

Mr. Feldwick.

New River Harbour Endowment and Borrowing.

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A BILL INTITULED

AN ACT to vest certain Lands in the Municipal Corporation of the Town of Invercargill, as an Endowment for the New River Harbour, and to empower the said Corporation to Borrow Money for the Improvement of the said Harbour. Title.

BE IT 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 New River Harbour Endowment and Borrowing Act, 1878." Short Title.

No. 66—1.

Interpretation.

2. In the construction of this Act, the following expressions shall have the meanings hereby assigned to them, that is to say,—

“The Corporation” means the Municipal Corporation of the Town of Invercargill, acting under the provisions of “The New River Harbour Management Act, 1877.”

“The said Act” means the last mentioned Act.

“The Council” means the Municipal Council of the Town of Invercargill.

Land in First Schedule set apart as an endowment for the Corporation.

3. The block or blocks of waste lands of the Crown in the Provincial District of Otago, described in the First Schedule hereto, are hereby set aside as an endowment for the Corporation for the purposes of the said Act.

Waste Lands Board may sell or dispose of such land, and pay proceeds to Corporation.

4. The Waste Lands Board may from time to time sell, or otherwise deal with and dispose of, such lands, in like manner as other waste lands within the district may be sold, dealt with, or otherwise disposed of, and the Receiver of Land Revenue shall, after deducting the costs of survey of such land, pay the same to the Corporation.

Power of leasing.

5. The Council may from time to time let any of the said lands, or any part thereof, at such rents and profits, and upon such terms and conditions, as the Council shall determine, so that such leases be for any term not exceeding *thirty-five* years, to take effect from the execution thereof.

Proceeds of such sale or disposal may be pledged.

6. The Council may from time to time pledge or otherwise give security over the proceeds and profits of such land in manner herein-after appearing.

Power to borrow £ for purposes of harbour works.

7. For the purpose of carrying out and constructing all or any of the works mentioned in the thirteenth and fourteenth sections of the said Act, the Council may borrow and raise any sum or sums of money not exceeding *thirty thousand* pounds.

BORROWING POWERS.

Council authorized to raise money for special works.

8. In order to raise money for the purpose of constructing all or any of the said works, it shall be lawful for the Council to issue debentures under the common seal of the Corporation, to the extent of *thousand* pounds and no more.

Amount and form of debentures.

9. Every debenture issued under this Act shall be in form in the second Schedule or to the effect thereof, and shall be numbered consecutively so that no two debentures shall at any time bear the same number, and shall be for the sum of not less than *twenty* nor more than *one thousand* pounds.

Where payable.

10. Every debenture shall be repayable, both as to principal and interest, at a place within or without the colony named in the debentures, and at a time named therein not longer than *fifty* years from the issue thereof, and shall state on the face thereof the funds upon which the principal and interest are secured.

Interest payable.

11. The interest on every debenture shall not exceed *seven* per centum on the amount thereof, and shall be payable half-yearly or otherwise, and separate coupons for each sum so payable, in the form in the Third Schedule or to the effect thereof, and numbered consecutively for each debenture, shall be attached thereto.

No such debenture shall be sold at such a price as to produce to the purchaser an interest of more than *seven* per centum on the price paid.

Debentures and coupons transferable by delivery.

12. Debentures and coupons respectively shall be transferable by delivery, and payment to any person in possession of any such debenture or coupon of the sum named therein shall discharge the Corporation of all liability in respect of such debenture or coupon.

Power to appoint agents for raising loans.

13. The Council may appoint any corporate body or joint stock company, or any two or more persons within or without the colony, to be agents for raising and managing any loan authorised to be raised

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under this Act, and such agents shall have full power to raise such loans by bonds, debentures, or otherwise, in such manner, at such times, in such parts, and upon such terms and conditions, as the Council shall direct, and to give and grant any necessary discharge and acquittance for the moneys raised under any such loan, or otherwise to dispose of moneys as the Council shall prescribe.

