Mortgage form	0	2	0
Registration	0	10	0

with an additional 2s. for every certificate of title after the first.

Costs and fees for discharge of mortgage, if discharged by the Aid to Settlers Office,—

Law costs	0	5	0
Registration fee	0	5	0

with an additional 2s. for every certificate of title after the first.

New.

Mortgages under "The Deeds Registration Act, 1868."

Costs, including disbursements,—	£	s.	d.
If advance be not exceeding £500	3	3	0
For every additional £500	1	1	0
Costs and fees for discharge of mortgage if discharge be registered by the Advances to Settlers Office	1	1	0