

No. VII.

**METROPOLITAN
GUARANTEED LOAN.** An Act to enable the Municipal Council of the City of Sydney to borrow a sum not exceeding Seventy-five Thousand Pounds by the issue of Guaranteed Debentures. [22nd July, 1879.]

Preamble.

WHEREAS it is expedient that the Municipal Council of the City of Sydney should be empowered to borrow under Guarantee of the Consolidated Revenue Fund a sum not exceeding Seventy-five Thousand Pounds for the purpose of liquidating their Overdraft with the Union Bank on the Sewerage Account of the said Council. And that the sum so to be borrowed should be raised by the issue of Debentures secured upon the said Consolidated Revenue Fund as hereinafter provided. Be it therefore enacted by the Queen's Most Excellent Majesty by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled and by the authority of the same as follows:—

Short title and construction.

Municipal Council of Sydney empowered to borrow £75,000 on security of the Public Revenue.

1. This Act may be cited as the "Metropolitan Guaranteed Loan Act of 1879" and its provisions shall be read and construed cumulatively with and not in exclusion or derogation of any borrowing powers conferred on the Municipal Council of the City of Sydney by the "Sydney Corporation Act of 1879" or by any other Act now or hereafter to be passed.

2. It shall be lawful for the Municipal Council of the City of Sydney to borrow in manner hereinafter provided and subject to the conditions hereinafter prescribed a sum of money not exceeding seventy-five thousand pounds for the aforesaid purpose. And all sums lawfully borrowed under this Act shall be deemed to be secured upon and the payment thereof to be guaranteed by the Consolidated Revenue Fund of the Colony and the conditions qualifications and provisions hereinafter expressed shall regulate the borrowing of money and the issuing of debentures under this Act:—

- (1.) All moneys borrowed by the said Council shall be raised by the sale of debentures to be issued in Three series of which the first representing Twenty-five thousand Pounds shall be made payable twelve months the second for a like amount shall be made payable twenty-four months and the third for a like amount shall be made payable thirty-six months after date and all such debentures shall bear interest at the rate of Five Pounds per centum per annum and shall be in the form in the Schedule hereto.
- (2.) Every such debenture shall bear such official stamp as the Governor may direct shall be numbered in regular ascending arithmetical progression whereof the common difference shall be one and shall have annexed for every payment of interest to grow due thereon a coupon bearing the same number in the debenture.
- (3.) Every such debenture shall name the principal sum secured thereby which shall not be less than five pounds the rate at which interest is payable thereon and the time and place where such principal and interest are payable. And every such debenture shall be under the Corporate seal of the Council

Metropolitan Guaranteed Loan.

Council and be signed by the Mayor and Town Clerk and be countersigned by the City Treasurer and shall bear date on the day on which it is sealed.

- (4.) Every such debenture and any coupon whether annexed thereto or not may be transferred by simple delivery.
- (5.) No Debenture issued under the authority of this Act which shall be sold by the said Council at or for a less price than the amount for which such Debenture purports to be a security shall be deemed to entitle the holder thereof for the time being to payment of the amount of such Debenture or of any sum by way of interest thereon from the Colonial Treasurer upon default of any such payment by the said Council as hereinafter provided.

3. The holder of any debenture issued under the provisions of this Act shall be entitled to receive payment from the said Council of the principal sum named therein upon presentation of such debenture on or after the due date thereof at the place where the same is expressed to be made payable. And the holder of any coupon originally annexed to a debenture and whether separated therefrom or not shall be entitled to receive payment in like manner of the interest mentioned in such coupon upon presentation of the same at the place where and on or after the date when interest is payable. If default be made in payment of such principal sum or interest a certificate of the fact of such default having been made under the hand of the Town Clerk shall be given to the holder of such debenture or coupon upon his demanding the same and upon presentation of such certificate of default to the Colonial Treasurer he shall within fourteen days thereafter pay to such holder the amount of such principal or interest out of the Consolidated Revenue Fund upon a warrant under the hand of the Governor which warrant shall be the said Treasurer's discharge for any such payment and every such payment shall as between the said Council and the holder of such debenture or coupon be a complete discharge of the Council to the extent of such payment but as between the Council and the Consolidated Revenue Fund shall be a debt as against the Council to be liquidated by set off as hereinafter provided.

4. Notwithstanding anything contained in the two hundred and thirteenth section of the "Sydney Corporation Act of 1879" if at any time in any year when the quarterly payments or any other payment on account of the endowment to the City Fund provided by the said section shall fall due it shall appear to the Colonial Treasurer that any payments have been made out of the Consolidated Revenue Fund under the guarantee provided by this Act to the holder of any debenture or coupon issued under its authority in pursuance of the provisions contained in the next preceding section hereof it shall be lawful for the said Treasurer from time to time to set off against any such sum accrued or accruing due for the purpose of such endowment the amount of such payments so made out of the Consolidated Revenue Fund and of interest thereon at the rate of five pounds per centum per annum and to pay the balance (if any) in manner provided by the said Sydney Corporation Act. And if the sum or sums so set off against the City endowment shall not equal in amount the payments made to holders of debentures or coupons by the Colonial Treasurer under the third section of this Act it shall be lawful for the said Treasurer to charge the amounts so outstanding and not recouped to the Consolidated Revenue Fund together with interest thereon at the rate of five pounds per centum per annum against the sum of three hundred and ninety-eight thousand six hundred and thirty-four pounds seventeen shillings and five-pence and interest which by the two hundred and fourteenth section of the said Sydney Corporation Act is directed to be a charge upon the Consolidated Revenue Fund in the event of the Sewerage and Water Works therein referred to being transferred by Act of Parliament to another authority.

Payments out of
Consolidated
Revenue to be
recouped against
City endowment and
by reduction of lia-
bility contingent on
transfer of Water
and Sewerage Works.

Sydney International Exhibition.

SCHEDEULE.

No.

Guaranteed Debenture £

Issued by the Municipal Council of the City of Sydney under the provisions of the
"Metropolitan Guaranteed Loan Act of 1879."

TRANSFERABLE BY DELIVERY.

THIS Debenture was issued by the abovenamed Council in pursuance of the provisions of the abovementioned Act and is to secure to the bearer a principal sum of payable at the on the day of

Interest at the rate of five pounds per centum per annum on such principal sum in the meanwhile is payable by equal half-yearly payments on the day of and the day of and a coupon is annexed for each payment which entitles the bearer of such coupon thereto. Such principal sum and interest are payable at and are guaranteed by the Consolidated Revenue in accordance with the provisions of the abovenamed Act.

Dated this _____ day of _____ A.D. _____

A.B. [Mayor] (L.S.)
K.L. Town Clerk.
G.H. Treasurer

Countersigned—
E.L. City Treasurer.