All such bonds and debentures shall be signed by the Mayor of Invercargill, and countersigned by the Town Clerk of the said town, or shall be signed by the agents (if any) for raising the loan.

10 **14.** Pending the raising of any moneys hereby authorized to be raised, such agents may borrow any sum or sums of money not exceeding the whole amount authorized to be borrowed, by the hypothecation or mortgage of any debentures hereby authorized to be issued; but all moneys so borrowed shall be a first charge upon and shall be repaid out of the loan when raised.

Pending raising loan, debentures may be hypothecated.

15 **15.** No claim of any holder of debentures issued under this Act shall attach to or be paid out of the public revenues of New Zealand, or by the General Government thereof.

Holders of debentures not to have any claim on public revenues.

20 **16.** All such debentures and the interest payable thereon shall be a first charge upon all moneys derivable by the Corporation under the said Act, excepting moneys theretofore pledged as security for any loans, or appropriated to any special purpose.

Principal and interest secured by debentures, to be first charge on moneys derivable by the Corporation under the said Act.

25 **17.** In addition to any security hereby authorized, the Council may from time to time pledge or otherwise give security over the proceeds and profits of waste lands set apart as endowments as hereinbefore provided, in such manner as the Council shall think fit, and, in the event of the Council so doing, such proceeds and profits shall be paid by the Receiver of Land Revenue to such trustees or other persons as may be agreed upon between the Council and the holder of the security.

Proceeds of sale of endowments may be pledged.

REPAYMENT OF LOANS.

35 **18.** For the purpose of providing a sinking fund for the liquidation of the principal sum raised by any loan, the Council shall in every year set aside, out of the moneys derivable by the Corporation under the said Act, a sum equal to *one* pound per centum on the amount of all unredeemed bonds, debentures, and other securities issued or given under this Act previous to the then current year, and shall pay the said sum to the Commissioners hereinafter named.

Provision for sinking fund.

40 **19.** The Council shall appoint, and may from time to time remove and re-appoint, Commissioners within or out of the colony, to whom all moneys set apart as a sinking fund as aforesaid shall be paid, and it shall be the duty of the said Commissioners from time to time to invest all moneys so paid to them, and all accumulations of interest and profits arising therefrom, in the purchase of bonds, bills, or debentures issued by the Government of any part of the British dominions, or of bonds or debentures issued under this Act.

Provision for the appointment of Sinking Fund Commissioners.

45 **20.** The Council may make provision whereby the whole of any loan shall be repayable at a stated period, or any parts thereof at stated periods.

Council may make provision for repayment of loan.

50 **21.** Such Commissioners shall send to the Council, at such time as the Council directs, accounts of all moneys and all securities in their hands, and shall also annually send to the Council a balance-sheet showing all transactions in respect of such moneys or securities during the last year.

Commissioners to furnish accounts of moneys in their hands.

55 **22.** Such Commissioners shall, together with such balance-sheet, send to the Council a certificate under the hand of one of the Commissioners of Audit, or such person as they shall appoint for the purpose, of all securities held by the Commissioners.

Commissioners also to send certificate of securities.

The Commissioners to be appointed as hereinbefore provided may be interpreted to mean the Public Trustee, or may include any joint stock company within or out of the colony as one of such Commissioners.

Accumulated sinking fund to be applied in payment of loan.

23. When the principal of any loan, or any part thereof, becomes payable, the accumulated sinking fund provided for repaying the same shall be applied in the payment thereof. 5

Council may re-borrow, under certain circumstances.

24. When the principal of any loan or any part thereof becomes payable, it shall be lawful for the Council to borrow moneys under the provisions of this Act for the purpose of paying so much of the said principal moneys as is not provided for by any accumulated sinking fund held by the said Commissioners for the payment thereof. 10

Building or other benefit societies may invest in debentures under this Act.

