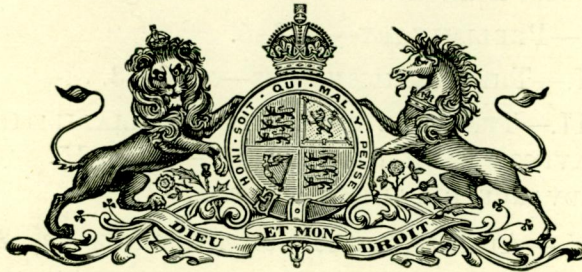


New South Wales.



ANNO SEXTO

EDWARDI VII REGIS.

Act No. 48, 1906.

An Act to constitute and regulate and provide for the management of the Government Savings Bank of New South Wales and its departments; to authorise the said bank to receive deposits, borrow moneys, and make loans and investments; to provide for a Government guarantee of any indebtedness of the said bank; to repeal the Acts dealing with the Government Savings Bank, and with advances to settlers; to provide for the transfer of certain assets, liabilities, and powers to the said bank; to amend the Acts dealing with Crown lands, the Closer Settlement Act, 1904, and certain other Acts; and for purposes consequent thereon or incidental thereto. [Assented to, 21st December, 1906.]

Government Savings Bank.

BE it 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 :—

PART I.

PRELIMINARY.

Commencement and short title.

1. This Act shall commence and take effect on the first day of January, one thousand nine hundred and seven, and may be cited as the "Government Savings Bank Act, 1906."

Act to bind Crown.

2. This Act shall bind the Crown.

Division of Act.

3. This Act is divided into the following Parts :—

PART I.—PRELIMINARY—*ss.* 1-5.

PART II.—THE COMMISSIONERS—*ss.* 6-13.

PART III.—TRANSFER OF ASSETS AND LIABILITIES—*ss.* 14-21.

1. SAVINGS BANK DEPARTMENT—*ss.* 14-15.

2. ADVANCE DEPARTMENT—*ss.* 16-21.

PART IV.—ADMINISTRATION OF THE BANK—*ss.* 22-36.

PART V.—SAVINGS BANK DEPARTMENT—*ss.* 37-48.

1. DEPOSITS—*ss.* 37-44.

2. BORROWING—*ss.* 45, 46.

3. INVESTMENTS—*ss.* 47, 48.

PART VI.—ADVANCE DEPARTMENT—*ss.* 49-70.

1. ISSUE OF DEBENTURES—*ss.* 49-61.

2. LOANS—*ss.* 62-70.

PART VII.—SUPPLEMENTAL—*ss.* 71-85.

Repeal.

4. The Acts mentioned in Schedule One to this Act are to the extent therein expressed repealed :

Provided that subject to this Act the provisions of the Advances to Settlers Acts shall continue in force in respect of advances made thereunder before the commencement of this Act until all such advances with interest thereon are repaid or are written off in the books of the bank as bad debts.

Definitions.

5. In this Act, unless the context requires another meaning,—
 "Advance Department" means Advance Department of the Bank.
 "Advances to Settlers Acts" means the Advances to Settlers Act, 1899, the Advances to Settlers (Amendment) Act, 1901, and the Advances to Settlers (Amendment) Act, 1902.
 "Advances to settlers board" means the board constituted by the Advances to Settlers Act, 1899.

"Certificated

Government Savings Bank.

- “Certificated conditional purchase” means conditional purchase as to which all conditions have been fulfilled except payment of the balance of purchase money.
- “Commissioners” means commissioners of the bank constituted by this Act.
- “Crown Lands Acts” means Acts dealing with the disposal and tenure of Crown lands, and includes the Closer Settlement Act, 1904.
- “Part” means part of this Act.
- “President” means president of the Bank.
- “Regulations” means regulations under this Act.
- “Savings Bank Department” means Savings Bank Department of the Bank.
- “The Bank” means the bank constituted by this Act, and includes a branch or agency of the bank.
- “The State” means the State of New South Wales.
- “Treasurer” means Colonial Treasurer.

PART II.

THE COMMISSIONERS.

6. Three commissioners shall be appointed in pursuance of this Act. One of such commissioners shall be so appointed president. Constitution and incorporation of commissioners.

The commissioners for the time being holding office are constituted a body corporate by the name of the “Commissioners of the Government Savings Bank of New South Wales,” having perpetual succession and a common seal. The seal of the commissioners shall be judicially noticed.

7. Each commissioner shall be appointed by the Governor by commission in His Majesty’s name, and shall, subject to this Act, hold his office during ability and good behaviour. He shall devote the whole of his time to the duties of his office, and shall not absent himself from such duties except for an annual leave of twenty-one days, unless by leave of the Governor. Appointment and term of office of commissioners.

8. If any commissioner—

- (a) becomes a director or a member of the managing body of any bank, building society, or other company carrying on business within the State;
- (b) becomes bankrupt or compounds with his creditors;
- (c) is convicted of any criminal offence; or
- (d) becomes a lunatic or of unsound mind,

his office shall thereupon be vacant. Disqualification of commissioners.

9.

Government Savings Bank.

Appointment of
deputies.

9. In the case of the illness, suspension, or absence of any commissioner, the Governor may appoint some person as deputy to act in the place of such commissioner during such illness, suspension, or absence.

If under this section one of the other commissioners is appointed deputy of the president, the Governor may appoint a deputy of such commissioner.

Any person while acting as a deputy shall have the powers and the duties of the commissioner in whose place he acts.

Removal from office.

10. A commissioner may be removed from his office for misbehaviour or inability to perform the duties of his office only in the following manner:—

- (a) He may be suspended from his office by the Governor for such alleged misbehaviour or inability; and thereupon
- (b) there shall, within seven days after such suspension, if Parliament is then sitting, or, if Parliament is not then sitting, within seven days after the next meeting of Parliament, be laid before each House of Parliament a full statement of the grounds of such suspension.
- (c) If, within twenty-four sitting days after such statement has been laid before them respectively, the Houses of Parliament pass resolutions that the commissioner ought to be removed from his office, the commissioner shall be so removed by the Governor; but if such resolutions are not so passed within the said twenty-four days, such suspension shall be removed.

Payment for services
of commissioners.

11. The president shall for his services be paid out of the funds of the bank at the rate of twelve hundred pounds annually, and each of the other commissioners at the rate of nine hundred pounds annually.

Quorum of
commissioners—
casting vote of
president.

12. Any two of the commissioners shall be a quorum for the exercise of the powers of the commissioners.

The president shall preside at a meeting of the commissioners, and if the votes at any such meeting are equal he shall have a second or casting vote. If at any meeting at which the president is not present the voting is equal, the matter shall be postponed to the next meeting of the commissioners.

Acts which may be
done by one
commissioner.

13. The Governor, on the recommendation of the commissioners, may, by proclamation, declare that all administrative acts of a specified class performed by one commissioner, and all documents and writings of a specified class authenticated or signed by one commissioner, shall be of the same effect as if performed, authenticated, or signed by all the commissioners, and may vary or revoke such declaration. Such declaration may state the commissioner who may perform the act or authenticate or sign the document or writing.

Any such declaration when notified in the Gazette shall have the force of law.

Government Savings Bank.

PART III.

TRANSFER OF ASSETS AND LIABILITIES.

DIVISION 1.—SAVINGS BANK DEPARTMENT.

14. On the commencement of this Act, all moneys in the Treasury at credit of the Government Savings Bank Trust Fund, and all moneys held or deposited in a bank under the Government Savings Bank Act, 1902, or advanced to the Federal Government for the purposes of the said Act, shall be held for the commissioners, and shall be paid to them within three years after the commencement of this Act in such amounts and at such times as may be agreed upon between the Treasurer and the commissioners. All securities in which such moneys have been invested, and interest thereon, and all books and documents and other property used for or in connection with the carrying out of the provisions of the said Act, shall pass to and become vested in the commissioners. Such moneys and securities shall be carried by the commissioners to the Savings Bank Department.

Property, &c., of
Government Savings
Bank to vest in
commissioners.

15. (1) The interest due at the commencement of this Act on any deposits made under the Government Savings Bank Act, 1902, or any Act amending the same, shall be added to and form part of the principal moneys.

Deposits in old
savings bank—how
dealt with.

(2) Each such deposit and such moneys shall be subject to the provisions of this Act and the regulations:

Provided that where under the said Acts any such deposit or any interest thereon is repayable to any person other than the depositor, such deposit or interest may be repaid to the said person.

(3) The person entitled to any such deposit shall be entitled to a Government Savings Bank book on giving up the deposit book issued to him under any of the Acts above referred to.

DIVISION 2.—ADVANCE DEPARTMENT.

16. On the commencement of this Act, all moneys and securities for money, and all books, documents, and other property held by or on behalf of the Advances to Settlers Board or by the Treasurer or any person on his behalf under the Advances to Settlers Acts, shall pass to and become vested in the commissioners, and such moneys, securities, and property shall be carried to the Advance Department.

Vesting of money
and securities in
commissioners.

17. (1) The commissioners shall collect and carry to the Advance Department all repayments of advances made under the Advances to Settlers Acts, and all interest on such advances.

Commissioners to
collect advances and
interest.

(2) The Government guarantees the bank against any loss or deficiency in collecting the principal and interest of the said advances

Under Government
guarantee.

Government Savings Bank.

advances. Any such loss or deficiency shall, on being certified by the commissioners, be made good to the Advance Department out of the Consolidated Revenue Fund annually at the close of each financial year of the bank.

Advance Department
to issue debentures
to amount of
advances now
outstanding.

18. (1) The Advance Department shall issue to the Savings Bank Department debentures to the amount of three hundred and five thousand pounds, being the amount of stock issued under the Advances to Settlers Acts, and held at the commencement of this Act by the Government Savings Bank, and an equivalent amount of Government stock, transferred by this Act to the Savings Bank Department, shall be cancelled.

(2) The bank shall be liable to the Treasury for the amount of one hundred and twenty thousand and fifty pounds, being the amount of stock issued and sold to the public under the Advances to Settlers Acts, and outstanding at the commencement of this Act, together with all interest payable thereon.

The interest on such stock shall be paid half-yearly by the Advance Department to the Treasurer.

On maturity of the stock, the sum required for redemption shall be paid by the Savings Bank Department to the Treasurer, and the Advance Department shall, at the same time, issue to the Savings Bank Department an equivalent amount in debentures.

Provisions applicable
to advances under
Advances to Settlers
Acts.

19. Subject to this Act, but notwithstanding the repeal of the Advances to Settlers Acts, the following provisions shall apply in respect of advances made under those Acts—

- (a) Such advances shall be repaid, and interest thereon shall be paid to the Advance Department at the times and in the amounts prescribed by the said Acts or by any regulation or instrument thereunder :

Provided that the commissioners may extend the term for the repayment of any such advance where, by any regulations under the said Acts in force at the commencement of this Act, such extension might have been granted.

- (b) The commissioners may take any proceeding which under the said Acts might have been taken by the Secretary for Lands for the recovery of such advances and interest, except forfeiture under paragraph (i) of subsection two of section nine of the Advances to Settlers Act, 1899, of land held under the Crown Lands Acts, not being freehold land.
- (c) In respect of the land last mentioned, the power of the Secretary for Lands to forfeit as aforesaid may, on the recommendation of the commissioners, be exercised. Any sums received by or on behalf of the Crown on account of improvements on such land shall (after deducting any moneys overdue at date of forfeiture for rent or instalments) to the extent of the amount

Government Savings Bank.

amount owing to the Advance Department for principal and interest and for expenses incurred in connection with the advance, be paid to the said department.

- (d) The land in respect of which the advance was made shall continue to be charged with the repayment of the advance with interest thereon in accordance with the Advances to Settlers Acts.
- (e) If any amount of principal or interest due in respect of any such advance is unpaid for a period of three months after the due date thereof the commissioners may, on the expiration of the said period, exercise any powers which, by sections ninety-one to one hundred and three of the Conveyancing and Law of Property Act, 1898, mortgagees may exercise in case of a default mentioned in section ninety-one aforesaid; and the provisions of those sections shall apply as if the principal money advanced were secured or charged by deed on the land in respect of which the advance was made, although such money may not in fact have been so secured or charged: Provided that the notice of sale under section ninety-three aforesaid shall be for three months instead of six months: Provided also that unless any amount of the principal or interest due in respect of a loan or mortgage is in arrear for two years or upwards, the consent of the Treasurer shall be necessary to the exercise of the powers conferred by this paragraph.

20. Applications for advances under the Advances to Settlers Acts pending at the commencement of this Act may be dealt with as applications under this Act for loans from the Advance Department. Applications already made.

Rights of action and securities.

21. Any right of action, accrued to or against, and any agreement, mortgage, debenture, bond, guarantee, covenant, or obligation made or entered into by or with— Rights of action and under contracts.

- (a) the Treasurer, or any person acting on his behalf under the Government Savings Bank Act, 1902, or any Act amending the same;
- (b) the Treasurer, the Secretary for Lands, or the Advances to Settlers Board acting under the Advances to Settlers Acts;
- may be prosecuted and enforced, by or against the commissioners in their name, as if the right of action had originally accrued to or against, or the agreement, mortgage, debenture, bond, guarantee, covenant, or obligation had been made or entered into by or with the commissioners.

Government Savings Bank.

PART IV.

ADMINISTRATION OF THE BANK.

Duties of commissioners.

The commissioners
to manage the bank.

22. The bank shall, under this Act, be administered, governed, and managed by the commissioners.

Departments of the bank.

Savings Bank
and Advance
Departments.

23. (1) The business of the bank shall be carried on in two distinct and separate departments, namely—

- (a) the Savings Bank Department;
- (b) the Advance Department.

(2) All transactions and accounts relating to each such department shall be kept separate from those relating to the other department.

(3) Subject to this Act, no money belonging to any such department shall be used for the purpose of the other department, and no liability incurred in respect of any such department shall affect the other department or the funds thereof.

Powers to hold land.

Commissioners may
hold land for certain
purposes.

24. The commissioners may, on behalf of the bank—

- (a) purchase or lease lands and buildings to be used in the business of the bank;
- (b) hold, until the same can be advantageously disposed of, any property, real or personal, taken by them as security for or in satisfaction, liquidation, or discharge of any debt owing to either department of the bank; and
- (c) sell, lease, convey, assign, and assure such lands, buildings, and property, or any property vested in them by this Act, or any estate or interest in the same, as occasion may require.

Reserve funds.

Reserve fund of
Savings Bank
Department.

25. The commissioners shall, out of the net profits of the Savings Bank Department earned during any year, set apart such sum, not being less than one-twentieth nor more than one-fifth of the whole amount of interest received by the said department during the said year as they think proper towards a reserve fund for equalising the rate of interest payable on deposits, and for meeting losses: Provided that the Governor, on the recommendation of the commissioners, may suspend the operations of the above provisions for any year. The order suspending such provisions shall be laid before Parliament without delay. Such

Government Savings Bank.

Such part of the sum of fifty-two thousand two hundred and thirty pounds five shillings and eight pence, transferred from the profit and loss account of the bank constituted by the Government Savings Bank Act, 1902, to the Consolidated Revenue Fund, as upon adjustment between the Treasurer and the president of credits and charges in respect of services rendered appears to fairly belong to the said profit and loss account, shall be carried to the reserve fund constituted by this section.

