

*Hon. Mr. Ward.*

NEW ZEALAND CONSOLS.

ANALYSIS.

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A BILL INTITULED

AN ACT to afford Facilities for the Investment of Savings by the  
Creation of New Zealand Inscribed Consols. Title.

WHEREAS it is expedient to encourage thrift by affording to the  
5 people of New Zealand facilities for the safe investment of their  
savings: Preamble.

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

10 1. The Short Title of this Act is "The New Zealand Consols  
Act, 1894." Short Title.

## Interpretation.

2. In this Act, if not inconsistent with the context,—

“Certificate” means a consols-certificate.

“Consols,” or “New Zealand consols,” or “inscribed consols” means the claim which any person has against the Consolidated Fund by virtue of the entry made by the Registrar in the register as hereinafter provided under the name of such person, or by virtue of the issue of consols-certificates as hereinafter provided for: 5

“Consols-holder” or “holder” means a person whose name is inscribed in the register as the holder of consols as herein defined: 10

“Deputy Registrar” means the Deputy Registrar of Inscribed Consols in New Zealand, who shall be the person for the time being holding the office of Accountant to the Treasury: 15

“Person” includes corporation and company:

“Prescribed” means prescribed by regulations under this Act:

“Register” means the series of books or folios forming the register of inscribed consols in New Zealand, kept in the manner hereinafter provided: 20

“Registrar” means the Registrar of Inscribed Consols in New Zealand, who shall be the person for the time being holding the office of Secretary to the Treasury:

“Regulations” mean the regulations made under this Act as hereinafter provided. 25

Deposits not exceeding £1,000,000 may be received.

3. The Governor may from time to time, by Order in Council, authorise the Colonial Treasurer to receive by way of deposit from persons in the colony such sum or sums as may be mentioned in such order, not exceeding in the whole one million pounds sterling, bearing interest at a rate not exceeding four pounds per centum per annum. 30

Date of repayment and interest to be fixed.

4. The Colonial Treasurer shall fix the date when such deposits are repayable (being not more than *forty* years after the date when they are made), the rate of interest, and the place where the principal and interest are payable:

Time and places for deposits.

5. Deposits under this Act may be made at any time, and from time to time, and for any amount, and may be lodged either at the Treasury, Wellington, or at any post-office money-order office in the colony. 35

Person making deposit to apply to be entered on register.

6. Every person making any such deposit shall at the same time lodge an application in the prescribed form for his name to be entered in the register as the holder of inscribed consols for the amount which he so deposits, and the Registrar shall make such entry accordingly. 40

*Struck out.*

7. All such deposits shall be paid into the Public Account and form part of the Consolidated Fund of the colony. 45

*New clause.*

Deposits to be paid into separate account.

7A. (1.) All such deposits, as and when received, shall be paid into a separate account at the bank with which the Public Account is kept.

(2.) Such separate account shall be called “The New Zealand Consols Account.” 50

(3.) All such deposits are hereby declared to be public moneys within the meaning of “The Public Revenues Act, 1891”; and the

Controller and Auditor-General shall have in respect thereof, and of the New Zealand Consols Account, all the powers which he possesses under the provisions of the said Act.

5 (4.) The moneys in the New Zealand Consols Account shall from time to time be invested in such securities as the Governor in Council may authorise, and the custody of all such securities shall be regulated according to the provisions of the said Act.

10 (5.) The Colonial Treasurer shall, within thirty days after the close of each financial year, prepare and lay before Parliament a statement, made up to the close of such year, showing the total of all moneys received into and paid out of the New Zealand Consols Account, with full particulars of all investments made during such year.

15 8. No person making any such deposit shall be concerned to see or inquire whether or to what extent the powers given in this Act have been previously exercised; and, so far as concerns the safety of the depositor, and any person deriving title through him, all moneys so deposited shall be deemed to be lawfully deposited pursuant to this Act.

Security for persons making deposits.

#### 20 THE REGISTER.

9. The register shall be in such form as may be prescribed.

Form of register.

10. Every person whose name is entered in the register as an inscribed consols-holder is deemed to be a holder of consols for the amount of consols for the time being standing to his credit in the register, with the right to receive interest thereon half-yearly on the first day of February, and the first day of August in each year, unless either

25 of these days falls on a Sunday or a public holiday, in which case the interest is payable on the day following.

Who to be deemed holder of consols.