25. Notwithstanding anything contained in any Act relating to building, friendly, or other benefit societies in New Zealand, or in the rules of such societies, to the contrary, it shall be lawful for any such society, or the governing body thereof, to invest in any debentures to be issued under the provisions of this Act any accumulated funds which, under the provisions of any Act relating to building, friendly, or other benefit societies, may be invested in real or Government securities. 15 20

REMEDIES OF DEBENTURE-HOLDERS.

Proceeding in default in payment of debenture-holders or coupons.

26. If any person holding a debenture issued under this Act shall tender the same for payment of the principal thereby secured at the place at which such principal is payable, at the time when such principal is payable or at any time thereafter, and such principal shall not be paid in full, or if any person holding a coupon for payment of interest or any debenture issued under this Act shall tender the same for payment at the place at which such interest is payable, and at the time when such interest is payable or at any time thereafter, and such interest shall not be paid in full, such person may apply for relief under this Act by petition in a summary way to the Judge of the Supreme Court of New Zealand to whom the judicial district comprising the harbour has been assigned. 25 30

Judge may direct property of Corporation to be sold.

27. The Judge, upon being satisfied of the truth of the matters alleged in such petition, may order that the whole or part of the lands vested in the Corporation under this Act or the said Act be sold, in such manner and at such time or times as such Judge shall direct, and that the proceeds of sale shall be applied,— 35

(1.) In payment of the expenses of such application and order, and of the proceedings thereon, and the sale in pursuance thereof; 40

(2.) Next in payment of the principal moneys secured by the said debentures, with interest thereon respectively at the rate aforesaid, until all such principal moneys shall have been paid; 45

(3.) And the residue (if any) shall be paid to the Corporation.

Also may appoint Receiver.

28. The Judge may from time to time appoint a Receiver of the rents and profits arising from the land vested from time to time in the Corporation, and of all moneys, dues, and rates chargeable or receivable by the Corporation under the authority of this or any other Act; or he may from time to time appoint a Receiver of all or any of the rents and profits arising from the land, or of the dues and rates, without directing a sale, and may direct that such Receiver shall be paid thereout such remuneration as to the said Judge shall seem fit. 50

Unpaid principal and interest to be debt of Corporation.

29. The principal moneys secured by every debenture issued under this Act shall, when the same shall become payable, be a debt of the Corporation to the holder for the time being of such debenture; and the interest secured by every such debenture shall, when the same 55

becomes payable, be a debt of the Corporation to the holder for the time being of the coupon for such interest; and every sum of money owing by the Corporation under this provision shall be recoverable by action against the Corporation.

SCHEDULES.

Schedules.

FIRST SCHEDULE.

1. All that piece or parcel of land in the Southland division of the Provincial District of Otago, containing by estimation 6,032 acres, being a portion of the presently unsold lands in the Hokonui District, and bounded as follows:—Commencing at the point where the northern boundary line of the said Hokonui District cuts the Iomogalak Stream; thence southerly along the said Iomogalak Stream to the northern boundary of Section 417; thence by a line running due West along the northern boundaries of Sections 417, 520, 418, and 418A, to the north-eastern angle of Section 64; thence by a line running along the north-eastern boundary of Section 64 to the south-eastern angle of Section 420; thence by a line running north-westerly and afterwards south-westerly along the north-eastern and north-western boundaries of said Section 420; thence by a line running north-westerly along the north-eastern boundary of Section 152; thence north-easterly, afterwards north-westerly, and again south-westerly by the south-eastern, north-eastern, and north-western boundaries of Section 419; thence still south-westerly along the north-western boundary of Section 154, to the north-eastern boundary of Section 206; thence along the last-mentioned boundary of Section 206 to the northern boundary of the Hokonui District; thence by a line running due East along the said northern boundary to the starting point. Exclusive of road lines already surveyed or that may be hereafter surveyed.