26. The commissioners shall set apart the whole of the net profits earned by the Advance Department during any year towards a reserve fund for meeting any loss or deficiency in connection with the transactions of the said department. Reserve fund of Advance Department.

Branches and agencies.

27. The commissioners may establish branches and agencies of the bank for the receipt of deposits and the payment of deposits and interest thereon and for receiving applications for advances under this Act. Branches and agencies.

28. The commissioners may, subject to such terms and conditions as may be agreed upon between the Governor and the Governor-General, establish branches and agencies of the bank at post-offices. Branches and agencies at post-offices.

Audit and accounts.

29. The accounts of the commissioners shall be audited when this Act comes in force and thereafter annually at the close of each financial year of the bank by auditors appointed by the Auditor-General, and shall be so audited at such other times as the Auditor-General may think fit. Audit of accounts.

30. (1) The commissioners shall annually, within three months after the close of the bank's financial year, cause accounts and balance-sheets of the respective departments of the bank to be prepared, and shall under their hands certify to the best of their belief the correctness of the same, giving such details as the Governor may prescribe. Preparation of accounts and balance-sheets.

(2) Such accounts and balance-sheets, on being certified as correct by the Auditor-General, shall be laid on the table of each House of Parliament, and published by the commissioners in the Gazette. Publication in Gazette.

Annual report of commissioners.

31. The commissioners shall, at the close of each financial year of the bank, make and sign and present to the Governor a full report of the operations of the respective departments of the bank during the said year, and of such other matters relating to the bank as they think fit. Such report shall be laid on the table of each House of Parliament without delay. Annual report of commissioners.

Officers.

Government Savings Bank.

Officers.

Appointment of
officers.

32. The Commissioners shall appoint such officers, servants, valuers, and agents of the bank as may be required. Every such officer, servant, or agent whose duties involve the receipt or custody of moneys or securities shall give such security for the due and faithful performance of his duties as to the Commissioners may seem proper.

With the approval of the Public Service Board, and on such terms as may be agreed upon, the services of any person in the service of the Crown may in part be made use of by the commissioners.

The commissioners shall fix the emoluments of officers, servants, valuers, and agents.

The Commissioners shall control the officers, servants, valuers, and agents of the bank, and shall, as far as possible, adopt the regulations of the Public Service Board in so far as they are applicable.

Payment of salaries
and expenses.

33. The salaries and emoluments of officers, servants, valuers, and agents of the bank, and all expenses incurred in the management of the bank, shall be paid by the commissioners out of the funds of the respective departments of the bank in such proportions as they may consider fair and reasonable.

Preference to persons
now employed.

34. (1) In the first appointment of the officers of the bank, the persons now employed in the bank constituted by the Government Savings Bank Act, 1902, or under the Advances to Settlers Board, shall, if considered to be fully efficient and qualified, be appointed in preference to other persons.

Rights of public
servants appointed
officers of bank and
whose services are
dispensed with
within two years.

(2) Any officer of the Public Service who is appointed an officer of the bank, and whose services are dispensed with by the commissioners within two years after such appointment, shall return to and be an officer of the Public Service, and his service under the commissioners shall count as service as an officer of the Public Service.

Rights of other
public servants.

(3) Any officer of the Public Service who is appointed an officer of the bank, and whose services are not so dispensed with, shall have the same rights under the Public Service Act, 1902, and any Acts amending the same, and the regulations thereunder, to deferred and extended leave and to contribute to the superannuation account, and to be paid a superannuation allowance as if he were an officer of the Public Service; and for those purposes his service as officer of the bank shall count as service in the Public Service.

Commissioners and officers not to borrow from bank.

Commissioners,
officers, servants, or
agents of banks not
to borrow from
bank.

35. No commissioner, and no officer, servant, or agent of the bank, shall, either directly or indirectly, borrow from either department of the bank, or receive, except in pursuance of this Act, any payment, gift, profit, or benefit from the funds of the bank:

Provided

Government Savings Bank.

Provided that nothing in this section shall prevent a commissioner or such officer, servant, or agent from becoming a depositor in the bank or from receiving any interest or other profit in respect of his deposit, or carrying out any arrangement or contract made prior to the commencement of this Act.

Any commissioner, or any such officer, servant, or agent, who knowingly contravenes the provisions of this section shall be guilty of a misdemeanour.

36. (1) If any officer, servant, or agent of the bank having in his possession or power any money or effects belonging thereto, or any deed or security relating to the same—

Bankruptcy, &c., of officer in possession of property of the bank.

20 Vic. No. 11, s. 20.

- (a) becomes bankrupt; or
- (b) makes an assignment for the benefit of his creditors; or
- (c) has any execution, attachment, or other process issued against his land, goods, chattels, or effects; or
- (d) dies,

the commissioners may apply to such officer, servant, or agent, or his assignee or trustee, or to the sheriff or other person executing such process, or to his executors or administrators, or to any other person having legal right as the case may be, and may demand that all such moneys, effects, deeds, or securities be paid over or delivered up to the commissioners or such person as they may appoint.

(2) The party so applied to and having the same shall on such demand deliver over to the commissioners, or to such person as aforesaid, all such moneys, effects, deeds, and securities, and shall pay out of the estate, assets, or effects of such officer, servant, or agent, all money due by him to the bank before any other of the debts of the said officer, servant, or agent are paid or satisfied, and before the money directed to be levied by such process as aforesaid is paid over to the party issuing the same. All assets, land, goods, chattels, estate, and effects of such officer, servant, or agent shall be bound to the payment and discharge thereof accordingly.

Such property to be delivered on demand.

PART V.

SAVINGS BANK DEPARTMENT.

DIVISION 1.—DEPOSITS.

Receipt of deposits.

37. (1) Deposits may be received at the bank subject to the regulations. Receipt of deposits.

(2) Deposits may be received from minors of the age of twelve years or upwards, and such deposits shall be subject to the provisions of this Act and the regulations relating to deposits. Deposits of minors.

(3)

Government Savings Bank.

Power to refuse or return deposit.

(3) The commissioners may direct that no deposit shall be received from any person whom they may deem it inexpedient to admit or continue as a depositor, and that any deposit made by such person shall be returned to him.

Each person may have only one account.

38. Except where otherwise in this Act expressly provided, no person shall have more than one account at the bank :

Provided that this section shall not prevent any person having, bona fide, in addition to his own account—

- (a) accounts in his own name in trust for other persons ;
- (b) joint accounts with different persons ;
- (c) accounts on behalf of different friendly, charitable, or other societies or institutions not carried on for purposes of trade or profit.

But the bank shall not be liable in respect of the performance of any trusts relating to a trust account ; and the receipt of the trustee shall be a sufficient discharge to the commissioners for any payment from any such account : Provided that the Commissioners may, if they deem it advisable, require the signature of both the trustee and the cestui que trust before any payment is made.

Interest on deposits.

Interest, how fixed.

39. (1) The commissioners shall from time to time fix the interest payable to depositors, and may, by regulations, fix differential rates of interest according to the amount of the deposit :

Provided that interest shall not be allowed on any amount above five hundred pounds to the credit of any one account, except the account of—

- (a) a friendly, charitable, or other society or institution (including a trades union or an industrial union of employers), not carried on for purposes of trade or profit ; or
- (b) the Advance Department.

But the commissioners may in their discretion limit the amount of the respective accounts of such societies or institutions or any of them :

Provided also that the maximum rate of interest under the regulations shall be paid on the deposit of any of the aforesaid societies and institutions up to five hundred pounds, and above that amount the rate shall be a matter of agreement with the commissioners.

Interest, how calculated.

(2) Such interest shall be calculated on every complete sum of one pound, but shall not commence to run until the first day of the month next following that in which the deposit is made, and shall, with respect to any money withdrawn, cease upon the first day of the month in which such withdrawal takes place.

(3)

Government Savings Bank.

(3) Such interest shall be calculated to the thirty-first day of December and the thirtieth day of June in every year, and shall then be added to and become part of the principal money on these respective dates.

Withdrawal of deposits.

40. No person shall have any claim on the bank in respect of a deposit which was not made during the office hours of the bank. Making and withdrawing deposits.

On the withdrawal of any money from the bank, a receipt or order in such form as the commissioners may direct shall be signed by the depositor, and such receipt or order shall be a sufficient discharge to the commissioners for the amount therein expressed to be received. A receipt or order so signed by a minor or married woman shall be a sufficient discharge to the commissioners.

41. (1) Deposits and interest payable thereon may be withdrawn on application in the prescribed form by the depositor or the person legally entitled to claim on his behalf. Withdrawal of deposits

Where such application is made at the office of the bank, where the depositor's account is kept, the payment shall be on demand.

Where such application is made at any other office of the bank, the payment shall be made on the receipt by the paying officer of authority from the office in which the account is kept.

(2) The accounts of friendly societies in the bank may be drawn upon by cheque in such form and subject to such conditions as the commissioners may direct. Cheques for friendly societies accounts.

42. (1) Where the whole amount at credit of a depositor, exclusive of interest, does not at the time of his decease exceed one hundred pounds, the commissioners, if they are of opinion that such depositor died intestate, but without requiring proof of the issue or production of letters of administration of his estate, may in their discretion pay the said amount, or any part thereof, and any interest due thereon, to or among any of the following persons:—

- (a) Any person who has paid the funeral expenses of the depositor.
- (b) Creditors of the depositor.
- (c) The widow or widower of the depositor.
- (d) The person entitled to the effects of the depositor according to the statutes of distribution.
- (e) In the case of foreign seamen, the consular authority of any country with which a treaty has been made relative to the payment of moneys due to such seamen.

(2) The receipt of any of the persons mentioned in this section shall be a good discharge to the commissioners for the sum paid, and shall be binding on any widow, widower, or next of kin. Receipts.

(3)

Government Savings Bank.

Indemnity to
commissioners.

(3) If the commissioners under this section pay money to any person who is afterwards proved not to have been legally entitled thereto, the commissioners shall not be liable at suit of any person who was so entitled.

But this subsection shall not affect the remedy of the last-mentioned person against the person who has received the money.

Pass-books.

Pass-books.

43. (1) Every depositor's pass-book shall be deemed to be the property of the commissioners, and shall be delivered up as and when required by them.

Production of
pass-books.

(2) Each depositor shall once in each year produce, or cause to be produced, his pass-book at the office of the bank in which his account is kept, for the purposes of examination and verification on a day or days to be notified by the commissioners as hereinafter prescribed.

Such notice shall be published in the Gazette, and shall specify the times and places respectively at which the said pass-books shall be produced for the purposes aforesaid. A copy thereof shall be inserted in one or more newspapers circulating in the district where such office of the bank is open for the transaction of business, and posted in such places and in such manner as to the commissioners may seem expedient.

Guarantee by Crown.

Deposits guaranteed
by Crown.

44. The repayment of all deposits in the bank, whether made before or after the commencement of this Act, and the payment of interest thereon, shall be payable out of the funds of the commissioners held under this Part, and is guaranteed by the Crown. Any liability arising from such guarantee shall be payable out of the Consolidated Revenue Fund.

DIVISION 2.—BORROWING.

Governor may
guarantee loan to
bank.

45. It shall be lawful for the commissioners to borrow, and for the Governor to guarantee the repayment of, any money which the commissioners may require in order to meet the demands of depositors desirous of withdrawing their deposits; and the Governor shall obtain from the commissioners such security for the protection of any such guarantee as may in his opinion be necessary or advisable.

Loans by
Government to bank.

46. The Governor may, upon like security, by warrant under his hand direct and authorise advances to be made to the commissioners for the purposes of the bank out of the Consolidated Revenue Fund; but the fact that such advance has been made, and the amount of such advance shall, as soon as possible, be reported to both Houses of Parliament.

DIVISION

Government Savings Bank.

DIVISION 3.—INVESTMENTS.

47. All moneys received by the Savings Bank Department ^{Investments.} after the constitution of the bank shall be invested and held, as nearly as may be, as follows:—

- (a) fifteen per centum of such moneys shall consist of cash and deposits in the Treasury and in banks of issue in the State available at call or at short notice, and interest thereon;
- (b) the balance of such moneys shall be invested in—
 - (i) premises used in the business of the commissioners, and in freehold lands held by the commissioners in pursuance of this Act;
 - (ii) upon mortgage of land in the State of an estate of inheritance in fee simple;
 - (iii) Government securities of New South Wales, or of any other State in the Commonwealth;
 - (iv) debentures issued by the Advance Department; and
 - (v) debentures lawfully issued by the municipal council of Sydney, or the council of any municipality in the State.

48. (1) No loan from the Savings Bank Department shall be made in respect of land subject to a prior mortgage or charge in favour of any person other than the commissioners, or unless the money lent is to be used to pay off such prior mortgage or charge.

(2) The following provisions shall apply in respect of such loans—

- (a) No loan shall be of less amount than fifty pounds.
- (b) The amount of any loans to any one person shall not exceed twenty-five thousand pounds.
- (c) the amount of any loan shall not exceed three-fifths of the value of the interest of the borrower in the land and buildings, or other permanent improvements thereon.
- (d) Security in the form of a mortgage shall be taken for the loan, and such mortgage shall be registered without delay.
- (e) Dates shall be fixed for the repayment of the principal sum and for the payment of interest thereon.
- (f) The whole of the principal sum with interest thereon shall be made repayable within a period to be fixed by the commissioners.

Government Savings Bank.

PART VI.

ADVANCE DEPARTMENT.

DIVISION 1.—ISSUE OF DEBENTURES.

- Issue of debentures.** **49.** (1) The commissioners may from time to time issue out of the Advance Department debentures in the form of Schedule Two or to the like purport.
- Charge of liability ;
guarantee by
Government.** (2) The due payment of such debentures and the interest thereon shall be a charge on all moneys and securities held by the commissioners on behalf of the said department, and is hereby guaranteed by the Government. Any liability arising from such guarantee shall be payable out of the Consolidated Revenue Fund :
Provided that such charge shall not prejudice or affect the powers of the commissioners to reconvey, release, or discharge any of such securities, or the properties comprised therein, or to sell or convey such properties, or to foreclose such securities or properties, or to deal with the same under this Act.
- Amount of issue.** **50.** The total amount of such debentures so issued and uncanceled shall not at any time exceed two million pounds, nor shall any such debentures be issued while the total amount then issued and uncanceled exceeds by fifty thousand pounds the amount of advances then unpaid.
- Series.** **51.** Such debentures may be issued in different series. Each series shall be numbered consecutively, beginning with the number one and proceeding arithmetically by units.
- Signature.** **52.** Such debentures shall be signed by the commissioners, and sealed with the commissioners' seal, but shall be issued only after the Auditor-General has certified that the issue is in accordance with law. The debentures shall be registered in the department of the Auditor-General.
Every such debenture which has been signed and sealed in accordance with this section shall be good and valid as against the commissioners.
- Amount and currency
of debentures.** **53.** Every such debenture shall be for the sum of fifty-pounds or some multiple thereof, and shall have such currency and shall bear such interest, not exceeding four pounds per centum per annum, payable half-yearly from the Advance Department, as the commissioners may fix.
- Issue and redemption
of debentures.** **54.** Debentures shall be issued at a minimum price to be fixed by the commissioners, and redeemed out of moneys in the Advance Department at their face values, and may be issued to the Savings Bank Department, or sold in the State or elsewhere.
- Debentures
transferable by
delivery.** **55.** Every such debenture shall be transferable by delivery without assignment or endorsement, and shall entitle the bearer of the same to be paid according to the tenor thereof. **56.**

Government Savings Bank.