11. (1.) The Registrar shall, within a reasonable time after application in the prescribed form, give to any holder, or his duly-

30 authorised agent in that behalf, a copy of any entry in the register which relates to such holder's consols.

Copy of entry in register to be given to holder.

(2.) Such copy shall be certified as correct under the hand of the Registrar, and every such copy purporting to be so certified as afore-

35 said is, for all purposes and in all Courts, *prima facie* evidence of the entry contained in such copy.

To be *prima facie* evidence.

12. No notice of any trust in respect of any consols, or of any certificate, shall be entered in the register or receivable by the Registrar; and neither the Registrar, nor Her Majesty, nor the

40 Government of the colony, is in any way affected by express, implied, or constructive notice, however given, of any trust affecting any consols or certificate.

No notice of trusts to be entered in register.

13. (1.) A Judge of the Supreme Court, upon the summary application of any interested person, made either *ex parte* or upon notice

45 to any other person, as such Judge may direct, may make an order prohibiting, for the time and subject to the conditions to be named in such order, any dealings with any consols mentioned in such order, not being consols for which a certificate has been issued, and may discharge such order, and generally act in the premises in such

50 manner as in his opinion the justice of the case requires.

Judge may prohibit dealings with any consols.

Registrar to obey order.

(2.) The Registrar, without being made a party to the proceedings, shall, upon being served with any such order, obey the same, and make an entry of such order in the prescribed form in the register; and

(3.) Her Majesty, the Government, and the Registrar are absolutely discharged from all responsibility or liability for any entry made or thing done by the Registrar pursuant to any such order.

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#### CONSOLS-CERTIFICATES.

Registrar may issue certificates.

14. (1.) Subject to the provisions of this Act, the Registrar shall, on the application of any holder, issue to the applicant a consols-certificate in favour of bearer for the whole or any portion, not being less than *five* pounds or a multiple of *five* pounds, of the consols of which such applicant is the holder, and shall make an entry to that effect in the register.

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Provisions relating thereto.

(2.) Every such certificate is transferable by delivery, and entitles the bearer to the interest on the consols specified therein for such period as may be prescribed, and to the principal when the same becomes payable.

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(3.) On the expiration of the period for which such certificate has been issued, and on the delivery thereof to the Registrar, a fresh certificate may, if the applicant so desire, be issued to bearer for such further period as may be prescribed.

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(4.) Every such application, certificate, and entry as aforesaid shall be in the prescribed form.

Registrar may correct mistakes.

15. Whenever the Registrar is satisfied that a mistake has been made in any entry in the register, or in any certificate, he may correct the same on such terms and in such manner as may be fixed by the Colonial Treasurer.

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On delivery up of certificate name of bearer to be inscribed in register.

16. On delivery up to the Registrar of a certificate, the Registrar shall inscribe the name of the bearer in the register as proprietor of the consols described in the certificate, and shall cancel the certificate; and thereupon such consols shall become transferable and the interest thereon payable as if no certificate had been issued in respect thereof.

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Loss of certificate.

17. In case of the loss or destruction of a certificate, a duplicate thereof may be issued, upon such conditions as may be prescribed.

#### TRANSFERS OF CONSOLS.

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Registrar to transfer consols on application.

18. Upon application in the prescribed form by the holder of consols, the Registrar shall transfer such consols to the transferee named in such application.

Effect of entry of transfer.

19. The entry of a transfer in the register has the effect of absolutely vesting the consols so dealt with in the transferee, who thereby becomes the holder of such consols; and the receipt of such transferee is a valid discharge for all interest payable thereon, or for the principal when the same becomes payable.

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Title to consols of a deceased holder.

20. The executors or administrators of a deceased holder are alone recognised by the Registrar as having any title to the consols of such deceased holder, or any interest thereon.

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Transfer of consols on bankruptcy, &c.

21. Whenever the right to any consols for which no certificate is issued is acquired by bankruptcy, or under a writ of execution, or in any other way howsoever, the person so acquiring

such right and desiring to have his title registered shall produce to the Registrar the evidence necessary to establish such title; and the Registrar, if satisfied therewith, or with such further evidence as he may call for, shall, by entry in the register, transfer the consols to such person, and thereupon the consols shall absolutely vest in such person.

22. Before transferring any consols or issuing any certificate, the Registrar may require such reasonable evidence as he thinks fit as to the identity of the applicant, the authenticity of the application, and as to any other matters which in his opinion affect the validity of the application.

Registrar may require evidence before transfer.