2. All that piece or parcel of land in the Southland division of the Provincial District of Otago, containing by estimation 960 acres, and being a portion of the unsold lands in the Hokonui District. Bounded as follows:—Commencing at the north-western angle of Section 362, of the said district; thence by a line running due South along the western boundary of section 362; thence by a line running due East along the southern boundary of the same Section 362, to the Winton Stream; thence southerly down said stream to the northern boundary of Section 256; thence westerly along the northern boundary of said Section 256; thence northerly along the eastern boundaries of a P.R. and Section 550; thence westerly along the northern boundaries of Sections 550 and 548; thence north-easterly along the south-eastern boundaries of Sections 136A, 132, 274, 239D, 275; thence south-easterly along the south-western boundary of a deferred-payment block, to the starting point. Exclusive of road lines that have been already surveyed or may be hereafter surveyed.

3. All that piece or parcel of land in the Southland division of the Provincial District of Otago, containing by estimation 14,860 acres, being all the presently unsold and unreserved land in Blocks V., VI., VII., and VIII., Lindhurst Survey District, and bounded as follows—namely, commencing at the North-east angle of said Block VIII.; thence by a line due South to Block V. of said district; thence southerly along the Eastern boundaries of Sections 32, 31, 28, 22, 20, 16, 15, 7A, 6, and 5, to the North boundary of Lothian Survey District; thence due West to the south-western angle of said Section 5; thence north-easterly along the western boundaries of said Sections 5, 6, 7A, 15, and 16, to the western angle of said Section 16; thence south-westerly along the eastern boundaries of Sections 17, 13, and 9, of said Block V. to Section 10; thence northerly, and thereafter north-easterly along the eastern boundaries of Sections 10, 12, 18, 19, 21, 29, 30, and 33, to said Block VIII.; thence due West to the north-west angle of Section 34 of said Block V.; thence south-westerly along the eastern boundaries of Sections 35, 40, 44, 46, 49, and 30, to the eastern boundary of Block VII. of said district; thence due South to Section 6 of Block VII.; thence south-westerly along the northern and western boundaries of said Section 6 to the Titipua Stream; thence westerly down said stream to the South-east corner of Section 5, Lindhurst District (being part of University Endowment Reserve); thence due North to Block I. of said district; thence due East, and thereafter due North along the southern and eastern boundaries of said Block I. to Block II., Lindhurst District; thence due East along the southern boundaries of Blocks II. and III. of said district to starting point. Exclusive of road lines already surveyed, or that may be hereafter surveyed, as also of such pieces of land within the above described area as have been alienated by the Government.

SECOND SCHEDULE.

NEW RIVER HARBOUR BOARD LOAN.

Number	, £	Payable at	on	Debenture for £
Issued by the Municipal Council of the Town of Invercargill, New Zealand, under an Act of the General Assembly of New Zealand, intituled "The New River Harbour Endowment and Borrowing Act, 1878."				
Secured on [State on what Secured].				

N.B.—The holder of this debenture has no claim in respect thereof on the public revenues of New Zealand, or on the General Government thereof.

ON presentation of this Debenture at _____, on or after the _____ day of _____, 18____, the bearer hereof will be entitled to receive £____.

Interest on this Debenture will cease after the day when the payment falls due, unless default is made in payment.

18____ Issued under the seal of the Corporation of Invercargill, the _____ day of _____.

(Countersigned)

Town Clerk.

(Signed)

Mayor of Invercargill.

THIRD SCHEDULE.

COUPON.

Debenture No. _____, of the Municipal Council of the Town of Invercargill, issued under "The New River Harbour Endowment and Borrowing Act, 1878."

Secured on [*State on what secured*].

ON presentation of this Coupon at _____ on and after the _____ day of _____, 18____, the bearer hereof will be entitled to receive £____.

(Countersigned)

Town Clerk.

(Signed)

Mayor of Invercargill.