

Right Hon. Sir Joseph Ward, Bart.

NEW ZEALAND INSCRIBED STOCK.

ANALYSIS.

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A BILL INTITULED

AN ACT to make Provision for the Inscription in New Zealand of Stock secured upon the Public Revenues of New Zealand.

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

1. This Act may be cited as the New Zealand Incribed Stock Act, 1917, and shall be read together with and deemed part of the New Zealand Loans Act, 1908 (hereinafter referred to as the principal Act).

Interpretation.

2. In this Act, except where a contrary intention appears,—

“Authorizing Act” means an authorizing Act within the meaning of the principal Act:

“Certificate” means an inscribed-stock certificate issued under this Act:

“Deputy Registrar” means the Deputy Registrar of Incribed Stock under this Act, who shall be the person for the time being holding the office of Assistant Secretary to the Treasury, or, if and so long as there is no such officer, means the person for the time being holding office as Accountant to the Treasury, or, if there is no Assistant Secretary or Accountant as aforesaid, means such other officer of the Treasury as the Minister may appoint to be the Deputy Registrar of Incribed Stock:

“Inscribed stock” or “stock” means the claim which any person has against the public revenues by virtue of an entry made pursuant to this Act on the Register of Inscribed Stock under the name of such person :

“Minister” means the Minister of Finance : 5

“Registrar” means the Registrar of Inscribed Stock under this Act, who shall be the person for the time being holding the office of Secretary to the Treasury :

“Prescribed” means prescribed by this Act or by the Minister of Finance pursuant to this Act : 10

“Register” means the Register of Inscribed Stock under this Act.

Application of Act.

Application of Act :
To loans hereafter
authorized.

3. (1.) Where by any Act that may be hereafter passed authority is given for the raising of moneys on the security of and charged upon the public revenues of New Zealand, such moneys, or any part thereof, may, in the discretion of the Minister of Finance, except so far as may be otherwise expressly provided by law, be raised by the issue of inscribed stock under this Act. 15

To loans authorized
before passing of
this Act.

(2.) Where by any Act heretofore passed authority is given for the raising of moneys on the security aforesaid, and such authority has not been exercised or has not been fully exercised before the passing of this Act, the Minister of Finance may, in his discretion, raise so much of those moneys as has not been raised before the passing of this Act, or any part thereof, by the issue of inscribed stock under this Act. 20 25

(3.) The Minister of Finance may, on application by the holder of any debentures or other securities that may heretofore have been or that may hereafter be issued in respect of any moneys charged upon the public revenues of New Zealand, cancel such debentures or other securities, and issue in exchange therefor inscribed stock of an equal value under this Act, and may, on application by the registered holder of any inscribed stock under this Act, issue debentures or other securities of equal value in exchange for such inscribed stock. 30

(4.) The conversion of debentures or other securities into stock under this section, and the issue of debentures or other securities in exchange for inscribed stock shall be made only at such time or times in any year as the Minister may prescribe in that behalf. 35

The Register.

Register of
Inscribed Stock to
be kept.

4. (1.) There shall be constituted and kept by the Registrar a Register of Inscribed Stock under this Act, in such form as may be from time to time prescribed. 40

(2.) The Registrar shall cause to be entered in the Register a true and correct statement showing, with respect to every holder of inscribed stock under this Act, the following particulars :— 45

- (a.) The name and description of the holder ;
- (b.) The amount of stock held by him ;
- (c.) The principal moneys invested in such stock ;
- (d.) The rate of interest payable in respect of such stock ;
- (e.) The date or dates in each year on which such interest is payable ; 50

(f.) The due date of repayment of the principal moneys ; and

(g.) Such other particulars as may be from time to time prescribed.

5. No notice of any trust in respect of any inscribed stock, or in respect of any stock-certificate, shall be entered in the Register or be receivable by the Registrar, and no liability shall attach to his Majesty the King, or to the Government of New Zealand, or to the Registrar by reason of any express, implied, or constructive notice of any trust affecting any such stock or certificate as aforesaid.

Trusts not to be entered on Register.

6. Any extract from the Register, certified as correct by the Registrar, shall, for all purposes and in all Courts, be conclusive evidence of the entry in the Register to which such extract relates as on the date when the extract was so certified.

Evidence of contents of Register.

Investment in Inscribed Stock.

7. Any person who desires to lend to the Minister of Finance any money on the security of stock issued under this Act may apply accordingly to the Registrar in the prescribed form, and, on payment of the price of such stock, as determined by the Minister, shall be entitled, subject to the provisions of this Act, to have his name inscribed in the Register as the holder of such stock accordingly:

Application for inscribed stock.

Provided that, except in the case of stock issued in exchange for debentures or other securities pursuant to the foregoing provisions of this Act, no stock shall be issued under this Act of a nominal value of less than one hundred pounds, but may be issued as of a nominal value of that amount or of any higher amount being a multiple of ten pounds.

8. Subject to the provisions hereinafter contained as to the issue of stock-certificates, every person whose name is for the time being on the Register as the holder of inscribed stock shall be deemed to be the holder of such stock for the amount for the time being standing to his credit in the Register, with the right to receive interest thereon half-yearly, on such dates as the Minister may from time to time determine.