56. (1) Debentures may be purchased by the commissioners out of moneys in the Advance Department at or below their face value. Purchase of debentures.

(2) All debentures redeemed or purchased by the commissioners under this Act shall be cancelled. Cancellation.

57. If any debenture is defaced by accident, the commissioners may cancel the same, and cause a new debenture to be made in lieu thereof, and such cancelled debenture shall be filed in the bank. Such new debenture shall be to the like purport, and be in all respects subject to the same rules, methods, and continuance, and bear the same number, date, principal sum, and rate of interest as such cancelled debenture. Defaced debenture may be exchanged.

58. Upon proof being made on oath before a Judge of the Supreme Court by any credible person that any debenture issued under this Act and held by him, the number and sum whereof is specified by him in his evidence, has been lost or accidentally burnt or otherwise destroyed before the same has been paid off, and upon such Judge certifying that he is satisfied with such proof, the commissioners may cause a new debenture to be made bearing the same number, date, principal sum, and rate of interest as the debenture so lost or destroyed, and to be delivered to such person upon his giving sufficient security to the commissioners to indemnify them against any double payment if the missing document should thereafter be presented for payment. Provisions for debentures lost, &c.

59. All debentures issued under this Act shall have the status of "Government Securities" within the meaning of the Act number four of one thousand eight hundred and ninety-eight (the Trustee Act of 1898) and of any Act in force for the time being relating to friendly societies; and all corporations, companies, or co-partnerships, and all trustees, executors, and administrators, whether incorporated, established, or appointed before or after the passing of this Act not expressly forbidden to invest their funds in the purchase of Government stock or securities by their charter, Act of incorporation, deed of settlement, or of partnership, trust deed, settlement, testamentary or other instrument whatsoever respectively, are hereby authorised and empowered to invest such funds in the purchase of and to hold such debentures as aforesaid without incurring or committing any breach of trust or of any condition, restriction, or provision contained in any such Act, charter, or other instrument whatsoever as aforesaid. Power to trustees to invest.

60. Debentures issued under this Act shall be included in the exemptions in the Second Schedule to the Stamp Duties Act, 1898. Exemption from duty.

61. The proceeds of the issue of debentures shall be carried to the Advance Department and applied in pursuance of this Act. Application of proceeds

Government Savings Bank.

DIVISION 2.—LOANS.

The lending of money
from Advance
Department.

62. The commissioners may lend moneys from the Advance Department—

- (a) upon mortgage of an estate of inheritance in fee simple in any land in the State ;
- (b) upon mortgage of--
 - (i) conditional purchases with or without associated conditional leases ;
 - (ii) homestead grants ;
 - (iii) homestead selections ;
 - (iv) settlement leases ;
 - (v) settlement purchases ;
 - (vi) conditional purchase leases ;
- (c) on deposit at call or short notice in the Treasury or any bank of issue in the State or on deposit in the Savings Bank Department.

Purposes for which
loans may be made.

63. (1) No such loan upon mortgage shall be made except for all or any of the following purposes, which shall be set out in the mortgage—

- (a) to pay off existing encumbrances on or to purchase the land ;
- (b) to pay off money owing to the Crown in respect of the land ;
- (c) to make improvements on the land, or to improve and develop, or to utilise the agricultural or pastoral resources of the land, or to enable the borrower to carry on agricultural or pastoral pursuits on the land ;
- (d) to build homes upon the land.

(2) If any person applies any portion of a loan so made to any other than the purpose for which it was granted, the commissioners may cause his estate and interest in the land to be sold, and the provisions of sections ninety-two, ninety-four, ninety-five, and ninety-six of the Conveyancing and Law of Property Act, 1898, relating to a sale under section ninety-one of the said Act shall apply to a sale under this section of this Act.

(3) No such loan shall be made upon the security of lands of an estate of inheritance in fee simple within the boundaries of any city, town, or village, whether so declared by proclamation of the Governor or not so declared.

(4) No such loan will be made on the security of land held under the Crown Lands Acts (except certificated conditional purchases) without the consent of the Secretary for Lands or some officer appointed by him in that behalf.

Government Savings Bank.

64. To facilitate close settlement on private estates suitable for the purpose, the commissioners may make advances to assist persons in purchasing lands, and in connection with such advances the following provisions shall apply :—

- (a) The title to the land must be either certificated conditional purchase or freehold under the Real Property Act, 1900.
- (b) The amount of any such advance shall not exceed eighty per centum of the commissioners' valuation of the security.
- (c) A valuation of a farm for the purpose of an advance may be made upon application, on the prescribed form, and upon payment of the prescribed fee.
- (d) A certificate may be issued to either the vendor or the purchaser by the commissioners, setting out the amount they are prepared to advance upon a sound title in any such farm ; such certificate shall have force for the time, and be subject to the conditions therein named.
- (e) Conditions and covenants may be inscribed in the mortgage deeds to secure close settlement and the making of such improvements as may be considered necessary.
- (f) In all other respects loans under this section shall be subject to the same provisions as other loans from the Advance Department.

Advances on
purchase of farms.

65. All applications for loans under five hundred pounds shall have priority over those of a larger amount.

Priority of applica-
tions.

66. (1) Any borrower from the Advance Department, or under the Advances to Settlers Acts, who is not in arrear with the payment of any instalment of principal or any interest due in respect of his loan may on any day fixed for the payment of any such instalment, or interest, repay to the commissioners the whole of his debt or any portion thereof being five pounds or a multiple of five pounds.

Borrower may repay
the loan or portion
thereof.

(2) Where the loan is repayable by instalments and portion only of the loan is so repaid, the commissioners shall allow the amount so repaid to accumulate at interest at a rate to be fixed by the commissioners.

Such repayment shall not affect the obligation of the borrower to pay the instalments provided in the mortgage; but when the sum deposited as aforesaid with the interest thereon amounts to the balance then unpaid on the loan, the commissioners shall apply such sum in repayment of the loan and release the borrower and the land from the mortgage.

Where loan
repayable by
instalments.

(3) In the case of a loan not repayable by instalments, the amount of such repayment shall be deducted from the amount of the loan, and thenceforward interest will only be payable on the reduced amount.

Where loan not so
repayable.

Government Savings Bank.

Cost and expenses which may be charged in respect of advances.

67. The costs and expenses which the commissioners may charge in respect of the making of loans from the Advance Department shall not exceed—

- (a) fees for stamps, registration, searches, and other expenses out of pocket ;
- (b) the prescribed fees for valuation ;
- (c) for other expenses, not more than two per centum on the amount of the advance up to one hundred pounds, and thereafter one-half per centum on the amount above one hundred pounds and up to five hundred pounds, and one-fourth per centum on the amount above five hundred pounds.

Directions to be observed by commissioners.

68. The following provisions shall apply in respect of loans made by the Advance Department :—

- (a) No loan shall be of less amount than fifty pounds.
- (b) No loan shall be made in respect of land subject to a prior mortgage or charge, except a mortgage or charge in favour of the commissioners, or unless the money to be lent is to be used to pay off such prior mortgage or charge.
- (c) A loan on the security of land not being a freehold or a certificated conditional purchase shall be made repayable within such period not exceeding thirty-one years as the commissioners think fit by half-yearly instalments with interest added commencing within nine months from the making of the loan. Each such repayment to be made on the last day of March and the last day of September in each year, and to consist partly of principal moneys and partly of interest.
- (d) A loan may be granted on the security of a freehold or a certificated conditional purchase repayable—
 - (i) by instalments as in the next preceding paragraph provided ;
 - or
 - (ii) at the expiration of a fixed term not exceeding five years, during which interest only shall be payable ; or
 - (iii) by half-yearly instalments with interest added extending over such period not exceeding thirty-one years from the date of expiration of the fixed term as may be specified in the mortgage.
- (e) The amount of any loans to any one person shall not exceed two thousand pounds.
- (f) The amount of any loan (except in the case of a loan under section sixty-four) shall not exceed two-thirds of the value of the interest of the borrower in the land and buildings, or other permanent improvements thereon, the subject of the mortgage security ; but when the land is held as a conditional

Government Savings Bank.

conditional lease, homestead grant, settlement lease, homestead selection, settlement purchase, or conditional purchase lease, or a conditional purchase as to which the first five year's certificate has not issued, such amount shall not exceed one-half of the holder's interest in the value of the improvements on the land.

- (g) Security in the form of a mortgage shall be taken for the loan, and such mortgage shall be registered without delay.
- (h) Dates shall be fixed for the repayment of the principal sum and for the payment of interest thereon.
- (i) If any interest or instalment is in arrear for more than twenty-one days, the commissioners shall charge the borrower interest on such interest or instalment at a rate one per centum higher than the rate named in the mortgage.

69. The following provisions shall apply to the land in respect of which any loan is made by the Advance Department:—

Provisions applicable
to land mortgaged.

- (a) Where such land is held under the Crown Lands Acts, and has become forfeited for non-compliance with conditions under those Acts, it shall thereupon vest in the commissioners, and may be sold by them to any person, who shall hold the same subject to any conditions prescribed by the Crown Lands Acts binding upon the former holder, but free from any liability for any breach before such sale of any such conditions, and the purchaser shall have six months from the time of sale for complying with any unfulfilled improvement conditions in relation to the land. The proceeds of such sale shall, after payment of any outstanding moneys due under the Crown Lands Acts, be applied in liquidation of the claims of the commissioners, any balance remaining thereafter being paid into the Treasury to the credit of the Lands Department. In the event of the commissioners failing to find a purchaser within twelve months, the land may be disposed of as Crown lands under the Crown Lands Acts.
- (b) Where any such land is so forfeited, any money received by or on behalf of the Crown on account of the improvements on such land shall, to the extent of the amount owing to the commissioners for principal and interest and for expenses incurred in connection with the loan, be paid to the commissioners, after deducting therefrom any moneys due at the date of forfeiture for rent or instalments under the Crown Lands Acts.
- (c) Nothing in the Crown Lands Acts shall invalidate or affect any mortgage given under this Act to secure any loan or interest thereon or the pursuit of any remedy for the recovery of such

Government Savings Bank.

such loan or interest; and such mortgage may be given and any sale or foreclosure may be effected thereunder, notwithstanding that the land the subject of the mortgage could not by the terms of the said Acts be transferred, assigned, or otherwise dealt with.

Conditions annexed
to land whilst
subject to advances.

70. The following conditions shall apply in respect of land subject to any mortgage under this Part:—

- (a) Such land shall not, nor shall any part thereof, be transferred, assigned, let, or sublet without the previous consent in writing of the commissioners.
- (b) Any transfer, assignment, letting, or subletting of such land, or any part thereof, in contravention of this section, shall be void, and the commissioners may cause the estate and interest of the owner or lessee in such land to be sold.
- (c) Where the owner or lessee of any such land becomes bankrupt, the commissioners may cause his estate and interest therein to be sold.

 PART VII.

SUPPLEMENTAL.

Advances.

Application for
foreclosure.

71. If any amount of principal or interest due in respect of any loan made under the Advances to Settlers Acts, or by the commissioners in pursuance of this Act, on the security by mortgage of land not held under the provisions of the Real Property Act, 1900, is unpaid for a period of three months after the due date thereof, the commissioners may, at their option, in lieu of taking proceedings in any court, make application to the Registrar-General in writing for an order for foreclosure.

Such application shall state that such default has been made as aforesaid, and that the land, estate, or interest mortgaged has been offered for sale by public auction by a licensed auctioneer, and that the amount of the highest bid at such sale was not sufficient to satisfy the moneys so due, together with the expenses occasioned by such sale, and that notice in writing of the intention of the commissioners to make such application has been given to the mortgagor or other person entitled to the equity of redemption, by leaving the same at his usual or last known place of abode, if such place be within three miles of the head office of the bank, or by forwarding the same by registered letter through the post office if such place be beyond that distance.

Such

Government Savings Bank.

Such application shall be accompanied by a certificate of the auctioneer by whom such land was put up for sale and such other proof of the matters stated therein as the Registrar-General may require. The statements made in such application shall be verified by the statutory declaration of one of the commissioners.

The Registrar-General may, at the expense of the commissioners, cause notice to be published, once in the Gazette and once in each of three succeeding weeks in at least one newspaper circulating in the district in which the mortgaged land is situated, offering such land for sale, and shall limit and appoint a time not less than one month from the date of the publication in the Gazette, upon or after which the Registrar-General may issue to the Commissioners an order for foreclosure unless in the interval a sufficient amount has been realised by the sale of the land to satisfy the principal and interest moneys due and all expenses occasioned by such sale and proceedings.

Every such order for foreclosure under the hand of the Registrar-General shall, upon registration under the Registration of Deeds Act, 1897, have the effect of barring all right and equity of redemption in the said land on the part of the mortgagor or of any person claiming through or under him.

72. Where land is sold by the commissioners for non-payment of principal or interest of money lent or for breach of any covenant in the instrument of mortgage securing the same, the land shall be freed from any charge in respect of the loan. But where such land was at the time of sale subject to conditions prescribed by the Crown Lands Acts, it shall be held by the purchaser and those claiming under him subject to the performance by them of those conditions. But he shall be free from any liability for any breach before such sale of any condition under those Acts, and shall have six months from the time of sale for complying with any unfulfilled improvement conditions in relation to the land.

Conditions attached to land sold on default of mortgagor.

73. The commissioners by regulations may prescribe the form of mortgage-deeds under this Act, and short forms of provisions to be inserted in such deeds, and may state the legal effect of such short forms when so inserted, which thereupon shall have the force of law: Provided that where the land, the subject of the mortgage, is under the Real Property Act, 1900, such forms shall not be inconsistent with the forms prescribed by or under the said Act.

Forms of mortgage-deeds.

74. Where an advance under the Advances to Settlers Acts or this Act has been made upon the security of lands held under the Crown Lands Acts, it shall be the duty of the person liable to repay such advance to fulfil all residence and other conditions under those Acts and to punctually pay all rents, instalments, or other moneys due to the Crown in connection therewith; and if he fails to fulfil such conditions or to make such payments, or to fulfil any other conditions

Power to call in loan.

or

Government Savings Bank.

or covenants under the mortgage deed, the commissioners may require payment forthwith of such of the principal moneys advanced as have not been repaid, and all interest and charges thereon, and thereupon the same shall be so payable.

Recovery of arrears.

75. If any amount of principal or interest due in respect of any loan on mortgage made by the commissioners is in arrear for two years or upwards, it shall be the duty of the commissioners to exercise the powers conferred on them for the recovery of such amount.

Settlement of disputes.