23. If the Registrar refuses, for any reason whatsoever, to transfer any consols or to issue any certificate, the person desiring such transfer or certificate may call upon the Registrar, by summons before a Judge of the Supreme Court in Chambers, to show cause why such transfer should not be made or certificate issued.

Procedure if Registrar refuses to make transfer.

24. If the Judge orders such transfer to be made or certificate to be issued, the Registrar shall make or issue the same, upon being served with such order, and the fact that any transfer is made or certificate is issued in pursuance of a Judge's order shall absolutely discharge the Registrar, and Her Majesty, and the Government of the colony from any responsibility or liability arising therefrom.

If Judge so orders, Registrar to make transfer or issue certificate.

#### INTEREST.

25. The register shall be closed for *fifteen* days next preceding the date upon which interest is payable.

Closing of register before interest payable.

26. (1.) The interest on consols for which no certificate is issued is payable to the person who, on the date when such interest becomes payable, is inscribed on the register as the holder.

To whom interest payable.

(2.) Such interest is payable by the issue of warrants in the prescribed form, entitling the consols-holder, on presentation thereof, to payment on the date mentioned therein.

How payable.

(3.) Such warrants shall be posted, at least *seven* days before the day on which interest is payable, to the address of the consols-holder as appearing on the register, and are transferable by indorsement.

Warrants for interest transferable.

27. (1.) Interest on consols for which a certificate is issued is payable to the bearer of the certificate, and payment thereof shall be indorsed on the certificate by or on behalf of the Postmaster or Registrar, as the case may be, who makes the payment.

Interest on consols for which certificate issued.

(2.) Such indorsement is conclusive evidence of payment.

(3.) If any question arises as to the fact of any such payment having been made, the certificate must be produced, and, failing production thereof, the records of the Registrar are conclusive on the point.

28. The payment of interest to the bearer of a certificate or a warrant shall absolutely discharge Her Majesty from all liability in respect of the interest so paid.

Payment of interest an absolute discharge.

29. When the interest payable on any consols includes the fraction of a penny, such fraction is not payable.

Fraction of a penny not payable.

30. Interest on consols is payable at the Treasury, Wellington, or at any post-office money-order office throughout the colony.

Where interest payable.

## GENERAL.

Court may enforce equities relating to consols.

31. Nothing herein contained operates to prevent any competent Court from enforcing any equities which may exist as between the parties to any transaction or matter relating to any consols or certificate or any interest thereon.

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Minors may become consols-holders, and transfer.

32. Any person being a minor, if over ten years of age, may become a consols-holder, and may apply for a transfer or the issue of a certificate as effectually as if such person were of the age of twenty-one years.

Deputy Registrar may act in absence of Registrar.

33. The Deputy Registrar may, in the absence of the Registrar from Wellington, or during his absence or incapacity from any cause, exercise all the powers and authorities hereby conferred, and shall discharge all the duties hereby imposed upon the Registrar.

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Agents may be appointed and applications lodged with them.

34. (1.) The Colonial Treasurer may from time to time, subject to the regulations, appoint agents with whom may be lodged applications for consols or for transfers or certificates or otherwise.

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(2.) Any such application shall be forthwith forwarded by the agent to the Registrar.

(3.) The Colonial Treasurer may from time to time revoke any such appointments.

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*Struck out.*

35. The Governor in Council may from time to time declare all or any of the consols created or certificates issued under this Act to be convertible into stock created or issued under "The New Zealand Consolidated Stock Act, 1877," and "The Consolidated Stock Act, 1884."

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Regulations.

36 35. The Governor in Council may from time to time make regulations for fixing fees to be paid for applications under this Act, and for all the matters mentioned in this Act as to be prescribed, and generally for better and more effectually carrying this Act into operation.

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Consols, &c., chargeable on Consolidated Fund.

37 36. All consols, and the interest thereon, and all charges and expenses incurred in carrying out the provisions of this Act, are a charge on the Consolidated Fund, and the Colonial Treasurer shall issue and pay the same thereout accordingly without further authority or appropriation.

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Government securities may be accepted in lieu of cash.

38 37. The Registrar may, with the consent of the Colonial Treasurer, accept Government securities in lieu of cash for consols under this Act, upon such terms as the Colonial Treasurer may think fit.

Securities heretofore charged on Consolidated Fund not affected.

39 38. Nothing in this Act contained shall be held to prejudice, alter, affect, or vary any securities heretofore charged on the Consolidated Fund.

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