

Mr. Barnard.

NAPIER HARBOUR BOARD LOANS ENABLING.

[LOCAL BILL.]

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A BILL INTITULED

AN ACT to enable the Napier Harbour Board to borrow Moneys for Title.
the Purpose of Repayment of Loans.

WHEREAS by the Napier Harbour Board Empowering and Loan Preamble.
5 Act, 1914 (hereinafter called the principal Act), the Napier Harbour Board (hereinafter called the Board) was empowered to borrow moneys not exceeding in the whole the sum of three hundred thousand pounds at any rate of interest not exceeding five pounds per centum per annum : And whereas by the Napier Harbour Board Empowering and Loan
10 Amendment Act, 1920 (hereinafter called the 1920 Act), the Board was empowered to borrow the sum of two hundred and fifty thousand pounds, being the balance of the sum of three hundred thousand pounds authorized to be raised by the principal Act after deducting therefrom the sum of fifty thousand pounds which the Board was authorized to
15 raise and did raise under the authority of the Napier Harbour Board Empowering and Vesting Act, 1917, at any rate of interest not exceeding five pounds ten shillings per centum per annum, and to issue debentures therefor or for any part or respective parts thereof providing for repayment thereof on such dates or respective dates prior to the
20 first day of October, nineteen hundred and fifty, as the Board might by resolution decide : And whereas on or about the first day of October, nineteen hundred and twenty, the Board borrowed the sum of ten thousand pounds, being part of the said sum of two hundred and fifty thousand pounds, in manner aforesaid : And whereas by Order
25 in Council duly gazetted on the sixth day of October, nineteen hundred and twenty-one, in the *New Zealand Gazette* Number 89, at

page 2447, the Board was empowered to borrow the sum of two hundred and forty thousand pounds, being the balance of the said sum of two hundred and fifty thousand pounds, and to issue debentures therefor at any rate of interest not exceeding six pounds ten shillings per centum per annum : And whereas by Order in Council duly gazetted on the thirteenth day of October, nineteen hundred and twenty-one, in *New Zealand Gazette* Number 90, at page 2488, the Board was empowered to borrow the sum of forty thousand pounds, being a part of the said sum of two hundred and forty thousand pounds, and to issue debentures therefor at any rate of interest not exceeding seven pounds per centum per annum : And whereas in exercise of the authorities contained in the principal Act, in the 1920 Act, and in the said Orders in Council dated respectively the sixth day of October, nineteen hundred and twenty-one, and the thirteenth day of October, nineteen hundred and twenty-one, the Board has borrowed various sums of money amounting in the aggregate to one hundred and ninety-seven thousand one hundred pounds, and issued debentures for the sums so borrowed, bearing interest at the rates prescribed by the 1920 Act or by the said Orders in Council, and secured as therein appearing, and by the principal Act authorized, which debentures are repayable at varying dates between the first day of October, nineteen hundred and thirty, and the first day of October, nineteen hundred and fifty : And whereas, in exercise of the authorities contained in the Local Bodies' Finance Act, 1921-22 (hereinafter called the 1921-22 Act), the Board has borrowed the sum of thirteen thousand eight hundred pounds for the purpose of liquidating the antecedent liability of the Board as at the thirty-first day of December, nineteen hundred and twenty-two, and has issued debentures for the sum so borrowed, bearing interest at the rate of five pounds ten shillings per centum per annum, and secured as therein appearing, which debentures are repayable on the twentieth day of September, nineteen hundred and forty-three : And whereas in the case of each of the before-recited loans the Board has established and maintained a sinking fund in accordance with the requirements of the Act authorizing the loan to which such respective sinking fund pertains : And whereas in no case will the sinking fund established and maintained be sufficient to repay the whole of the loan to which it pertains when that loan falls due : And whereas it is expedient that provision should be made to enable the Board to reborrow sufficient moneys to enable it to repay, as the respective loans raised under the authority of the principal Act, the 1920 Act, and the 1921-22 Act respectively fall due, such portion of each such loan as the sinking fund established and maintained in respect of such loan is insufficient to meet, and also to vest in the Board such other powers and authorities as are herein contained :

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. This Act may be cited as the Napier Harbour Board Loans Enabling Act, 1930.

Special Act.

2. This Act shall be deemed to be a special Act within the meaning of the Harbours Act, 1923, which Act is hereby incorporated in this Act in so far as it is not repugnant to or inconsistent with this Act.

3. In this Act "the Board" means the Napier Harbour Board : Interpretation.
 "The principal Act" means the Napier Harbour Board
 Empowering and Loan Act, 1914 :
 "The 1920 Act" means the Napier Harbour Board Empowering
 5 and Loans Amendment Act, 1920 :
 "The 1921-22 Act" means the Local Bodies' Finance Act,
 1921-22.