Person whose name inscribed in Register deemed to be holder of inscribed stock.

9. The interest payable on any inscribed stock under this Act shall be computed as from such date as the Minister may in his discretion determine.

Date of commencement of interest.

Stock Certificates.

10. (1.) The Registrar shall, on application in writing by the registered holder of any inscribed stock under this Act, issue to him, in favour of bearer, a stock-certificate in the prescribed form for the whole or any portion, being not less than ten pounds or a multiple of ten pounds, of the stock of which the applicant is the registered holder.

Registrar may issue stock certificates.

(2.) Every such certificate shall be transferable by delivery, and shall on presentation at such times and at such place as may be specified on the certificate entitle the holder thereof to the interest from time to time accruing due on the stock to which it relates, and to the principal moneys represented by the certificate when they become payable.

(3.) The Registrar shall enter in the Register such particulars as may be prescribed with respect to the issue of stock-certificates under this section.

11. On delivery to the Registrar of a stock-certificate issued under the *last preceding* section the Registrar shall, on application

Cancellation of certificates.

in that behalf in the prescribed form, enter in the Register the name of the holder of the certificate as the holder of the stock to which it relates, and shall thereupon cancel the said certificate, and shall make the necessary entries in the Register to give effect to the transfer of the stock from the original registered holder thereof.

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Interest Warrants.

Payment of interest on inscribed stock.

12. (1.) The Registrar shall, from time to time, issue warrants for the payment of interest on stock inscribed under this Act, in respect of which a certificate under section *ten* hereof is not outstanding, or for the payment of interest on so much stock as is for the time being unrepresented by such certificates.

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(2.) Every such warrant shall be in the name of the registered holder of the stock to which it relates, and shall be transferable as if it were a cheque payable to order within the meaning of the Bills of Exchange Act, 1908.

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Transfer of Inscribed Stock.

Transfer of stock.

13. (1.) The registered holder of any inscribed stock under this Act may, by a memorandum of transfer in the prescribed form, transfer to any other person the whole of such stock, or any portion thereof, being an amount of ten pounds or multiple of ten pounds.

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(2.) On application in that behalf to the Registrar, either by the registered holder or by the transferee, and on production to him of a duly executed memorandum of transfer, the Registrar shall enter in the Register the name of the transferee as the registered holder of the stock to which the memorandum of transfer relates.

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(3.) Every such entry shall operate as a transfer of the stock to which it relates, and shall vest that stock in the transferee.

(4.) No transfer of stock shall be made pursuant to this section if and so long as any stock-certificate is outstanding in respect of such stock, unless the amount of stock proposed to be transferred is not more than the amount standing on the Register and unaffected by the outstanding certificate or certificates.

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Acquisition of stock on bankruptcy or death of registered holder, or otherwise by operation of law.

14. When the right to any stock is acquired by any person on the death or bankruptcy of the registered holder, or under a writ of execution, or in any manner other than by way of a transfer under the *last preceding* section, the Registrar, on application by or on behalf of the person entitled, and on being satisfied that he is legally entitled to be registered as the holder of the stock, shall enter his name in the Register as the holder of such stock accordingly.

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Miscellaneous.

Judge of Supreme Court may prohibit dealings with any inscribed stock.

15. (1.) A Judge of the Supreme Court, on the summary application of any interested person, made either *ex parte* or on notice 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 inscribed stock mentioned in such order, not being stock for which a certificate has been issued under this Act, and may discharge such order when granted, with or without costs, and generally act in the premises in such manner as in his opinion the justice of the case requires.

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

5 (3.) No liability shall attach to His Majesty, or to the Government of New Zealand or to the Registrar for any entry made or thing done by the Registrar pursuant to an order under this section.

10 16. (1.) On the occurrence, from any cause, of a vacancy in the office of Registrar (whether by reason of death, resignation, or otherwise), and in the case of the absence from duty of the Registrar (from whatever cause arising), and so long as such vacancy or absence continues, the Deputy Registrar shall have and may exercise the powers, duties, and functions of the Registrar.

Duties of Deputy Registrar.

15 (2.) The fact of the Deputy Registrar exercising any power, duty, or function as aforesaid shall be conclusive evidence of his authority so to do, and no person shall be concerned to inquire whether the occasion has arisen requiring or authorizing him so to do.

20 17. The Registrar shall from time to time notify the Audit Office of all stock issued under this Act, and of all dealings therewith so far as the same are recorded in the Register, and the Audit Office shall thereupon satisfy itself that the issue of the stock and the dealings so registered are in accordance with law.

Powers of Audit Office with respect to inscribed stock under this Act.

18. The Minister of Finance may from time to time, in such manner as he thinks fit,—

Regulations.

- 25 (a.) Prescribe the forms of stock-certificates, warrants, transfers of stock, and other instruments under this Act:
- (b.) Prescribe fees to be charged by the Registrar for any matters under this Act:
- (c.) Prescribe all such other matters as may be deemed necessary for giving effect to this Act.