

SECONDARY MORTGAGE MARKET (STATE EQUITY PARTICIPATION) BILL 1985

EXPLANATORY NOTE

(This Explanatory Note relates to this Bill as introduced into Parliament)

The object of this Bill is to authorise the Crown, and any prescribed statutory corporation, to acquire and hold shares in First Australian National Mortgage Acceptance Corporation Ltd., which is a company incorporated under the Companies (New South Wales) Code. The Company will initially have 20 shareholders and it is envisaged that the Crown will hold 26 per cent of the issued capital of the Company. The authorised capital of the Company is 100,000,000 shares of \$1 each. So far 3,350,000 of the shares have been issued. The Company proposes to issue mortgage-backed securities with a view to creating a secondary market in them.

The Bill contains the following provisions:

Clause 1 specifies the short title of the proposed Act.

Clause 2 defines certain expressions for the purposes of the proposed Act.

Clause 3 empowers the Governor to prescribe statutory corporations for the purposes of the proposed Act.

Clause 4 authorises the Crown and prescribed statutory corporations to acquire and hold shares in the Company.

Clause 5 provides that, where the Crown or a prescribed statutory corporation acquires shares in the Company, it will be authorised to engage in incidental or ancillary activities relating to the holding of those shares.

Clause 6 provides for certain matters arising or which may arise from the appointment of directors of the Company on behalf of the Crown or a prescribed statutory corporation.

Clause 7 authorises the Minister to execute documents on behalf of the Crown for the purposes of the proposed Act.

Clause 8 provides for the proceeds of sale of shares acquired under the proposed Act and for dividends and other payments in respect of those shares to be paid into the Consolidated Fund, unless the Treasurer otherwise directs.

Clause 9 provides that an authority conferred on the Crown or the Minister, or on a prescribed statutory corporation, by the proposed Act is not to be affected by a change in the name of the Company, a reconstruction or re-organisation of the Company or the amalgamation of the Company with another corporation.

Clause 10 makes it clear that the provisions of the proposed Act do not prevent the operation of the provisions of any other Act in relation to anything authorised by the proposed Act.

SECONDARY MORTGAGE MARKET (STATE EQUITY PARTICIPATION) BILL 1985

NEW SOUTH WALES

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 6. Appointment of directors on behalf of the Crown, etc.
 7. Execution of certain documents authorised
 8. Certain money to be paid into the Consolidated Fund
 9. Certain events not to prevent the Crown or the Minister, or a prescribed statutory corporation, from exercising an authority conferred by this Act
 10. Act not to affect the operation of provisions of certain other Acts
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ARTICLE I

SECTION 1

Section 1. The legislative power of this State shall be vested in the Legislature, which shall consist of the Senate and the House of Representatives. The Legislature shall meet annually on the first Monday in September. The Legislature shall have the power to pass laws, to originate and amend bills, and to appropriate money. The Legislature shall also have the power to impeach and remove judges, officers, and members of the executive branch. The Legislature shall also have the power to create and abolish offices, to fix salaries, and to regulate the courts. The Legislature shall also have the power to declare war, to raise and support the military, and to regulate commerce. The Legislature shall also have the power to regulate the press, to regulate the banks, and to regulate the public lands. The Legislature shall also have the power to regulate the public debt, to regulate the public works, and to regulate the public utilities. The Legislature shall also have the power to regulate the public health, to regulate the public education, and to regulate the public safety. The Legislature shall also have the power to regulate the public morals, to regulate the public order, and to regulate the public peace. The Legislature shall also have the power to regulate the public justice, to regulate the public administration, and to regulate the public affairs. The Legislature shall also have the power to regulate the public property, to regulate the public contracts, and to regulate the public relations. The Legislature shall also have the power to regulate the public interests, to regulate the public rights, and to regulate the public duties. The Legislature shall also have the power to regulate the public obligations, to regulate the public responsibilities, and to regulate the public duties. The Legislature shall also have the power to regulate the public interests, to regulate the public rights, and to regulate the public duties. The Legislature shall also have the power to regulate the public obligations, to regulate the public responsibilities, and to regulate the public duties.

SECONDARY MORTGAGE MARKET (STATE EQUITY PARTICIPATION) BILL 1985

No. , 1985

A BILL FOR

An Act to authorise the Crown and certain statutory corporations to acquire and hold shares in First Australian National Mortgage Acceptance Corporation Ltd. and to provide for related matters.