Settlement of disputes.

76. If any dispute arises between the Commissioners and any depositor, or any executor, administrator, next of kin, creditor, or assignee of a depositor who may become bankrupt, or any persons claiming to be such executor, administrator, next of kin, creditor, or assignee, or to be entitled to any money deposited in the bank, the matter in dispute shall be referred in writing to the Attorney-General; and whatever award, order, or determination is made by the Attorney-General shall be final.

Bank represented in legal proceedings.

Commissioners entitled to be heard before land board or any court.

77. The commissioners, by their counsel, attorney, or agent, shall be entitled to be heard before any land board or before any court in any case relating to land in respect of which an advance or loan has been made under the Advances to Settlers Acts or this Act.

Penalties.

Penalty if officer takes fee or reward.

78. Any person employed in the business of the bank who directly or indirectly takes any fee or reward from any applicant for a loan under this Act, shall be dismissed from his office and be liable to imprisonment for any term not exceeding two years, with or without hard labour.

Penalty for acting when interested.

79. Any person who —
 (a) having any pecuniary interest in any land tendered as security for a loan under this Act; or
 (b) being a partner of the applicant for a loan,
 acts as valuer or adviser to the commissioners in connection with such land or loan, shall be liable to a penalty of not less than fifty pounds nor more than two hundred pounds, and shall also be dismissed from his office.

Penalty for bribing officer.

80. Any person who, in respect of any loan or application for any loan, bribes, or attempts to bribe or corruptly influence any person appointed or acting under this Act, is liable to imprisonment for a term not exceeding two years, with or without hard labour.

Recovery of penalties.

81. Any penalties imposed by or under this Act may be recovered before a stipendiary or police magistrate or any two justices in petty sessions.

Government Savings Bank.

82. If any person forges or alters, or offers, utters, disposes of, Forgery. or puts off, knowing the same to be forged or altered, any deed, rule, order, bond, or writing obligatory, or any acquittance, receipt, release, account, or statement, or any note, bill, or other security for payment of money, or letter, or power of attorney, or other instrument in writing, or makes any false entry, or knowingly makes up any untrue account, which concerns or relates to the affairs or business of the savings bank with intent to defraud, every such offender shall be guilty of forgery, and punished accordingly.

Regulations.

83. The commissioners may make regulations for carrying out Regulations. the provisions of this Act, and particularly—

- (a) for the management of the bank and the regulation of its business ;
- (b) regulating proceedings at meetings of the commissioners, and the quorum necessary for the transaction of business ;
- (c) for the control of the officers, valuers, servants, and agents of the bank ;
- (d) for fixing the emoluments of valuers and agents ;
- (e) for regulating the receipt and repayment of deposits and the payments of interest thereon ;
- (f) regulating applications for and the making of loans by the bank ;
- (g) prescribing the fees payable in respect of such applications and loans ;
- (h) for the keeping of the accounts of the bank.

84. Every such regulation, when approved by the Governor Approval of regulations. and published in the Gazette, shall have the force of law.

85. (1) A copy of every such regulation shall be deposited with Filing of regulations. the Prothonotary of the Supreme Court, who shall, without fee, file the same of record in the Court.

(2) All depositors and borrowers and their representatives Depositors, &c., deemed to have notice of regulations. shall be deemed to have notice of the regulations.

(3) Every copy so filed, or a certified copy thereof, shall Copy filed to be evidence. be received in all courts as evidence of the regulations therein contained and of their having been duly made and approved as aforesaid.

(4) A copy of every regulation shall be laid before Parliament within fourteen days after publication in the Gazette, if Parliament be then in session, and, if not, then within fourteen days after the commencement of the next ensuing session.

Act No. 48, 1906.

Government Savings Bank.

SCHEDULES.

SCHEDULE ONE.

Repeal of Enactments.

Number of Act.	Title of Act.	Extent of repeal.
Act No. 1, 1899 ...	Advances to Settlers Act, 1899 ...	The whole.
Act No. 1, 1902 ...	Advances to Settlers (Amendment) Act, 1901 ...	The whole.
Act No. 72, 1902 ...	Government Savings Bank Act, 1902 ...	The whole.
Act No. 106, 1902 ...	Advances to Settlers (Amendment) Act, 1902 ...	The whole.
Act No. 20, 1903 ...	Government Savings Bank (Amendment) Act, 1903.	The whole.

SCHEDULE TWO.

NEW SOUTH WALES.

Number

GOVERNMENT SAVINGS BANK ACT, 1906.

£

Debenture.

WE, the Commissioners of the Government Savings Bank of New South Wales, hereby acknowledge that the holder of this debenture is entitled to be paid, on the day of , the sum of pounds, and that until such payment is made we will, at the Head Office of the Commissioners at Sydney, on every day of and day of , pay to the bearer of this debenture interest on the said sum at the rate of per centum per annum.

The said sum and interest are by the above-mentioned Act guaranteed by the Government of New South Wales.

Given under the common seal of the Commissioners of the Government Savings Bank of New South Wales, in the State of New South Wales, at Sydney, this day of 19 .
(L.S.)

Commissioners.

Registered at the Audit Office, Sydney, in the register of debentures of the Government Savings Bank of New South Wales, folio , this day of 19 .

Auditor-General.

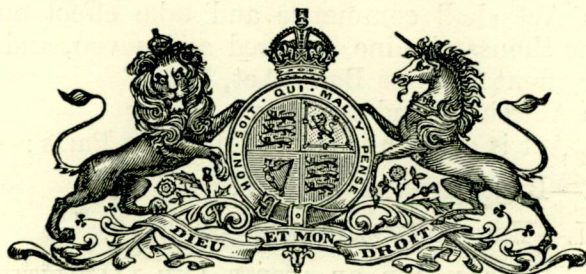
By Authority : WILLIAM APPLIGATE GULLICK, Government Printer, Sydney, 1906.
[1s. 3d.]

I Certify that this PUBLIC BILL, which originated in the LEGISLATIVE ASSEMBLY, has finally passed the LEGISLATIVE COUNCIL and the LEGISLATIVE ASSEMBLY of NEW SOUTH WALES.

*Legislative Assembly Chamber,
Sydney, 14 December, 1906.* }

RICHD. A. ARNOLD,
Clerk of the Legislative Assembly.

New South Wales.



ANNO SEXTO

EDWARDI VII REGIS.

Act No. 48, 1906.

An Act to constitute and regulate and provide for the management of the Government Savings Bank of New South Wales and its departments; to authorise the said bank to receive deposits, borrow moneys, and make loans and investments; to provide for a Government guarantee of any indebtedness of the said bank; to repeal the Acts dealing with the Government Savings Bank, and with advances to settlers; to provide for the transfer of certain assets, liabilities, and powers to the said bank; to amend the Acts dealing with Crown lands, the Closer Settlement Act, 1904, and certain other Acts; and for purposes consequent thereon or incidental thereto. [Assented to, 21st December, 1906.]

BE

I have examined this Bill, and find it to correspond in all respects with the Bill as finally passed by both Houses.

W. H. WOOD,
Chairman of Committees of the Legislative Assembly.

Government Savings Bank.

BE it 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:—

PART I.

PRELIMINARY.

Commencement and short title.

1. This Act shall commence and take effect on the first day of January, one thousand nine hundred and seven, and may be cited as the "Government Savings Bank Act, 1906."

Act to bind Crown.

2. This Act shall bind the Crown.

Division of Act.

3. This Act is divided into the following Parts:—

PART I.—PRELIMINARY—*ss.* 1-5.

PART II.—THE COMMISSIONERS—*ss.* 6-13.

PART III.—TRANSFER OF ASSETS AND LIABILITIES—*ss.* 14-21.

1. SAVINGS BANK DEPARTMENT—*ss.* 14-15.

2. ADVANCE DEPARTMENT—*ss.* 16-21.

PART IV.—ADMINISTRATION OF THE BANK—*ss.* 22-36.

PART V.—SAVINGS BANK DEPARTMENT—*ss.* 37-48.

1. DEPOSITS—*ss.* 37-44.

2. BORROWING—*ss.* 45, 46.

3. INVESTMENTS—*ss.* 47, 48.

PART VI.—ADVANCE DEPARTMENT—*ss.* 49-70.

1. ISSUE OF DEBENTURES—*ss.* 49-61.

2. LOANS—*ss.* 62-70.

PART VII.—SUPPLEMENTAL—*ss.* 71-85.

Repeal.

4. The Acts mentioned in Schedule One to this Act are to the extent therein expressed repealed:

Provided that subject to this Act the provisions of the Advances to Settlers Acts shall continue in force in respect of advances made thereunder before the commencement of this Act until all such advances with interest thereon are repaid or are written off in the books of the bank as bad debts.

Definitions.

5. In this Act, unless the context requires another meaning,—

"Advance Department" means Advance Department of the Bank.

"Advances to Settlers Acts" means the Advances to Settlers Act, 1899, the Advances to Settlers (Amendment) Act, 1901, and the Advances to Settlers (Amendment) Act, 1902.

"Advances to settlers board" means the board constituted by the Advances to Settlers Act, 1899.

"Certificated

Government Savings Bank.

- “Certificated conditional purchase” means conditional purchase as to which all conditions have been fulfilled except payment of the balance of purchase money.
- “Commissioners” means commissioners of the bank constituted by this Act.
- “Crown Lands Acts” means Acts dealing with the disposal and tenure of Crown lands, and includes the Closer Settlement Act, 1904.
- “Part” means part of this Act.
- “President” means president of the Bank.
- “Regulations” means regulations under this Act.
- “Savings Bank Department” means Savings Bank Department of the Bank.
- “The Bank” means the bank constituted by this Act, and includes a branch or agency of the bank.
- “The State” means the State of New South Wales.
- “Treasurer” means Colonial Treasurer.

PART II.
THE COMMISSIONERS.

6. Three commissioners shall be appointed in pursuance of this Act. One of such commissioners shall be so appointed president. Constitution and incorporation of commissioners.

The commissioners for the time being holding office are constituted a body corporate by the name of the “Commissioners of the Government Savings Bank of New South Wales,” having perpetual succession and a common seal. The seal of the commissioners shall be judicially noticed.

7. Each commissioner shall be appointed by the Governor by commission in His Majesty’s name, and shall, subject to this Act, hold his office during ability and good behaviour. He shall devote the whole of his time to the duties of his office, and shall not absent himself from such duties except for an annual leave of twenty-one days, unless by leave of the Governor. Appointment and term of office of commissioners.

8. If any commissioner—

- (a) becomes a director or a member of the managing body of any bank, building society, or other company carrying on business within the State;
- (b) becomes bankrupt or compounds with his creditors;
- (c) is convicted of any criminal offence; or
- (d) becomes a lunatic or of unsound mind,

his office shall thereupon be vacant. Disqualification of commissioners.

9.

Government Savings Bank.

Appointment of
deputies.

9. In the case of the illness, suspension, or absence of any commissioner, the Governor may appoint some person as deputy to act in the place of such commissioner during such illness, suspension, or absence.

If under this section one of the other commissioners is appointed deputy of the president, the Governor may appoint a deputy of such commissioner.

Any person while acting as a deputy shall have the powers and the duties of the commissioner in whose place he acts.

Removal from office.

10. A commissioner may be removed from his office for misbehaviour or inability to perform the duties of his office only in the following manner:—

- (a) He may be suspended from his office by the Governor for such alleged misbehaviour or inability; and thereupon
- (b) there shall, within seven days after such suspension, if Parliament is then sitting, or, if Parliament is not then sitting, within seven days after the next meeting of Parliament, be laid before each House of Parliament a full statement of the grounds of such suspension.
- (c) If, within twenty-four sitting days after such statement has been laid before them respectively, the Houses of Parliament pass resolutions that the commissioner ought to be removed from his office, the commissioner shall be so removed by the Governor; but if such resolutions are not so passed within the said twenty-four days, such suspension shall be removed.

Payment for services
of commissioners.

11. The president shall for his services be paid out of the funds of the bank at the rate of twelve hundred pounds annually, and each of the other commissioners at the rate of nine hundred pounds annually.

Quorum of
commissioners—
casting vote of
president.

12. Any two of the commissioners shall be a quorum for the exercise of the powers of the commissioners.

The president shall preside at a meeting of the commissioners, and if the votes at any such meeting are equal he shall have a second or casting vote. If at any meeting at which the president is not present the voting is equal, the matter shall be postponed to the next meeting of the commissioners.

Acts which may be
done by one
commissioner.

13. The Governor, on the recommendation of the commissioners, may, by proclamation, declare that all administrative acts of a specified class performed by one commissioner, and all documents and writings of a specified class authenticated or signed by one commissioner, shall be of the same effect as if performed, authenticated, or signed by all the commissioners, and may vary or revoke such declaration. Such declaration may state the commissioner who may perform the act or authenticate or sign the document or writing.

Any such declaration when notified in the Gazette shall have the force of law.

Government Savings Bank.

PART III.

TRANSFER OF ASSETS AND LIABILITIES.

DIVISION 1.—SAVINGS BANK DEPARTMENT.

14. On the commencement of this Act, all moneys in the Treasury at credit of the Government Savings Bank Trust Fund, and all moneys held or deposited in a bank under the Government Savings Bank Act, 1902, or advanced to the Federal Government for the purposes of the said Act, shall be held for the commissioners, and shall be paid to them within three years after the commencement of this Act in such amounts and at such times as may be agreed upon between the Treasurer and the commissioners. All securities in which such moneys have been invested, and interest thereon, and all books and documents and other property used for or in connection with the carrying out of the provisions of the said Act, shall pass to and become vested in the commissioners. Such moneys and securities shall be carried by the commissioners to the Savings Bank Department.

Property, &c., of
Government Savings
Bank to vest in
commissioners.

15. (1) The interest due at the commencement of this Act on any deposits made under the Government Savings Bank Act, 1902, or any Act amending the same, shall be added to and form part of the principal moneys.

Deposits in old
savings bank—how
dealt with.

(2) Each such deposit and such moneys shall be subject to the provisions of this Act and the regulations :

Provided that where under the said Acts any such deposit or any interest thereon is repayable to any person other than the depositor, such deposit or interest may be repaid to the said person.

(3) The person entitled to any such deposit shall be entitled to a Government Savings Bank book on giving up the deposit book issued to him under any of the Acts above referred to.

DIVISION 2.—ADVANCE DEPARTMENT.

16. On the commencement of this Act, all moneys and securities for money, and all books, documents, and other property held by or on behalf of the Advances to Settlers Board or by the Treasurer or any person on his behalf under the Advances to Settlers Acts, shall pass to and become vested in the commissioners, and such moneys, securities, and property shall be carried to the Advance Department.

Vesting of money
and securities in
commissioners.

17. (1) The commissioners shall collect and carry to the Advance Department all repayments of advances made under the Advances to Settlers Acts, and all interest on such advances.

Commissioners to
collect advances and
interest.

(2) The Government guarantees the bank against any loss or deficiency in collecting the principal and interest of the said advances

Under Government
guarantee.

Government Savings Bank.

advances. Any such loss or deficiency shall, on being certified by the commissioners, be made good to the Advance Department out of the Consolidated Revenue Fund annually at the close of each financial year of the bank.