4. The Board shall have power by resolution of the Board to reborrow under the authority of the principal Act, the 1920 Act, and
 10 the 1921-22 Act respectively, and of this Act, the whole or any part
 and from time to time respective parts, of such a sum of money as
 shall be required, at the time when any part of the principal of the loans
 respectively raised under the authority of the said Acts becomes pay-
 able, to repay so much of the said principal as is not provided for by
 15 the accumulated sinking fund held by the Sinking Fund Commissioners
 for the payment of such loan, but so that, in the event of there being
 more than one such reborrowing in relation to the same loan the amount
 so reborrowed shall not exceed the amount of principal then outstanding
 in respect of the original loan ; and, in any case where the Act under
 20 which the original loan was raised required that the preliminary steps
 therein set out should be taken as conditions precedent to the raising
 of the loan, it shall not be necessary for the Board to take such pre-
 liminary steps as conditions precedent to the reborrowing of the moneys
 hereby authorized to be reborrowed, or any other preliminary steps
 25 whatsoever.

5. (1) The Board may enter into, make, and give, by way of
 security for moneys reborrowed under the authority of this Act and
 the interest thereon, the same security as is authorized by the principal
 Act, or the 1921-22 Act respectively, as modified or amended by this
 30 Act, which authorized the raising of the original loan in relation to
 which such reborrowing is effected ; and, without prejudice to the
 generality of the foregoing, the Board and the Receiver shall have power
 in cases where the principal or original Act gives the same power, to
 make and levy a special rate in accordance with the authority and for
 35 the purposes, *mutatis mutandis*, conferred by and contained in the
 principal or original Act as modified by this Act.

(2) In all cases where there shall be more than one reborrowing
 in relation to the loan raised under the same Act the securities for all
 such reborrowing shall rank *pari passu*.

40 6. Without prejudice to anything in this Act hereinbefore contained,
 the Board shall have power to reborrow, in manner provided by section
four hereof, in one consolidated loan, the whole or any part, or from
 time to time respective parts, of such a sum of money as shall be required,
 at the time when the principal of the respective loans raised under the
 45 authority of the principal Act, the 1920 Act, and the 1921-22 Act
 becomes payable, to repay the aggregate of the principal moneys which
 is not provided for by the aggregate accumulated sinking funds held by
 the Sinking Fund Commissioners for the payment of the respective
 loans ; and the provisions of sections *four* and *five* of this Act shall,
 50 *mutatis mutandis*, apply to the reborrowing of such consolidated loan ;
 and, without prejudice to the generality of the foregoing, the moneys
 reborrowed in respect of such consolidated loan and the interest thereon

shall be entitled *pro rata*, and in accordance with the amounts of principal moneys not provided for as aforesaid in respect of the respective Acts aforesaid, to the benefit of the security which may be entered into, made, and given by the Board, as provided by section *five* hereof for moneys reborrowed in respect of the said respective Acts. 5

Periods of currency
of loans of money
reborrowed.

7. In each case in which the Board shall reborrow moneys as authorized by this Act the Board may fix such period for the currency of the loan as it shall think fit, not being a longer period than is allowed by the Harbours Act, 1923.

Sinking fund.

8. Notwithstanding anything contained in the principal Act, the 10 1920 Act, or the 1921-22 Act, the Board shall in respect of all moneys reborrowed under the authority of this Act, and for the purpose of providing for the repayment thereof, permanently appropriate and set apart as a sinking fund such a sum in each year as in the opinion of the Board will be sufficient to provide for such repayment at maturity, 15 and the same shall be paid to Commissioners to be appointed for the purpose in manner provided in the principal Act or in the Harbours Act, 1923.

Protection of
lenders.

9. (1) The certificate under the seal of the Board that the amount therein mentioned is the principal amount which in terms of this Act 20 the Board is authorized to reborrow in respect of any loan to which this Act applies shall be conclusive evidence to persons lending moneys to the Board and to all other persons that the Board is authorized to reborrow the amount so mentioned.

(2) No person lending moneys to the Board under the authority of 25 this Act shall be bound or concerned to see or inquire as to the application of such moneys or be responsible for the misapplication thereof.

(3) The securities for any moneys reborrowed by the Board under the authority of this Act in respect of any loan shall be entitled and 30 subject to the same priorities as regards the securities for any other loan or loans of the Board, whether original or by way of reborrowing, as the securities for the original loan with respect to which such moneys were so reborrowed were entitled and to which they were subject.