

No. XXXIV.

CITY OF SYDNEY
MUNICIPAL LOAN.

An Act to enable the Municipal Council of Sydney to raise by debentures the sum of One hundred and fifty thousand pounds for the purposes of the City of Sydney Municipal Loan Act of 1893, and for purposes incidental to the above objects. [16th November, 1896.]

Preamble.

WHEREAS by the City of Sydney Municipal Loan Act of 1893 the Municipal Council of Sydney was empowered to borrow the sum of three hundred thousand pounds for the purposes upon the security and subject to the conditions and provisions therein prescribed and contained: And whereas the said sum of three hundred thousand pounds has been borrowed under the provisions and powers of the said Act: And whereas in order to complete and carry into effect the purposes aforesaid it is considered expedient to empower the said Council to borrow a further sum not exceeding the sum of one hundred and fifty thousand pounds for the said purposes: 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:—

Power to borrow
£150,000 for certain
purposes.

1. It shall be lawful for the said Municipal Council of Sydney to borrow, in manner hereinafter provided and subject to the conditions hereinafter prescribed, a sum or sums of money not exceeding one hundred and fifty thousand pounds in addition to the sum of three hundred thousand pounds which the said Municipal Council of Sydney was empowered to borrow under the said City of Sydney Municipal Loan Act of 1893, and all sums lawfully borrowed under this Act shall be deemed to be secured upon the corporate rates and revenues of the said Council from whatever source arising, and shall be

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be applied in and for all or any of the purposes in the said Act mentioned and for no other purposes whatsoever. And the following conditions, qualifications, and provisions shall regulate the borrowing of money and the issue of debentures under this Act, namely:—

- (I) All moneys borrowed by the Council shall be raised by the sale of debentures to be issued in such series and at such times and in such manner as the Council shall think fit, and all such debentures shall have a currency not exceeding fifty years, and shall bear interest at the rate of three pounds ten shillings per centum per annum, and shall be in the form in the Schedule hereto; and the Mayor for the time being of the said city may fix the price either at or above or below par at which such debentures may be sold.
- (II) Every such debenture 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 as the debenture.
- (III) Every such debenture shall name the principal sum secured thereby which shall not be less than one hundred 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 and be signed by the Mayor and Town Clerk, and shall bear date on the day on which it is sealed.
- (IV) Every such debenture and any coupon, whether annexed thereto or not, may be transferred by simple delivery.

2. The holder of any debenture issued under the provisions of this Act shall be entitled to receive payment from the Municipal Council of Sydney of the principal sum named therein upon presentation of such debenture on and 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 and after the date when interest is payable.

Payment of debentures and interest.

3. If default shall be made by the Council in making any payment, whether of principal or interest, to the holder of any such debenture or coupon, the following provisions shall take effect, namely:

Provisions on default of payment by Council.

- (I) The holder of such debenture or coupon shall have full power to make all necessary applications to and procure all necessary orders and directions from the Supreme Court for and touching the appointment of a receiver, and the said Court shall have power to make all such orders for the appointment of a receiver or for his removal and the appointment of another in his place as may be necessary, and to make any orders and give any directions which the said Court may think proper; and such receiver shall be deemed to be an officer and shall act under the direction of the Supreme Court.
- (II) Such receiver shall have power to make, levy, and collect all rates and revenues whatsoever payable to the Council for or in respect of which he shall have been appointed receiver, but the rates so made and levied shall not exceed the maximum limits permitted under the provisions of the law in force for the time being; and for such purpose such receiver shall be deemed the Municipal Council of Sydney and may exercise all the powers thereof.
- (III) Such receiver shall be entitled to such commission payable out of the city rates as remuneration for his services as the Supreme Court may appoint.
- (IV)

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(IV) Such receiver shall, subject to any order of the Supreme Court, pay over all moneys received by him to such holder, and if there be any balance in hand over and above the amount due and payable to him under the provisions of this Act the receiver shall pay such balance over to the Council.

Sinking fund to be established to pay off loan.

4. A sinking fund for the repayment of the principal sums borrowed under the authority of this Act, and of the interest due on debentures issued thereunder, shall, subject to conditions to be approved by the Governor, with the advice of the Executive Council, be established by the said Council before they shall proceed to exercise the borrowing powers conferred by this Act; and in each and every year (commencing with the year one thousand eight hundred and ninety-nine) during the currency of such debentures the Council shall pay into such sinking fund a sum of money not less than one thousand pounds; and the money so to be paid shall be invested in the purchase of Government securities, or of such other securities as the Governor writing under his hand shall approve; and the produce of all such investments shall be reinvested in like manner. The Council may at any time apply the whole or any part of such sinking fund in or towards the discharge of any moneys borrowed under this Act; but they shall in every such case recoup the fund by paying into it every half-year a sum equal to the interest which any sum so applied would have produced if left invested. If in any such year as aforesaid after the year one thousand eight hundred and ninety-nine, the Council shall not within seven days after notice in that behalf under the hand of the Colonial Treasurer shall have been given to the Town Clerk show to the satisfaction of the said Treasurer, or an officer to be appointed by him, that the annual payments and investments required by this Act for the formation of the said sinking fund have been duly complied with, it shall be lawful for the Governor, with the advice of the Executive Council, to apply to the Supreme Court for the appointment of a receiver of the rates and other revenue of the said Council. And the said Court and the receiver so to be appointed shall have all such powers, *mutatis mutandis*, as are hereinbefore provided for the benefit of the holders of unpaid debentures.

Short title.

5. This Act may be cited as the "City of Sydney Municipal Loan Act of 1896."

SCHEDULE.

No.

Debenture £

Issued by the Municipal Council of Sydney under the provisions of the City of Sydney Municipal Loan Act of 1896.

TRANSFERABLE BY DELIVERY.

THIS Debenture was issued by the above-named Council in pursuance of the provisions of the above-mentioned Act, and is to secure to the bearer a principal sum of

payable at the on the day of

Interest at the rate of 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

at and a coupon is annexed for each payment which entitles the bearer of such coupon thereto

Dated this

day of

A.D. 189

G.H. [Mayor] (L.S.)

C.W. Town Clerk.