Advance Department
to issue debentures
to amount of
advances now
outstanding.

18. (1) The Advance Department shall issue to the Savings Bank Department debentures to the amount of three hundred and five thousand pounds, being the amount of stock issued under the Advances to Settlers Acts, and held at the commencement of this Act by the Government Savings Bank, and an equivalent amount of Government stock, transferred by this Act to the Savings Bank Department, shall be cancelled.

(2) The bank shall be liable to the Treasury for the amount of one hundred and twenty thousand and fifty pounds, being the amount of stock issued and sold to the public under the Advances to Settlers Acts, and outstanding at the commencement of this Act, together with all interest payable thereon.

The interest on such stock shall be paid half-yearly by the Advance Department to the Treasurer.

On maturity of the stock, the sum required for redemption shall be paid by the Savings Bank Department to the Treasurer, and the Advance Department shall, at the same time, issue to the Savings Bank Department an equivalent amount in debentures.

Provisions applicable
to advances under
Advances to Settlers
Acts.

19. Subject to this Act, but notwithstanding the repeal of the Advances to Settlers Acts, the following provisions shall apply in respect of advances made under those Acts—

- (a) Such advances shall be repaid, and interest thereon shall be paid to the Advance Department at the times and in the amounts prescribed by the said Acts or by any regulation or instrument thereunder :

Provided that the commissioners may extend the term for the repayment of any such advance where, by any regulations under the said Acts in force at the commencement of this Act, such extension might have been granted.

- (b) The commissioners may take any proceeding which under the said Acts might have been taken by the Secretary for Lands for the recovery of such advances and interest, except forfeiture under paragraph (i) of subsection two of section nine of the Advances to Settlers Act, 1899, of land held under the Crown Lands Acts, not being freehold land.
- (c) In respect of the land last mentioned, the power of the Secretary for Lands to forfeit as aforesaid may, on the recommendation of the commissioners, be exercised. Any sums received by or on behalf of the Crown on account of improvements on such land shall (after deducting any moneys overdue at date of forfeiture for rent or instalments) to the extent of the amount

Government Savings Bank.

amount owing to the Advance Department for principal and interest and for expenses incurred in connection with the advance, be paid to the said department.

- (d) The land in respect of which the advance was made shall continue to be charged with the repayment of the advance with interest thereon in accordance with the Advances to Settlers Acts.
- (e) If any amount of principal or interest due in respect of any such advance is unpaid for a period of three months after the due date thereof the commissioners may, on the expiration of the said period, exercise any powers which, by sections ninety-one to one hundred and three of the Conveyancing and Law of Property Act, 1898, mortgagees may exercise in case of any default mentioned in section ninety-one aforesaid; and the provisions of those sections shall apply as if the principal money advanced were secured or charged by deed on the land in respect of which the advance was made, although such money may not in fact have been so secured or charged: Provided that the notice of sale under section ninety-three aforesaid shall be for three months instead of six months: Provided also that unless any amount of the principal or interest due in respect of a loan or mortgage is in arrear for two years or upwards, the consent of the Treasurer shall be necessary to the exercise of the powers conferred by this paragraph.

20. Applications for advances under the Advances to Settlers Acts pending at the commencement of this Act may be dealt with as applications under this Act for loans from the Advance Department. Applications already made.

Rights of action and securities.

21. Any right of action, accrued to or against, and any agreement, mortgage, debenture, bond, guarantee, covenant, or obligation made or entered into by or with— Rights of action and under contracts.

- (a) the Treasurer, or any person acting on his behalf under the Government Savings Bank Act, 1902, or any Act amending the same;
- (b) the Treasurer, the Secretary for Lands, or the Advances to Settlers Board acting under the Advances to Settlers Acts;
- may be prosecuted and enforced, by or against the commissioners in their name, as if the right of action had originally accrued to or against, or the agreement, mortgage, debenture, bond, guarantee, covenant, or obligation had been made or entered into by or with the commissioners.

Government Savings Bank.

PART IV.

ADMINISTRATION OF THE BANK.

Duties of commissioners.

The commissioners
to manage the bank.

22. The bank shall, under this Act, be administered, governed, and managed by the commissioners.

Departments of the bank.

Savings Bank
and Advance
Departments.

23. (1) The business of the bank shall be carried on in two distinct and separate departments, namely—

- (a) the Savings Bank Department;
- (b) the Advance Department.

(2) All transactions and accounts relating to each such department shall be kept separate from those relating to the other department.

(3) Subject to this Act, no money belonging to any such department shall be used for the purpose of the other department, and no liability incurred in respect of any such department shall affect the other department or the funds thereof.

Powers to hold land.

Commissioners may
hold land for certain
purposes.

24. The commissioners may, on behalf of the bank—

- (a) purchase or lease lands and buildings to be used in the business of the bank;
- (b) hold, until the same can be advantageously disposed of, any property, real or personal, taken by them as security for or in satisfaction, liquidation, or discharge of any debt owing to either department of the bank; and
- (c) sell, lease, convey, assign, and assure such lands, buildings, and property, or any property vested in them by this Act, or any estate or interest in the same, as occasion may require.

Reserve funds.

Reserve fund of
Savings Bank
Department.

25. The commissioners shall, out of the net profits of the Savings Bank Department earned during any year, set apart such sum, not being less than one-twentieth nor more than one-fifth of the whole amount of interest received by the said department during the said year as they think proper towards a reserve fund for equalising the rate of interest payable on deposits, and for meeting losses: Provided that the Governor, on the recommendation of the commissioners, may suspend the operations of the above provisions for any year. The order suspending such provisions shall be laid before Parliament without delay. Such

Government Savings Bank.

Such part of the sum of fifty-two thousand two hundred and thirty pounds five shillings and eight pence, transferred from the profit and loss account of the bank constituted by the Government Savings Bank Act, 1902, to the Consolidated Revenue Fund, as upon adjustment between the Treasurer and the president of credits and charges in respect of services rendered appears to fairly belong to the said profit and loss account, shall be carried to the reserve fund constituted by this section.

26. The commissioners shall set apart the whole of the net profits earned by the Advance Department during any year towards a reserve fund for meeting any loss or deficiency in connection with the transactions of the said department.

Reserve fund of
Advance
Department.

Branches and agencies.

27. The commissioners may establish branches and agencies of the bank for the receipt of deposits and the payment of deposits and interest thereon and for receiving applications for advances under this Act.

Branches and
agencies.

28. The commissioners may, subject to such terms and conditions as may be agreed upon between the Governor and the Governor-General, establish branches and agencies of the bank at post-offices.

Branches and
agencies at
post-offices.

Audit and accounts.

29. The accounts of the commissioners shall be audited when this Act comes in force and thereafter annually at the close of each financial year of the bank by auditors appointed by the Auditor-General, and shall be so audited at such other times as the Auditor-General may think fit.

Audit of accounts.

30. (1) The commissioners shall annually, within three months after the close of the bank's financial year, cause accounts and balance-sheets of the respective departments of the bank to be prepared, and shall under their hands certify to the best of their belief the correctness of the same, giving such details as the Governor may prescribe.

Preparation of
accounts and
balance-sheets.

(2) Such accounts and balance-sheets, on being certified as correct by the Auditor-General, shall be laid on the table of each House of Parliament, and published by the commissioners in the Gazette.

Publication in
Gazette.

Annual report of commissioners.

31. The commissioners shall, at the close of each financial year of the bank, make and sign and present to the Governor a full report of the operations of the respective departments of the bank during the said year, and of such other matters relating to the bank as they think fit. Such report shall be laid on the table of each House of Parliament without delay.

Annual report of
commissioners.

Officers.

Government Savings Bank.

Officers.

Appointment of
officers.

32. The Commissioners shall appoint such officers, servants, valuers, and agents of the bank as may be required. Every such officer, servant, or agent whose duties involve the receipt or custody of moneys or securities shall give such security for the due and faithful performance of his duties as to the Commissioners may seem proper.

With the approval of the Public Service Board, and on such terms as may be agreed upon, the services of any person in the service of the Crown may in part be made use of by the commissioners.

The commissioners shall fix the emoluments of officers, servants, valuers, and agents.

The Commissioners shall control the officers, servants, valuers, and agents of the bank, and shall, as far as possible, adopt the regulations of the Public Service Board in so far as they are applicable.

Payment of salaries
and expenses.

33. The salaries and emoluments of officers, servants, valuers, and agents of the bank, and all expenses incurred in the management of the bank, shall be paid by the commissioners out of the funds of the respective departments of the bank in such proportions as they may consider fair and reasonable.

Preference to persons
now employed.

34. (1) In the first appointment of the officers of the bank, the persons now employed in the bank constituted by the Government Savings Bank Act, 1902, or under the Advances to Settlers Board, shall, if considered to be fully efficient and qualified, be appointed in preference to other persons.

Rights of public
servants appointed
officers of bank and
whose services are
dispensed with
within two years.

(2) Any officer of the Public Service who is appointed an officer of the bank, and whose services are dispensed with by the commissioners within two years after such appointment, shall return to and be an officer of the Public Service, and his service under the commissioners shall count as service as an officer of the Public Service.

Rights of other
public servants.

(3) Any officer of the Public Service who is appointed an officer of the bank, and whose services are not so dispensed with, shall have the same rights under the Public Service Act, 1902, and any Acts amending the same, and the regulations thereunder, to deferred and extended leave and to contribute to the superannuation account, and to be paid a superannuation allowance as if he were an officer of the Public Service; and for those purposes his service as officer of the bank shall count as service in the Public Service.

Commissioners and officers not to borrow from bank.

Commissioners,
officers, servants, or
agents of banks not
to borrow from
bank.

35. No commissioner, and no officer, servant, or agent of the bank, shall, either directly or indirectly, borrow from either department of the bank, or receive, except in pursuance of this Act, any payment, gift, profit, or benefit from the funds of the bank:

Provided

Government Savings Bank.

Provided that nothing in this section shall prevent a commissioner or such officer, servant, or agent from becoming a depositor in the bank or from receiving any interest or other profit in respect of his deposit, or carrying out any arrangement or contract made prior to the commencement of this Act.

Any commissioner, or any such officer, servant, or agent, who knowingly contravenes the provisions of this section shall be guilty of a misdemeanour.

36. (1) If any officer, servant, or agent of the bank having in his possession or power any money or effects belonging thereto, or any deed or security relating to the same—

- (a) becomes bankrupt; or
- (b) makes an assignment for the benefit of his creditors; or
- (c) has any execution, attachment, or other process issued against his land, goods, chattels, or effects; or
- (d) dies,

the commissioners may apply to such officer, servant, or agent, or his assignee or trustee, or to the sheriff or other person executing such process, or to his executors or administrators, or to any other person having legal right as the case may be, and may demand that all such moneys, effects, deeds, or securities be paid over or delivered up to the commissioners or such person as they may appoint.

(2) The party so applied to and having the same shall on such demand deliver over to the commissioners, or to such person as aforesaid, all such moneys, effects, deeds, and securities, and shall pay out of the estate, assets, or effects of such officer, servant, or agent, all money due by him to the bank before any other of the debts of the said officer, servant, or agent are paid or satisfied, and before the money directed to be levied by such process as aforesaid is paid over to the party issuing the same. All assets, land, goods, chattels, estate, and effects of such officer, servant, or agent shall be bound to the payment and discharge thereof accordingly.

PART V.

SAVINGS BANK DEPARTMENT.

DIVISION 1.—DEPOSITS.

Receipt of deposits.

37. (1) Deposits may be received at the bank subject to the regulations.

(2) Deposits may be received from minors of the age of twelve years or upwards, and such deposits shall be subject to the provisions of this Act and the regulations relating to deposits.

(3)

Government Savings Bank.

Power to refuse or return deposit.

(3) The commissioners may direct that no deposit shall be received from any person whom they may deem it inexpedient to admit or continue as a depositor, and that any deposit made by such person shall be returned to him.

Each person may have only one account.

38. Except where otherwise in this Act expressly provided, no person shall have more than one account at the bank :

Provided that this section shall not prevent any person having, bona fide, in addition to his own account—

- (a) accounts in his own name in trust for other persons ;
- (b) joint accounts with different persons ;
- (c) accounts on behalf of different friendly, charitable, or other societies or institutions not carried on for purposes of trade or profit.

But the bank shall not be liable in respect of the performance of any trusts relating to a trust account ; and the receipt of the trustee shall be a sufficient discharge to the commissioners for any payment from any such account : Provided that the Commissioners may, if they deem it advisable, require the signature of both the trustee and the cestui que trust before any payment is made.

Interest on deposits.

Interest, how fixed.

39. (1) The commissioners shall from time to time fix the interest payable to depositors, and may, by regulations, fix differential rates of interest according to the amount of the deposit :

Provided that interest shall not be allowed on any amount above five hundred pounds to the credit of any one account, except the account of—

- (a) a friendly, charitable, or other society or institution (including a trades union or an industrial union of employers), not carried on for purposes of trade or profit ; or
- (b) the Advance Department.

But the commissioners may in their discretion limit the amount of the respective accounts of such societies or institutions or any of them :

Provided also that the maximum rate of interest under the regulations shall be paid on the deposit of any of the aforesaid societies and institutions up to five hundred pounds, and above that amount the rate shall be a matter of agreement with the commissioners.

Interest, how calculated.

(2) Such interest shall be calculated on every complete sum of one pound, but shall not commence to run until the first day of the month next following that in which the deposit is made, and shall, with respect to any money withdrawn, cease upon the first day of the month in which such withdrawal takes place.

(3)

Government Savings Bank.

(3) Such interest shall be calculated to the thirty-first day of December and the thirtieth day of June in every year, and shall then be added to and become part of the principal money on these respective dates.

Withdrawal of deposits.

40. No person shall have any claim on the bank in respect of a deposit which was not made during the office hours of the bank. Making an l
withdrawing
deposits.

On the withdrawal of any money from the bank, a receipt or order in such form as the commissioners may direct shall be signed by the depositor, and such receipt or order shall be a sufficient discharge to the commissioners for the amount therein expressed to be received. A receipt or order so signed by a minor or married woman shall be a sufficient discharge to the commissioners.

41. (1) Deposits and interest payable thereon may be withdrawn on application in the prescribed form by the depositor or the person legally entitled to claim on his behalf. Withdrawal of
deposits.

Where such application is made at the office of the bank, where the depositor's account is kept, the payment shall be on demand.

Where such application is made at any other office of the bank, the payment shall be made on the receipt by the paying officer of authority from the office in which the account is kept.

(2) The accounts of friendly societies in the bank may be drawn upon by cheque in such form and subject to such conditions as the commissioners may direct. Cheques for friendly
societies accounts.

42. (1) Where the whole amount at credit of a depositor, exclusive of interest, does not at the time of his decease exceed one hundred pounds, the commissioners, if they are of opinion that such depositor died intestate, but without requiring proof of the issue or production of letters of administration of his estate, may in their discretion pay the said amount, or any part thereof, and any interest due thereon, to or among any of the following persons:—

- (a) Any person who has paid the funeral expenses of the depositor.
- (b) Creditors of the depositor.
- (c) The widow or widower of the depositor.
- (d) The person entitled to the effects of the depositor according to the statutes of distribution.
- (e) In the case of foreign seamen, the consular authority of any country with which a treaty has been made relative to the payment of moneys due to such seamen.

