

Act No. 21, 1901.

An Act to enable the Municipal Council of Sydney to raise by debentures a sum not exceeding Two hundred thousand pounds for certain purposes. [25th October, 1901.]

CITY OF SYDNEY
MUNICIPAL LOAN.

WHEREAS it is expedient that the municipal council of Sydney should be empowered to borrow by the issue of debentures a sum or sums not exceeding two hundred thousand pounds for the purpose of liquidating its overdraft with the Union Bank of Australia (Limited), and for the purpose of erecting fruit and vegetable markets in the city of Sydney, and works for the destruction of garbage and refuse, and for purposes incidental to or consequent upon those objects: Be it therefore enacted by the King'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:—

1. It shall be lawful for the municipal council of Sydney (hereinafter called the council) to borrow in manner hereinafter provided, Council may borrow to the extent of £200,000.

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provided, and subject to the conditions hereinafter prescribed, a sum or sums of money not exceeding two hundred thousand pounds for the aforesaid purposes. And all sums lawfully borrowed under this Act shall be deemed to be secured upon the corporate rates and revenues of the council from whatever source arising; and the following conditions, qualifications, and provisions shall regulate the borrowing of money and the issue of debentures under this Act—

- (a) All moneys borrowed by the council under the provisions of this Act shall be raised by the sale of debentures to be issued in such series at such times and in such manner as the council may think fit. The council may on the maturity of any such debentures issue new debentures to retire or repay same. All such original or substituted debentures shall have a currency not exceeding in the aggregate fifty years, and shall bear interest at a rate not exceeding four per centum per annum, and shall be in the form in the Schedule hereto; and the mayor and council for the time being of the city of Sydney may fix the price either at or above or below par at which such debentures may be sold.
- (b) 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.
- (c) Every such debenture shall name the principal sum secured thereby which shall be twenty pounds or a multiple of twenty 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, be countersigned by the city treasurer, and shall bear date on the day on which it is sealed.
- (d) Every such debenture and any coupon, whether annexed thereto or not, may be transferred by simple delivery.

Payment to holders
of debentures and
coupons.

2. The holder of any debenture, issued under the provisions of this Act, shall be entitled to receive payment from the council 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 or after the date when such interest is payable.

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3. If default is 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 where council makes default in payment.

- (a) 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 said Court.
- (b) 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 has 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 council, and may exercise all the powers thereof.
- (c) Such receiver shall be entitled to such commission, payable out of the city rates, as remuneration for his services as the said Court may appoint.
- (d) Such receiver shall, subject to any order of the said 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 to the council.

4. A sinking fund for the repayment of the principal sums borrowed under the authority of this Act, shall, subject to conditions to be approved by the Governor, be established by the council, and in each and every year, commencing with the year one thousand nine hundred and two, during the currency of such debentures the council shall pay into such sinking fund a sum of money sufficient on the basis of three per centum per annum, compound interest, and with like annual payments, to redeem the loan to be raised under the authority of this Act at the expiration of fifty years from the date thereof.

Sinking fund.

The money so to be paid shall be invested in the purchase of Government securities, or of such other securities as the Governor by writing may 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

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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 nine hundred and two, the council do not, within seven days after notice in that behalf under the hand of the Colonial Treasurer has been given to the town clerk, show to the satisfaction of the Colonial 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 to apply to the Supreme Court for the appointment of a receiver of the rates and other revenue of the 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.

Provisions of Act
to be cumulative.

5. The provisions of this Act shall be read and construed cumulatively with, and not in exclusion or derogation of, any borrowing powers conferred on the council by the Sydney Corporation Act of 1879, or by any other Act now or hereafter to be passed.

Short title.

6. This Act may be cited as the "City of Sydney Municipal Loan Act, 1901."

SCHEDULE.

No.	Series.	Debenture £
Issued by the municipal council of Sydney under the provisions of the City of Sydney Municipal Loan Act, 1901.		

TRANSFERABLE BY DELIVERY.

THIS Debenture was issued by the municipal council of Sydney 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.

A.B. [Mayor] (L.S.)
C.D. Town Clerk.

Entered at the office of the city treasurer in register of debentures, folio .

City Treasurer.