Secondary Mortgage Market (State Equity Participation) 1985

BE it 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:

5 Short title

1. This Act may be cited as the "Secondary Mortgage Market (State Equity Participation) Act 1985".

Interpretation

2. In this Act, except in so far as the context or subject-matter otherwise indicates or requires—

"acquire", in relation to shares in the Company, includes subscribe for shares issued by the Company;

"prescribed statutory corporation" means a corporation prescribed under section 3;

15 "the Company"—

(a) subject to paragraph (b)—means First Australian National Mortgage Acceptance Corporation Ltd., a company incorporated under the Companies (New South Wales) Code; or

20 (b) where any event referred to in section 9 occurs, means—

(i) that company under its new name;

(ii) that company as reconstructed or re-organised; or

(iii) the corporation resulting from the amalgamation of that company and another corporation,

25 as the case requires;

"the Crown" means the Crown in right of New South Wales.

Power of Governor to prescribe statutory corporations for the purposes of this Act

3. The Governor may, by order published in the Gazette, prescribe any corporation constituted or established by an Act as a prescribed statutory corporation for the purposes of this Act.

Secondary Mortgage Market (State Equity Participation) 1985

Crown and prescribed statutory corporations authorised to acquire and hold shares in the Company

4. The Crown and any prescribed statutory corporation are respectively authorised to acquire and hold shares in the Company and to engage in any activity relating to the acquisition of any such shares.

Crown and prescribed statutory corporations authorised to engage in incidental or ancillary activities

5. Where the Crown or a prescribed statutory corporation acquires shares as provided by section 4, it is authorised to do or omit to do, and there may be done or be omitted to be done to or in relation to the Crown or the statutory corporation in its capacity as a shareholder of the Company, any act, matter or thing arising from, or incidental or ancillary to, the holding of the shares so acquired and, in particular, the Crown or statutory corporation is authorised to sell or otherwise deal with those shares.

15 Appointment of directors on behalf of the Crown, etc.

6. (1) Where, by virtue of being the holder of shares in the Company, the Crown or a prescribed statutory corporation is entitled to appoint a director of the Company, such an appointment is not effective until approved by the Minister.

- 20 (2) The fact that any director appointed as referred to in subsection (1) may act in accordance with the directions or instructions of the Minister does not make the Minister a director of the Company.

(3) Where—

- 25 (a) any person employed in the service of the Crown or of a prescribed statutory corporation becomes a director of the Company; and

- (b) the appointment of that person is directly or indirectly attributable to the fact that the Crown or a prescribed statutory corporation is a holder of shares in the Company,

- 30 the Crown or statutory corporation is liable to indemnify that person against any liability which by law attaches to that person in his or her capacity as a director of the Company in respect of any act done or omitted to be done in good faith by that person in relation to the Company.

Secondary Mortgage Market (State Equity Participation) 1985

Execution of certain documents authorised

7. The Minister is authorised to execute on behalf of the Crown—
- (a) any agreement for or in connection with the acquisition of shares referred to in section 4; and
 - 5 (b) any other instrument relating to the performance or exercise by the Crown of any functions, duties, powers or authorities imposed or conferred on it by this Act or by or under any agreement executed for the purposes of this Act.

Certain money to be paid into the Consolidated Fund

- 10 8. (1) Where any shares acquired under the authority of this Act are sold, the Minister or, as the case may be, the prescribed statutory corporation shall, unless the Treasurer otherwise directs, cause the proceeds of sale to be paid into the Consolidated Fund.
- (2) Where any amount by way of dividend, interest or other similar
15 payment is paid in respect of shares acquired under the authority of this Act, the Minister or, as the case may be, the prescribed statutory corporation concerned shall, unless the Treasurer otherwise directs, cause that amount to be paid into the Consolidated Fund.

**Certain events not to prevent the Crown or the Minister, or a prescribed
20 statutory corporation, from exercising an authority conferred by this Act**

9. The fact that—
- (a) the name of the Company is changed;
 - (b) the Company is reconstructed or re-organised; or
 - (c) the Company is amalgamated with another corporation,
- 25 does not prevent the Crown or the Minister, or a prescribed statutory corporation, from exercising an authority conferred by this Act in relation to the Company.

Act not to affect the operation of provisions of certain other Acts

- 30 10. This Act does not prevent a corporation constituted or established by another Act from exercising in relation to the Company any power or authority conferred by or under that other Act.

BY AUTHORITY

D. WEST, GOVERNMENT PRINTER, NEW SOUTH WALES—1985

**SECONDARY MORTGAGE MARKET (STATE EQUITY
PARTICIPATION) ACT 1985 No. 131**

NEW SOUTH WALES



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NOTES FOR THE RECORD

RE: [Illegible]

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**SECONDARY MORTGAGE MARKET (STATE EQUITY
PARTICIPATION) ACT 1985 No. 131**

New South Wales



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ELIZABETHÆ II REGINÆ

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Act No. 131, 1985

An Act to authorise the Crown and certain statutory corporations to acquire and hold shares in First Australian National Mortgage Acceptance Corporation Ltd. and to provide for related matters. [Assented to, 25th November, 1985.]