(2) The receipt of any of the persons mentioned in this section shall be a good discharge to the commissioners for the sum paid, and shall be binding on any widow, widower, or next of kin. Receipts.

(3)

*Government Savings Bank.*Indemnity to
commissioners.

(3) If the commissioners under this section pay money to any person who is afterwards proved not to have been legally entitled thereto, the commissioners shall not be liable at suit of any person who was so entitled.

But this subsection shall not affect the remedy of the last-mentioned person against the person who has received the money.

Pass-books.

Pass-books.

43. (1) Every depositor's pass-book shall be deemed to be the property of the commissioners, and shall be delivered up as and when required by them.

Production of
pass-books.

(2) Each depositor shall once in each year produce, or cause to be produced, his pass-book at the office of the bank in which his account is kept, for the purposes of examination and verification on a day or days to be notified by the commissioners as hereinafter prescribed.

Such notice shall be published in the Gazette, and shall specify the times and places respectively at which the said pass-books shall be produced for the purposes aforesaid. A copy thereof shall be inserted in one or more newspapers circulating in the district where such office of the bank is open for the transaction of business, and posted in such places and in such manner as to the commissioners may seem expedient.

*Guarantee by Crown.*Deposits guaranteed
by Crown.

44. The repayment of all deposits in the bank, whether made before or after the commencement of this Act, and the payment of interest thereon, shall be payable out of the funds of the commissioners held under this Part, and is guaranteed by the Crown. Any liability arising from such guarantee shall be payable out of the Consolidated Revenue Fund.

DIVISION 2.—BORROWING.

Governor may
guarantee loan to
bank.

45. It shall be lawful for the commissioners to borrow, and for the Governor to guarantee the repayment of, any money which the commissioners may require in order to meet the demands of depositors desirous of withdrawing their deposits; and the Governor shall obtain from the commissioners such security for the protection of any such guarantee as may in his opinion be necessary or advisable.

Loans by
Government to bank.

46. The Governor may, upon like security, by warrant under his hand direct and authorise advances to be made to the commissioners for the purposes of the bank out of the Consolidated Revenue Fund; but the fact that such advance has been made, and the amount of such advance shall, as soon as possible, be reported to both Houses of Parliament.

DIVISION

Government Savings Bank.

DIVISION 3.—INVESTMENTS.

47. All moneys received by the Savings Bank Department ^{Investments.} after the constitution of the bank shall be invested and held, as nearly as may be, as follows:—

- (a) fifteen per centum of such moneys shall consist of cash and deposits in the Treasury and in banks of issue in the State available at call or at short notice, and interest thereon;
- (b) the balance of such moneys shall be invested in—
 - (i) premises used in the business of the commissioners, and in freehold lands held by the commissioners in pursuance of this Act;
 - (ii) upon mortgage of land in the State of an estate of inheritance in fee simple;
 - (iii) Government securities of New South Wales, or of any other State in the Commonwealth;
 - (iv) debentures issued by the Advance Department; and
 - (v) debentures lawfully issued by the municipal council of Sydney, or the council of any municipality in the State.

48. (1) No loan from the Savings Bank Department shall be made in respect of land subject to a prior mortgage or charge in favour of any person other than the commissioners, or unless the money lent is to be used to pay off such prior mortgage or charge.

<sup>Loans from Savings
Bank Department.</sup>

(2) The following provisions shall apply in respect of such loans—

- (a) No loan shall be of less amount than fifty pounds.
- (b) The amount of any loans to any one person shall not exceed twenty-five thousand pounds.
- (c) the amount of any loan shall not exceed three-fifths of the value of the interest of the borrower in the land and buildings, or other permanent improvements thereon.
- (d) Security in the form of a mortgage shall be taken for the loan, and such mortgage shall be registered without delay.
- (e) Dates shall be fixed for the repayment of the principal sum and for the payment of interest thereon.
- (f) The whole of the principal sum with interest thereon shall be made repayable within a period to be fixed by the commissioners.

Government Savings Bank.

PART VI.

ADVANCE DEPARTMENT.

DIVISION 1.—ISSUE OF DEBENTURES.

- Issue of debentures.** **49.** (1) The commissioners may from time to time issue out of the Advance Department debentures in the form of Schedule Two or to the like purport.
- Charge of liability ;
guarantee by
Government.** (2) The due payment of such debentures and the interest thereon shall be a charge on all moneys and securities held by the commissioners on behalf of the said department, and is hereby guaranteed by the Government. Any liability arising from such guarantee shall be payable out of the Consolidated Revenue Fund :
 Provided that such charge shall not prejudice or affect the powers of the commissioners to reconvey, release, or discharge any of such securities, or the properties comprised therein, or to sell or convey such properties, or to foreclose such securities or properties, or to deal with the same under this Act.
- Amount of issue.** **50.** The total amount of such debentures so issued and uncanceled shall not at any time exceed two million pounds, nor shall any such debentures be issued while the total amount then issued and uncanceled exceeds by fifty thousand pounds the amount of advances then unpaid.
- Series.** **51.** Such debentures may be issued in different series. Each series shall be numbered consecutively, beginning with the number one and proceeding arithmetically by units.
- Signature.** **52.** Such debentures shall be signed by the commissioners, and sealed with the commissioners' seal, but shall be issued only after the Auditor-General has certified that the issue is in accordance with law. The debentures shall be registered in the department of the Auditor-General.
 Every such debenture which has been signed and sealed in accordance with this section shall be good and valid as against the commissioners.
- Amount and currency
of debentures.** **53.** Every such debenture shall be for the sum of fifty-pounds or some multiple thereof, and shall have such currency and shall bear such interest, not exceeding four pounds per centum per annum, payable half-yearly from the Advance Department, as the commissioners may fix.
- Issue and redemption
of debentures.** **54.** Debentures shall be issued at a minimum price to be fixed by the commissioners, and redeemed out of moneys in the Advance Department at their face values, and may be issued to the Savings Bank Department, or sold in the State or elsewhere.
- Debentures
transferable by
delivery.** **55.** Every such debenture shall be transferable by delivery without assignment or endorsement, and shall entitle the bearer of the same to be paid according to the tenor thereof. **56.**

Government Savings Bank.

56. (1) Debentures may be purchased by the commissioners out of moneys in the Advance Department at or below their face value. Purchase of debentures.

(2) All debentures redeemed or purchased by the commissioners under this Act shall be cancelled. Cancellation.

57. If any debenture is defaced by accident, the commissioners may cancel the same, and cause a new debenture to be made in lieu thereof, and such cancelled debenture shall be filed in the bank. Such new debenture shall be to the like purport, and be in all respects subject to the same rules, methods, and continuance, and bear the same number, date, principal sum, and rate of interest as such cancelled debenture. Defaced debenture may be exchanged.

58. Upon proof being made on oath before a Judge of the Supreme Court by any credible person that any debenture issued under this Act and held by him, the number and sum whereof is specified by him in his evidence, has been lost or accidentally burnt or otherwise destroyed before the same has been paid off, and upon such Judge certifying that he is satisfied with such proof, the commissioners may cause a new debenture to be made bearing the same number, date, principal sum, and rate of interest as the debenture so lost or destroyed, and to be delivered to such person upon his giving sufficient security to the commissioners to indemnify them against any double payment if the missing document should thereafter be presented for payment. Provisions for debentures lost, &c.

59. All debentures issued under this Act shall have the status of "Government Securities" within the meaning of the Act number four of one thousand eight hundred and ninety-eight (the Trustee Act of 1898) and of any Act in force for the time being relating to friendly societies; and all corporations, companies, or co-partnerships, and all trustees, executors, and administrators, whether incorporated, established, or appointed before or after the passing of this Act not expressly forbidden to invest their funds in the purchase of Government stock or securities by their charter, Act of incorporation, deed of settlement, or of partnership, trust deed, settlement, testamentary or other instrument whatsoever respectively, are hereby authorised and empowered to invest such funds in the purchase of and to hold such debentures as aforesaid without incurring or committing any breach of trust or of any condition, restriction, or provision contained in any such Act, charter, or other instrument whatsoever as aforesaid. Power to trustees to invest.

60. Debentures issued under this Act shall be included in the exemptions in the Second Schedule to the Stamp Duties Act, 1898. Exemption from duty.

61. The proceeds of the issue of debentures shall be carried to the Advance Department and applied in pursuance of this Act. Application of proceeds.

DIVISION

Government Savings Bank.

DIVISION 2.—LOANS.

The lending of money
from Advance
Department.

62. The commissioners may lend moneys from the Advance Department—

- (a) upon mortgage of an estate of inheritance in fee simple in any land in the State ;
- (b) upon mortgage of—
 - (i) conditional purchases with or without associated conditional leases ;
 - (ii) homestead grants ;
 - (iii) homestead selections ;
 - (iv) settlement leases ;
 - (v) settlement purchases ;
 - (vi) conditional purchase leases ;
- (c) on deposit at call or short notice in the Treasury or any bank of issue in the State or on deposit in the Savings Bank Department.

Purposes for which
loans may be made.

63. (1) No such loan upon mortgage shall be made except for all or any of the following purposes, which shall be set out in the mortgage—

- (a) to pay off existing encumbrances on or to purchase the land ;
- (b) to pay off money owing to the Crown in respect of the land ;
- (c) to make improvements on the land, or to improve and develop, or to utilise the agricultural or pastoral resources of the land, or to enable the borrower to carry on agricultural or pastoral pursuits on the land ;
- (d) to build homes upon the land.

(2) If any person applies any portion of a loan so made to any other than the purpose for which it was granted, the commissioners may cause his estate and interest in the land to be sold, and the provisions of sections ninety-two, ninety-four, ninety-five, and ninety-six of the Conveyancing and Law of Property Act, 1898, relating to a sale under section ninety-one of the said Act shall apply to a sale under this section of this Act.

(3) No such loan shall be made upon the security of lands of an estate of inheritance in fee simple within the boundaries of any city, town, or village, whether so declared by proclamation of the Governor or not so declared.

(4) No such loan will be made on the security of land held under the Crown Lands Acts (except certificated conditional purchases) without the consent of the Secretary for Lands or some officer appointed by him in that behalf.

Government Savings Bank.

64. To facilitate close settlement on private estates suitable for the purpose, the commissioners may make advances to assist persons in purchasing lands, and in connection with such advances the following provisions shall apply :—

- (a) The title to the land must be either certificated conditional purchase or freehold under the Real Property Act, 1900.
- (b) The amount of any such advance shall not exceed eighty per centum of the commissioners' valuation of the security.
- (c) A valuation of a farm for the purpose of an advance may be made upon application, on the prescribed form, and upon payment of the prescribed fee.
- (d) A certificate may be issued to either the vendor or the purchaser by the commissioners, setting out the amount they are prepared to advance upon a sound title in any such farm ; such certificate shall have force for the time, and be subject to the conditions therein named.
- (e) Conditions and covenants may be inscribed in the mortgage deeds to secure close settlement and the making of such improvements as may be considered necessary.
- (f) In all other respects loans under this section shall be subject to the same provisions as other loans from the Advance Department.

65. All applications for loans under five hundred pounds shall have priority over those of a larger amount.

66. (1) Any borrower from the Advance Department, or under the Advances to Settlers Acts, who is not in arrear with the payment of any instalment of principal or any interest due in respect of his loan may on any day fixed for the payment of any such instalment, or interest, repay to the commissioners the whole of his debt or any portion thereof being five pounds or a multiple of five pounds.

(2) Where the loan is repayable by instalments and portion only of the loan is so repaid, the commissioners shall allow the amount so repaid to accumulate at interest at a rate to be fixed by the commissioners.

Such repayment shall not affect the obligation of the borrower to pay the instalments provided in the mortgage ; but when the sum deposited as aforesaid with the interest thereon amounts to the balance then unpaid on the loan, the commissioners shall apply such sum in repayment of the loan and release the borrower and the land from the mortgage.

(3) In the case of a loan not repayable by instalments, the amount of such repayment shall be deducted from the amount of the loan, and thenceforward interest will only be payable on the reduced amount.

Government Savings Bank.

Cost and expenses
which may be
charged in respect of
advances.

67. The costs and expenses which the commissioners may charge in respect of the making of loans from the Advance Department shall not exceed—

- (a) fees for stamps, registration, searches, and other expenses out of pocket ;
- (b) the prescribed fees for valuation ;
- (c) for other expenses, not more than two per centum on the amount of the advance up to one hundred pounds, and thereafter one-half per centum on the amount above one hundred pounds and up to five hundred pounds, and one-fourth per centum on the amount above five hundred pounds.

Directions to be
observed by
commissioners.

68. The following provisions shall apply in respect of loans made by the Advance Department :—

- (a) No loan shall be of less amount than fifty pounds.
- (b) No loan shall be made in respect of land subject to a prior mortgage or charge, except a mortgage or charge in favour of the commissioners, or unless the money to be lent is to be used to pay off such prior mortgage or charge.
- (c) A loan on the security of land not being a freehold or a certificated conditional purchase shall be made repayable within such period not exceeding thirty-one years as the commissioners think fit by half-yearly instalments with interest added commencing within nine months from the making of the loan. Each such repayment to be made on the last day of March and the last day of September in each year, and to consist partly of principal moneys and partly of interest.
- (d) A loan may be granted on the security of a freehold or a certificated conditional purchase repayable—
 - (i) by instalments as in the next preceding paragraph provided ;
 - or
 - (ii) at the expiration of a fixed term not exceeding five years, during which interest only shall be payable ; or
 - (iii) by half-yearly instalments with interest added extending over such period not exceeding thirty-one years from the date of expiration of the fixed term as may be specified in the mortgage.
- (e) The amount of any loans to any one person shall not exceed two thousand pounds.
- (f) The amount of any loan (except in the case of a loan under section sixty-four) shall not exceed two-thirds of the value of the interest of the borrower in the land and buildings, or other permanent improvements thereon, the subject of the mortgage security ; but when the land is held as a conditional

Government Savings Bank.

conditional lease, homestead grant, settlement lease, homestead selection, settlement purchase, or conditional purchase lease, or a conditional purchase as to which the first five year's certificate has not issued, such amount shall not exceed one-half of the holder's interest in the value of the improvements on the land.

- (g) Security in the form of a mortgage shall be taken for the loan, and such mortgage shall be registered without delay.
- (h) Dates shall be fixed for the repayment of the principal sum and for the payment of interest thereon.
- (i) If any interest or instalment is in arrear for more than twenty-one days, the commissioners shall charge the borrower interest on such interest or instalment at a rate one per centum higher than the rate named in the mortgage.

69. The following provisions shall apply to the land in respect of which any loan is made by the Advance Department:— Provisions applicable to land mortgaged.

