

SUPPLEMENTARY ORDER PAPER.

HOUSE OF REPRESENTATIVES.

Friday, the 28th day of August, 1885.

MORTGAGE DEBENTURES BILL.

Mr. IVESS, in Committee, to move the following new clauses:—

PART VI.

84. Any associations of persons directly engaged in agriculture, and incorporated or registered under any Act of the General Assembly, may borrow money on mortgage debentures for the express purpose of paying off the claims of the mortgagees of such properties as they propose to offer as securities under this Act. The Registrar of the district in which an association's head office is situate shall be supplied with, and shall duly register, a schedule which shall give a summary of the particulars supplied to the association by each mortgagor who shall make application for a renewed mortgage, according to Form I. The Registrar shall have full powers to demand such information as he may require from, or may command the attendance of, any mortgagee or mortgagor, or the secretary of any association applying to have any Schedule of mortgaged properties registered under this Act. Any refusal to give the information required, or any false statement, shall be dealt with as provided for in sections *fifty-five* and *fifty-six* of this Act.

85. From time to time the Agent-General shall be supplied with copies of the schedules registered in the colony in accordance with the foregoing section, and debentures shall be issued and dealt with as provided for in Part IV. of this Act.

86. No association shall lose any special privileges enjoyable under this Act, but, subject to the foregoing provision, all duties necessary to be performed by, and all responsibilities and actions whatsoever required from, any local body or company under this Act shall be required from such association, and who may issue mortgage debentures according to Form D.

87. The moneys received from the sale of such mortgage debentures shall be retained in, or given over to, the custody of the Agent-General, to be forwarded without delay to the Registrar-General in New Zealand, and by him to be used as far as may be required to pay off the mortgages named in the schedule or schedules under which such moneys were raised by mortgage debentures.

88. The Colonial Treasurer may take such steps as he may deem necessary to satisfy the holders of mortgage debentures issued under Part VI. of this Act that the foregoing section will be duly carried out, and shall cause the Registrar-General to hand over to the treasurer of the association interested all moneys not necessary to be used under section *four* or the section immediately following.

89. The Colonial Treasurer may agree with any association to receive and pay interest for any sum or sums of money which the Registrar-General may require to keep back from the possession of any association for the purpose of releasing any unmatured mortgage for which mortgage debentures may have been issued.

90. An association which upon any grounds may be refused the benefits of this Act by any Registrar, or by the Registrar-General, or

by the Agent-General, may request the Attorney-General to give a final decision, which shall be binding upon all parties until altered by Parliament.

91. It shall be sufficient to entitle any association to have its schedule of mortgaged properties duly registered, and to empower the issuing of mortgage debentures under this Act, and to give all the privileges of Part VI. of this Act to such association if three-fourths of its members be actively engaged in agriculture. When any Registrar may have reason to doubt the claims of any association to register under this Act he may require from the secretary of such association a written statement that the agricultural members comprise not less than *seventy-five* per centum of the whole body of such association.

92. No association shall issue mortgage debentures exceeding at any one time *twenty-five* per centum over and above the total value of the mortgages named in its schedule of securities for such mortgage debentures.

93. The articles of association of any association coming under Part VI. shall contain provision for the due collection of such interest as the mortgagors may agree to pay the association, and such articles shall not be altered without the consent of the majority of the members.

94. No single member of an association shall hold shares in it to a nominal value exceeding *two hundred* pounds, neither shall the value of a fully paid-up share be less than *one* pound nor more than *five* pounds. Part I. of this Act shall not apply to associations which may come under Part VI. of this Act: Provided only that no association shall at any time have mortgage-debenture liabilities in excess of five times its total capital or ten times its uncalled capital over and above its first issue of mortgage debentures, which shall be used solely for the purpose of renewing existing mortgages.

95. The registration fee to be paid by an association for registering its schedule of mortgaged properties shall not exceed shillings for each deed examined.

96. The Registrar, when dissatisfied with the association's estimate of the gross value of any mortgaged property, shall either strike out of the schedule all the particulars concerning it (after due notice), or shall cause a fresh valuation to be made at the cost of the owner; but no property shall be valued below its rateable value for property-tax purposes.

97. This Part shall be read and construed as incorporated with and as part of this Act.

98. At the option of any association mortgage debentures may be issued according to Form

99. For purposes of registration the mortgagor of any property shall enjoy all the facilities given in this Act to any company or local body, and where necessary any Registrar may demand of any mortgagee or mortgagee's agent the temporary custody of such deeds as he may deem necessary to enable him to register any mortgaged property in accordance with the request of the owner: Provided always that Form *A* shall, as near as may be, be duly filled up by the applicant mortgagor, who shall truly state the full name, address, and calling of the mortgagee of the property sought to be registered. No Registrar shall retain any deeds given into his temporary custody under this section for more than *fourteen* days, and any mortgagee who shall refuse or neglect to give full information to any Registrar demanding such shall be liable to a fine of not more than *fifty pounds*, which shall be recoverable under section *fifty-six* of this Act.

LAND TRANSFER BILL.

Mr. GARRICK to move, upon the Bill being recommitted, the substitution of the following clause in the stead of clause 191 :—

Whenever any sum of money shall be lawfully paid out of the Assurance Fund as compensation for any loss occasioned by fraud or fraudulent omission, misdescription, or misrepresentation of any kind on the part of any proprietor in bringing land under this Act, or under the Acts hereby repealed, or by any such fraud, fraudulent omission, misdescription, or misrepresentation as aforesaid on the part of any person, causing or procuring himself to be registered as a proprietor under the said Acts, or either of them, or on the part of any person acting as attorney or agent for any such proprietor or other person as aforesaid, the amount of such compensation, together with all costs incurred in testing or defending any claim or action in relation thereto, shall be deemed a debt due to the Crown from the person legally responsible for such fraud, error, omission, misdescription, or misrepresentation, as the case may be, and may be recovered from him, or from his personal representatives in case of his decease, by action at law, in the name of the Registrar-General :

Provided always that such proprietor shall receive notice of any such claim, and shall be entitled to defend the same : Provided also that such claim upon such Assurance Fund, or against such proprietor or his personal representatives, shall be made, and an action commenced and prosecuted within six years from the date when the property in respect of which such claim shall be made was brought under this Act or the Acts hereby repealed.

A certificate signed by the Colonial Treasurer, verifying the fact of such payment out of the Assurance Fund, shall be *prima facie* proof that such payment was made as aforesaid.

All moneys recovered in any action as aforesaid shall be paid to the credit of the Assurance Fund.

All costs incurred by the Registrar-General with the sanction of the Attorney-General in prosecuting, testing, or defending any claim or action under this Act, shall be paid out of the Assurance Fund.