Secondary Mortgage Market (State Equity Participation) 1985

BE it 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

1. This Act may be cited as the "Secondary Mortgage Market (State Equity Participation) Act 1985".

Interpretation

2. In this Act, except in so far as the context or subject-matter otherwise indicates or requires—

"acquire", in relation to shares in the Company, includes subscribe for shares issued by the Company;

"prescribed statutory corporation" means a corporation prescribed under section 3;

"the Company"—

(a) subject to paragraph (b)—means First Australian National Mortgage Acceptance Corporation Ltd., a company incorporated under the Companies (New South Wales) Code; or

(b) where any event referred to in section 9 occurs, means—

(i) that company under its new name;

(ii) that company as reconstructed or re-organised; or

(iii) the corporation resulting from the amalgamation of that company and another corporation,

as the case requires;

"the Crown" means the Crown in right of New South Wales.

Power of Governor to prescribe statutory corporations for the purposes of this Act

3. The Governor may, by order published in the Gazette, prescribe any corporation constituted or established by an Act as a prescribed statutory corporation for the purposes of this Act.

Secondary Mortgage Market (State Equity Participation) 1985

Crown and prescribed statutory corporations authorised to acquire and hold shares in the Company

4. The Crown and any prescribed statutory corporation are respectively authorised to acquire and hold shares in the Company and to engage in any activity relating to the acquisition of any such shares.

Crown and prescribed statutory corporations authorised to engage in incidental or ancillary activities

5. Where the Crown or a prescribed statutory corporation acquires shares as provided by section 4, it is authorised to do or omit to do, and there may be done or be omitted to be done to or in relation to the Crown or the statutory corporation in its capacity as a shareholder of the Company, any act, matter or thing arising from, or incidental or ancillary to, the holding of the shares so acquired and, in particular, the Crown or statutory corporation is authorised to sell or otherwise deal with those shares.

Appointment of directors on behalf of the Crown, etc.

6. (1) Where, by virtue of being the holder of shares in the Company, the Crown or a prescribed statutory corporation is entitled to appoint a director of the Company, such an appointment is not effective until approved by the Minister.

(2) The fact that any director appointed as referred to in subsection (1) may act in accordance with the directions or instructions of the Minister does not make the Minister a director of the Company.

(3) Where—

- (a) any person employed in the service of the Crown or of a prescribed statutory corporation becomes a director of the Company; and
- (b) the appointment of that person is directly or indirectly attributable to the fact that the Crown or a prescribed statutory corporation is a holder of shares in the Company,

the Crown or statutory corporation is liable to indemnify that person against any liability which by law attaches to that person in his or her capacity as a director of the Company in respect of any act done or omitted to be done in good faith by that person in relation to the Company.

Execution of certain documents authorised

7. The Minister is authorised to execute on behalf of the Crown—
- (a) any agreement for or in connection with the acquisition of shares referred to in section 4; and
 - (b) any other instrument relating to the performance or exercise by the Crown of any functions, duties, powers or authorities imposed or conferred on it by this Act or by or under any agreement executed for the purposes of this Act.

Certain money to be paid into the Consolidated Fund

8. (1) Where any shares acquired under the authority of this Act are sold, the Minister or, as the case may be, the prescribed statutory corporation shall, unless the Treasurer otherwise directs, cause the proceeds of sale to be paid into the Consolidated Fund.

(2) Where any amount by way of dividend, interest or other similar payment is paid in respect of shares acquired under the authority of this Act, the Minister or, as the case may be, the prescribed statutory corporation concerned shall, unless the Treasurer otherwise directs, cause that amount to be paid into the Consolidated Fund.

Certain events not to prevent the Crown or the Minister, or a prescribed statutory corporation, from exercising an authority conferred by this Act

9. The fact that—
- (a) the name of the Company is changed;
 - (b) the Company is reconstructed or re-organised; or
 - (c) the Company is amalgamated with another corporation,

does not prevent the Crown or the Minister, or a prescribed statutory corporation, from exercising an authority conferred by this Act in relation to the Company.

Secondary Mortgage Market (State Equity Participation) 1985

Act not to affect the operation of provisions of certain other Acts

10. This Act does not prevent a corporation constituted or established by another Act from exercising in relation to the Company any power or authority conferred by or under that other Act.

BY AUTHORITY

D. WEST, GOVERNMENT PRINTER, NEW SOUTH WALES—1985