- (a) Where such land is held under the Crown Lands Acts, and has become forfeited for non-compliance with conditions under those Acts, it shall thereupon vest in the commissioners, and may be sold by them to any person, who shall hold the same subject to any conditions prescribed by the Crown Lands Acts binding upon the former holder, but free from any liability for any breach before such sale of any such conditions, and the purchaser shall have six months from the time of sale for complying with any unfulfilled improvement conditions in relation to the land. The proceeds of such sale shall, after payment of any outstanding moneys due under the Crown Lands Acts, be applied in liquidation of the claims of the commissioners, any balance remaining thereafter being paid into the Treasury to the credit of the Lands Department. In the event of the commissioners failing to find a purchaser within twelve months, the land may be disposed of as Crown lands under the Crown Lands Acts.
- (b) Where any such land is so forfeited, any money received by or on behalf of the Crown on account of the improvements on such land shall, to the extent of the amount owing to the commissioners for principal and interest and for expenses incurred in connection with the loan, be paid to the commissioners, after deducting therefrom any moneys due at the date of forfeiture for rent or instalments under the Crown Lands Acts.
- (c) Nothing in the Crown Lands Acts shall invalidate or affect any mortgage given under this Act to secure any loan or interest thereon or the pursuit of any remedy for the recovery of such

Government Savings Bank.

such loan or interest; and such mortgage may be given and any sale or foreclosure may be effected thereunder, notwithstanding that the land the subject of the mortgage could not by the terms of the said Acts be transferred, assigned, or otherwise dealt with.

Conditions annexed
to land whilst
subject to advances.

70. The following conditions shall apply in respect of land subject to any mortgage under this Part:—

- (a) Such land shall not, nor shall any part thereof, be transferred, assigned, let, or sublet without the previous consent in writing of the commissioners.
- (b) Any transfer, assignment, letting, or subletting of such land, or any part thereof, in contravention of this section, shall be void, and the commissioners may cause the estate and interest of the owner or lessee in such land to be sold.
- (c) Where the owner or lessee of any such land becomes bankrupt, the commissioners may cause his estate and interest therein to be sold.

PART VII.

SUPPLEMENTAL.

Advances.

Application for
foreclosure.

71. If any amount of principal or interest due in respect of any loan made under the Advances to Settlers Acts, or by the commissioners in pursuance of this Act, on the security by mortgage of land not held under the provisions of the Real Property Act, 1900, is unpaid for a period of three months after the due date thereof, the commissioners may, at their option, in lieu of taking proceedings in any court, make application to the Registrar-General in writing for an order for foreclosure.

Such application shall state that such default has been made as aforesaid, and that the land, estate, or interest mortgaged has been offered for sale by public auction by a licensed auctioneer, and that the amount of the highest bid at such sale was not sufficient to satisfy the moneys so due, together with the expenses occasioned by such sale, and that notice in writing of the intention of the commissioners to make such application has been given to the mortgagor or other person entitled to the equity of redemption, by leaving the same at his usual or last known place of abode, if such place be within three miles of the head office of the bank, or by forwarding the same by registered letter through the post office if such place be beyond that distance.

Such

Government Savings Bank.

Such application shall be accompanied by a certificate of the auctioneer by whom such land was put up for sale and such other proof of the matters stated therein as the Registrar-General may require. The statements made in such application shall be verified by the statutory declaration of one of the commissioners.

The Registrar-General may, at the expense of the commissioners, cause notice to be published, once in the Gazette and once in each of three succeeding weeks in at least one newspaper circulating in the district in which the mortgaged land is situated, offering such land for sale, and shall limit and appoint a time not less than one month from the date of the publication in the Gazette, upon or after which the Registrar-General may issue to the Commissioners an order for foreclosure unless in the interval a sufficient amount has been realised by the sale of the land to satisfy the principal and interest moneys due and all expenses occasioned by such sale and proceedings.

Every such order for foreclosure under the hand of the Registrar-General shall, upon registration under the Registration of Deeds Act, 1897, have the effect of barring all right and equity of redemption in the said land on the part of the mortgagor or of any person claiming through or under him.

72. Where land is sold by the commissioners for non-payment of principal or interest of money lent or for breach of any covenant in the instrument of mortgage securing the same, the land shall be freed from any charge in respect of the loan. But where such land was at the time of sale subject to conditions prescribed by the Crown Lands Acts, it shall be held by the purchaser and those claiming under him subject to the performance by them of those conditions. But he shall be free from any liability for any breach before such sale of any condition under those Acts, and shall have six months from the time of sale for complying with any unfulfilled improvement conditions in relation to the land.

Conditions attached to land sold on default of mortgagor.

73. The commissioners by regulations may prescribe the form of mortgage-deeds under this Act, and short forms of provisions to be inserted in such deeds, and may state the legal effect of such short forms when so inserted, which thereupon shall have the force of law: Provided that where the land, the subject of the mortgage, is under the Real Property Act, 1900, such forms shall not be inconsistent with the forms prescribed by or under the said Act.

Forms of mortgage-deeds.

74. Where an advance under the Advances to Settlers Acts or this Act has been made upon the security of lands held under the Crown Lands Acts, it shall be the duty of the person liable to repay such advance to fulfil all residence and other conditions under those Acts and to punctually pay all rents, instalments, or other moneys due to the Crown in connection therewith; and if he fails to fulfil such conditions or to make such payments, or to fulfil any other conditions

Power to call in loan.

or

Government Savings Bank.

or covenants under the mortgage deed, the commissioners may require payment forthwith of such of the principal moneys advanced as have not been repaid, and all interest and charges thereon, and thereupon the same shall be so payable.

Recovery of arrears.

75. If any amount of principal or interest due in respect of any loan on mortgage made by the commissioners is in arrear for two years or upwards, it shall be the duty of the commissioners to exercise the powers conferred on them for the recovery of such amount.

Settlement of disputes.

Settlement of disputes.

76. If any dispute arises between the Commissioners and any depositor, or any executor, administrator, next of kin, creditor, or assignee of a depositor who may become bankrupt, or any persons claiming to be such executor, administrator, next of kin, creditor, or assignee, or to be entitled to any money deposited in the bank, the matter in dispute shall be referred in writing to the Attorney-General; and whatever award, order, or determination is made by the Attorney-General shall be final.

Bank represented in legal proceedings.

Commissioners entitled to be heard before land board or any court.

77. The commissioners, by their counsel, attorney, or agent, shall be entitled to be heard before any land board or before any court in any case relating to land in respect of which an advance or loan has been made under the Advances to Settlers Acts or this Act.

Penalties.

Penalty if officer takes fee or reward.

78. Any person employed in the business of the bank who directly or indirectly takes any fee or reward from any applicant for a loan under this Act, shall be dismissed from his office and be liable to imprisonment for any term not exceeding two years, with or without hard labour.

Penalty for acting when interested.

79. Any person who—
 (a) having any pecuniary interest in any land tendered as security for a loan under this Act; or
 (b) being a partner of the applicant for a loan,
 acts as valuer or adviser to the commissioners in connection with such land or loan, shall be liable to a penalty of not less than fifty pounds nor more than two hundred pounds, and shall also be dismissed from his office.

Penalty for bribing officer.

80. Any person who, in respect of any loan or application for any loan, bribes, or attempts to bribe or corruptly influence any person appointed or acting under this Act, is liable to imprisonment for a term not exceeding two years, with or without hard labour.

Recovery of penalties.

81. Any penalties imposed by or under this Act may be recovered before a stipendiary or police magistrate or any two justices in petty sessions.

82.

Government Savings Bank.

82. If any person forges or alters, or offers, utters, disposes of, Forgery. or puts off, knowing the same to be forged or altered, any deed, rule, order, bond, or writing obligatory, or any acquittance, receipt, release, account, or statement, or any note, bill, or other security for payment of money, or letter, or power of attorney, or other instrument in writing, or makes any false entry, or knowingly makes up any untrue account, which concerns or relates to the affairs or business of the savings bank with intent to defraud, every such offender shall be guilty of forgery, and punished accordingly.

Regulations.

83. The commissioners may make regulations for carrying out Regulations. the provisions of this Act, and particularly—

- (a) for the management of the bank and the regulation of its business ;
- (b) regulating proceedings at meetings of the commissioners, and the quorum necessary for the transaction of business ;
- (c) for the control of the officers, valuers, servants, and agents of the bank ;
- (d) for fixing the emoluments of valuers and agents ;
- (e) for regulating the receipt and repayment of deposits and the payments of interest thereon ;
- (f) regulating applications for and the making of loans by the bank ;
- (g) prescribing the fees payable in respect of such applications and loans ;
- (h) for the keeping of the accounts of the bank.

84. Every such regulation, when approved by the Governor Approval of regulations. and published in the Gazette, shall have the force of law.

85. (1) A copy of every such regulation shall be deposited with Filing of regulations. the Prothonotary of the Supreme Court, who shall, without fee, file the same of record in the Court.

(2) All depositors and borrowers and their representatives Depositors, &c., deemed to have notice of regulations. shall be deemed to have notice of the regulations.

(3) Every copy so filed, or a certified copy thereof, shall Copy filed to be evidence. be received in all courts as evidence of the regulations therein contained and of their having been duly made and approved as aforesaid.

(4) A copy of every regulation shall be laid before Parliament within fourteen days after publication in the Gazette, if Parliament be then in session, and, if not, then within fourteen days after the commencement of the next ensuing session.

Act No. 48, 1906.

Government Savings Bank.

SCHEDULES.

SCHEDULE ONE.

Repeal of Enactments.

Number of Act.	Title of Act.	Extent of repeal.
Act No. 1, 1899 ...	Advances to Settlers Act, 1899 ...	The whole.
Act No. 1, 1902 ...	Advances to Settlers (Amendment) Act, 1901 ...	The whole.
Act No. 72, 1902 ...	Government Savings Bank Act, 1902 ...	The whole.
Act No. 106, 1902 ...	Advances to Settlers (Amendment) Act, 1902 ...	The whole.
Act No. 20, 1903 ...	Government Savings Bank (Amendment) Act, 1903.	The whole.

SCHEDULE TWO.

NEW SOUTH WALES.

Number

GOVERNMENT SAVINGS BANK ACT, 1906.

£

Debenture.

WE, the Commissioners of the Government Savings Bank of New South Wales, hereby acknowledge that the holder of this debenture is entitled to be paid, on the day of , the sum of pounds, and that until such payment is made we will, at the Head Office of the Commissioners at Sydney, on every day of and day of , pay to the bearer of this debenture interest on the said sum at the rate of per centum per annum.

The said sum and interest are by the above-mentioned Act guaranteed by the Government of New South Wales

Given under the common seal of the Commissioners of the Government Savings Bank of New South Wales, in the State of New South Wales, at Sydney, this day of 19 .

(L.S.)

Commissioners.

Registered at the Audit Office, Sydney, in the register of debentures of the Government Savings Bank of New South Wales, folio , this day of 19 .

Auditor-General.

In the name and on the behalf of His Majesty I assent to this Act.

HARRY H. RAWSON,

State Government House,

Governor.

Sydney, 21st December, 1906.

This PUBLIC BILL originated in the LEGISLATIVE ASSEMBLY, and, having this day passed, is now ready for presentation to the LEGISLATIVE COUNCIL for its concurrence.

*Legislative Assembly Chamber,
Sydney, 23 November, 1906.* }

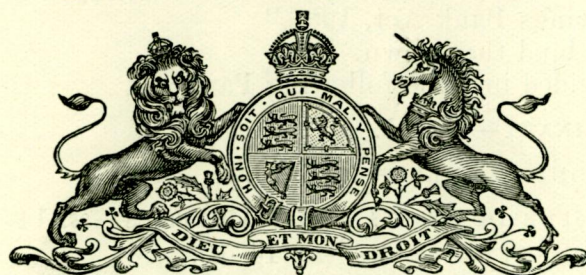
RICHD. A. ARNOLD,
Clerk of the Legislative Assembly.

The LEGISLATIVE COUNCIL has this day agreed to this Bill with Amendments.

*Legislative Council Chamber,
Sydney, December, 1906.* }

Clerk of the Parliaments.

New South Wales.



ANNO SEXTO

EDWARDI VII REGIS.

Act No. , 1906.

An Act to constitute and regulate and provide for the management of the Government Savings Bank of New South Wales and its departments; to authorise the said bank to receive deposits, borrow moneys, and make loans and investments; to provide for a Government guarantee of any indebtedness of the said bank; to repeal the Acts dealing with the Government Savings Bank, and with advances to settlers; to provide subject to a poll of depositors, for the amalgamation of the Savings Bank of New South Wales with the bank constituted by this Act, and for the repeal of the Acts relating to such bank; for the transfer of certain assets, liabilities, and powers to the said bank; to amend the Acts dealing with Crown lands, the Closer Settlement Act, 1904, and certain other Acts; and for purposes consequent thereon or incidental thereto.

77732

40—A.

BE

NOTE.—The words to be omitted are ruled through; those to be inserted are printed in black letter.

Government Savings Bank.

BE it 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:—

5

PART I.

PRELIMINARY.

1. This Act shall commence and take effect on the first day of January, one thousand nine hundred and seven, and may be cited as the "Government Savings Bank Act, 1906." Commencement and short title.

10

2. This Act shall bind the Crown.

Act to bind Crown.

3. This Act is divided into the following Parts:—

Division of Act.

PART I.—PRELIMINARY—*ss.* 1–5.

PART II.—THE COMMISSIONERS—*ss.* 6–13.

PART III.—TRANSFER OF ASSETS AND LIABILITIES—*ss.* 14–22.

15

1. SAVINGS BANK DEPARTMENT—*ss.* 14–16.

2. ADVANCE DEPARTMENT—*ss.* 17–22.

PART IV.—ADMINISTRATION OF THE BANK—*ss.* 23–37.

PART V.—SAVINGS BANK DEPARTMENT—*ss.* 38–49.

20

1. DEPOSITS—*ss.* 38–45.

2. BORROWING—*ss.* 46, 47.

3. INVESTMENTS—*ss.* 48, 49.

PART VI.—ADVANCE DEPARTMENT—*ss.* 50–71.

1. ISSUE OF DEBENTURES—*ss.* 50–62.

2. LOANS—*ss.* 63–71.

25

PART VII.—SUPPLEMENTAL—*ss.* 72–86.

4. The Acts mentioned in Schedule One to this Act are to the extent therein expressed repealed:

Provided that subject to this Act the provisions of the Advances to Settlers Acts shall continue in force in respect of advances made thereunder before the commencement of this Act until all such advances with interest thereon are repaid or are written off in the books of the bank as bad debts.

30

5. In this Act, unless the context requires another meaning,— Definitions.

"Advance Department" means Advance Department of the Bank.

35

"Advances to Settlers Acts" means the Advances to Settlers Act, 1899, the Advances to Settlers (Amendment) Act, 1901, and the Advances to Settlers (Amendment) Act, 1902.

"Advances to settlers board" means the board constituted by the Advances to Settlers Act, 1899.

"Certificated

Government Savings Bank.

- “Certificated conditional purchase” means conditional purchase as to which all conditions have been fulfilled except payment of the balance of purchase money.
- 5 “Commissioners” means commissioners of the bank constituted by this Act.
- “Crown Lands Acts” means Acts dealing with the disposal and tenure of Crown lands, and includes the Closer Settlement Act, 1904.
- “Part” means part of this Act.
- 10 “President” means president of the Bank.
- “Regulations” means regulations under this Act.
- “Savings Bank Department” means Savings Bank Department of the Bank.
- 15 “Savings Bank of New South Wales” means the bank constituted by the Savings Bank of New South Wales Act, 1902.
- “The Bank” means the bank constituted by this Act, and includes a branch or agency of the bank.
- “The State” means the State of New South Wales.
- “Treasurer” means Colonial Treasurer.

20

PART II.

THE COMMISSIONERS.

6. Three commissioners shall be appointed in pursuance of this Act. One of such commissioners shall be so appointed president. Constitution and incorporation of commissioners.
- 25 The commissioners for the time being holding office are constituted a body corporate by the name of the “Commissioners of the Government Savings Bank of New South Wales,” having perpetual succession and a common seal. The seal of the commissioners shall be judicially noticed.
- 30 7. Each commissioner shall be appointed by the Governor by commission in His Majesty’s name, and shall, subject to this Act, hold his office during ability and good behaviour. He shall devote the whole of his time to the duties of his office, and shall not absent himself from such duties except for an annual leave of twenty-one days, unless by leave of the Governor. Appointment and term of office of commissioners.
- 35 8. If any commissioner— Disqualification of commissioners.
- (a) becomes a director or a member of the managing body of any bank, building society, or other company carrying on banking or money lending business within the State;
- (b) becomes bankrupt or compounds with his creditors;
- 40 (c) is convicted of any criminal offence; or
- (d) becomes a lunatic or of unsound mind,
- his office shall thereupon be vacant.

9.

Government Savings Bank.

9. In the case of the illness, suspension, or absence of any commissioner, the Governor may appoint some person as deputy to act in the place of such commissioner during such illness, suspension, or absence.

Appointment of
deputies.

5 If under this section one of the other commissioners is appointed deputy of the president, the Governor may appoint a deputy of such commissioner.

Any person while acting as a deputy shall have the powers and the duties of the commissioner in whose place he acts.

10 10. A commissioner may be removed from his office for misbehaviour or inability to perform the duties of his office only in the following manner:—

Removal from office.

(a) He may be suspended from his office by the Governor for such alleged misbehaviour or inability; and thereupon

15 (b) there shall, within seven days after such suspension, if Parliament is then sitting, or, if Parliament is not then sitting, within seven days after the next meeting of Parliament, be laid before each House of Parliament a full statement of the grounds of such suspension.

20 (c) If, within twenty-four sitting days after such statement has been laid before them respectively, the Houses of Parliament pass resolutions that the commissioner ought to be removed from his office, the commissioner shall be so removed by the Governor; but if such resolutions are not so passed within

25 the said twenty-four days, such suspension shall be removed.

11. The president shall for his services be paid out of the funds of the bank at the rate of twelve hundred pounds annually, and each of the other commissioners at the rate of nine hundred pounds annually.

Payment for services
of commissioners.

30 12. Any two of the commissioners shall be a quorum for the exercise of the powers of the commissioners.

Quorum of
commissioners—
casting vote of
president.

The president shall preside at a meeting of the commissioners, and if the votes at any such meeting are equal he shall have a second or casting vote. If at any meeting at which the president is not present the voting is equal, the matter shall be postponed to the next

35 meeting of the commissioners.

13. The Governor, on the recommendation of the commissioners, may, by ~~order~~, proclamation, declare that all administrative acts of a specified class performed by one commissioner, and all documents and writings of a specified class authenticated or signed by one

Acts which may be
done by one
commissioner.

40 commissioner, shall be of the same effect as if performed, authenticated, or signed by all the commissioners, and may vary or revoke such declaration. Such declaration may state the commissioner who may perform the act or authenticate or sign the document or writing.

Any such declaration when notified in the Gazette shall have

45 the force of law.

Government Savings Bank.

PART III.

TRANSFER OF ASSETS AND LIABILITIES.

DIVISION 1.—SAVINGS BANK DEPARTMENT.

14. On the commencement of this Act, all moneys in the Treasury at credit of the Government Savings Bank Trust Fund, and all moneys held or deposited in a bank under the Government Savings Bank Act, 1902, or advanced to the Federal Government for the purposes of the said Act, shall be held for the commissioners, and shall be paid to them within three years after the commencement of this Act in such amounts and at such times as may be agreed upon between the Treasurer and the commissioners. All securities in which such moneys have been invested, and interest thereon, and all books and documents and other property used for or in connection with the carrying out of the provisions of the said Act, shall pass to and become vested in the commissioners. Such moneys and securities shall be carried by the commissioners to the Savings Bank Department.

Property, &c., of
Government Savings
Bank to vest in
commissioners.

15. (1) The interest due at the commencement of this Act on any deposits made under the Government Savings Bank Act, 1902, or any Act amending the same, shall be added to and form part of the principal moneys.

Deposits in old
savings bank—how
dealt with.

(2) Each such deposit and such moneys shall be subject to the provisions of this Act and the regulations :

Provided that where under the said Acts any such deposit or any interest thereon is repayable to any person other than the depositor, such deposit or interest may be repaid to the said person.

(3) The person entitled to any such deposit shall be entitled to a Government Savings Bank book on giving up the deposit book issued to him under any of the Acts above referred to.

16. Within twelve months after the commencement of this Act the question whether the Savings Bank of New South Wales is to be amalgamated with the bank constituted by this Act shall be submitted to a poll of the depositors of the first-mentioned bank. At such poll each such depositor shall have one vote. The time and method of taking such poll and the certifying the result of the poll shall be as prescribed by regulations which the Governor is authorised to make for that purpose.

Provision for
amalgamation of
Savings Bank of
New South Wales.

If a majority of the depositors voting at such poll is in favour of such amalgamation, the following provisions shall apply on and from a date to be determined by the Governor and notified in the Gazette :—

(a) The body corporate of the trustees of the Savings Bank of New South Wales shall be dissolved.

(b) All property, real and personal, including books, documents, moneys, and securities for money, held by or on behalf of

the

Government Savings Bank.

- the Savings Bank of New South Wales, or the trustees of the said bank, and all moneys lent, deposited, or otherwise invested by the said bank or trustees shall pass to and become vested in the commissioners, and such property, moneys, and securities shall be carried by them to the Savings Bank Department.
- 5 (c) Any right of action accrued to or against, and any agreement, mortgage, debenture, bond, guarantee, covenant, or obligation, made or entered into by or with the Savings Bank of New South Wales or the trustees of the said bank, or any person on behalf of the said bank or trustees, may be prosecuted and enforced by or against the commissioners in their name as if the right of action had originally accrued to or against, or the agreement, mortgage, debenture, bond, guarantee, covenant, or obligation had been made or entered into by or with the commissioners.
- 10 (d) The officers of the Savings Bank of New South Wales shall, if considered to be fully efficient and qualified, be appointed to the service of the bank as positions are available.
- 15 (e) The Savings Bank of New South Wales Act, 1902, and the Savings Bank of New South Wales (Amendment) Act, 1902, shall stand repealed.
- 20

DIVISION 2.—ADVANCE DEPARTMENT.

17. 16. On the commencement of this Act, all moneys and securities for money, and all books, documents, and other property held by or on behalf of the Advances to Settlers Board or by the Treasurer or any person on his behalf under the Advances to Settlers Acts, shall pass to and become vested in the commissioners, and such moneys, securities, and property shall be carried to the Advance Department.
- 25 Vesting of money and securities in commissioners.
18. 17. (1) The commissioners shall collect and carry to the Advance Department all repayments of advances made under the Advances to Settlers Acts, and all interest on such advances. Commissioners to collect advances and interest.
- (2) The Government guarantees the bank against any loss or deficiency in collecting the principal and interest of the said advances. Any such loss or deficiency shall, on being certified by the commissioners, be made good to the Advance Department out of the Consolidated Revenue Fund annually at the close of each financial year of the bank. Under Government guarantee.
- 35
19. The Advance Department shall issue to the Savings Bank Department debentures to the amount of the balances of the advances made under the Advances to Settlers Acts outstanding at the commencement of this Act, together with the amount of the balance at credit of the Advances to Settlers Board's special loan account. Advance Department to issue debentures to amount of advances now outstanding.
- 40

Government Savings Bank.

account in the Treasury; and an equivalent amount of three per centum Government Stock transferred by this Act to the Savings Bank Department shall be cancelled.

18. (1) The Advance Department shall issue to the Savings Bank Department debentures to the amount of three hundred and five thousand pounds, being the amount of stock issued under the Advances to Settlers Acts, and held at the commencement of this Act by the Government Savings Bank, and an equivalent amount of Government stock, transferred by this Act to the Savings Bank Department, shall be cancelled.

Advance Department to issue debentures to amount of advances now outstanding.

(2) The bank shall be liable to the Treasury for the amount of one hundred and twenty thousand and fifty pounds, being the amount of stock issued and sold to the public under the Advances to Settlers Acts, and outstanding at the commencement of this Act, together with all interest payable thereon.

The interest on such stock shall be paid half-yearly by the Advance Department to the Treasurer.

On maturity of the stock, the sum required for redemption shall be paid by the Savings Bank Department to the Treasurer, and the Advance Department shall, at the same time, issue to the Savings Bank Department an equivalent amount in debentures.

19. Subject to this Act, but notwithstanding the repeal of the Advances to Settlers Acts, the following provisions shall apply in respect of advances made under those Acts—

Provisions applicable to advances under Advances to Settlers Acts.

(a) Such advances shall be repaid, and interest thereon shall be paid to the Advance Department at the times and in the amounts prescribed by the said Acts or by any regulation or instrument thereunder:

Provided that the commissioners may extend the term for the repayment of any such advance where, by any regulations under the said Acts in force at the commencement of this Act, such extension might have been granted.

(b) The commissioners may take any proceeding which under the said Acts might have been taken by the Secretary for Lands for the recovery of such advances and interest, except forfeiture under paragraph (i) of subsection two of section nine of the Advances to Settlers Act, 1899, of land held under the Crown Lands Acts, not being freehold land.

(c) In respect of the land last mentioned, the power of the Secretary for Lands to forfeit as aforesaid may, on the recommendation of the commissioners, be exercised. Any sums received by or on behalf of the Crown on account of improvements on such land shall (after deducting any moneys overdue at date of forfeiture for rent or instalments) to the extent of the amount owing to the Advance Department for principal and interest and for expenses incurred in connection with the advance, be paid to the said department.

(d)

Government Savings Bank.

- (d) The land in respect of which the advance was made shall continue to be charged with the repayment of the advance with interest thereon in accordance with the Advances to Settlers Acts.
- 5 (e) If any amount of principal or interest due in respect of any such advance is unpaid for a period of three months after the due date thereof the commissioners may, on the expiration of the said period, exercise any powers which, by sections ninety-
- 10 one to one hundred and three of the Conveyancing and Law of Property Act, 1898, mortgagees may exercise in case of any default mentioned in section ninety-one aforesaid; and the provisions of those sections shall apply as if the principal money advanced were secured or charged by deed on the land in respect of which the advance was made, although
- 15 such money may not in fact have been so secured or charged: Provided that the notice of sale under section ninety-three aforesaid shall be for three months instead of six months: Provided also that unless any amount of the principal or
- 20 interest due in respect of a loan or mortgage is in arrear for two years or upwards, the consent of the Treasurer shall be necessary to the exercise of the powers conferred by this paragraph.

~~21.~~ 20. Applications for advances under the Advances to Settlers Acts pending at the commencement of this Act may be dealt with as applications under this Act for loans from the Advance Department. Applications already made.

Rights of action and securities.

- ~~22.~~ 21. Any right of action, accrued to or against, and any agreement, mortgage, debenture, bond, guarantee, covenant, or obligation made or entered into by or with— Rights of action and under contracts.
- 30 (a) the Treasurer, or any person acting on his behalf under the Government Savings Bank Act, 1902, or any Act amending the same;
- (b) the Treasurer, the Secretary for Lands, or the Advances to Settlers Board acting under the Advances to Settlers Acts;
- 35 may be prosecuted and enforced, by or against the commissioners in their name, as if the right of action had originally accrued to or against, or the agreement, mortgage, debenture, bond, guarantee, covenant, or obligation had been made or entered into by or with the commissioners.

Government Savings Bank.

PART IV.

ADMINISTRATION OF THE BANK.

Duties of commissioners.

23. 22. The bank shall, under this Act, be administered, governed, The commissioners to manage the bank.
5 and managed by the commissioners.

Departments of the bank.

24. 23. (1) The business of the bank shall be carried on in two Savings Bank and Advance Departments.
distinct and separate departments, namely—

- 10 (a) the Savings Bank Department;
(b) the Advance Department.

(2) All transactions and accounts relating to each such department shall be kept separate from those relating to the other department.

15 (3) Subject to this Act, no money belonging to any such department shall be used for the purpose of the other department, and no liability incurred in respect of any such department shall affect the other department or the funds thereof.

Powers to hold land.

- 20 25. 24. The commissioners may, on behalf of the bank— Commissioners may hold land for certain purposes.
- (a) purchase or lease lands and buildings to be used in the business of the bank ;
- 25 (b) hold, until the same can be advantageously disposed of, any property, real or personal, taken by them as security for or in satisfaction, liquidation, or discharge of any debt owing to either department of the bank ; and
- (c) sell, lease, convey, assign, and assure such lands, buildings, and property, or any property vested in them by this Act, or any estate or interest in the same, as occasion may require.

Reserve funds.

30 26. 25. The commissioners shall, out of the net profits of the Reserve fund of Savings Bank Department.
Savings Bank Department earned during any year, set apart such sum, not being less than one-twentieth nor more than one-fifth of the whole amount of interest received by the said department during the said year as they think proper towards a reserve fund for equalising the
35 rate of interest payable on deposits, and for meeting losses : Provided that the Governor, on the recommendation of the commissioners, may suspend the operations of the above provisions for any year. The order suspending such provisions shall be laid before Parliament without delay. Suc

Government Savings Bank.

Such part of the sum of fifty-two thousand two hundred and thirty pounds five shillings and eight pence, transferred from the profit and loss account of the bank constituted by the Government Savings Bank Act, 1902, to the Consolidated Revenue Fund, as upon adjustment
5 between the Treasurer and the president of credits and charges in respect of services rendered appears to fairly belong to the said profit and loss account, shall be carried to the reserve fund constituted by this section.

27. 26. The commissioners shall set apart the whole of the net
10 profits earned by the Advance Department during any year towards a reserve fund for meeting any loss or deficiency in connection with the transactions of the said department.

Reserve fund of
Advance
Department.

Branches and agencies.

28. 27. The commissioners may establish branches and agencies of
15 the bank for the receipt of deposits and the payment of deposits and interest thereon and for receiving applications for advances under this Act.

Branches and
agencies.

29. 28. The commissioners may, subject to such terms and conditions
20 as may be agreed upon between the Governor and the Governor-General, establish branches and agencies of the bank at post-offices.

Branches and
agencies at
post-offices.

Audit and accounts.

30. 29. The accounts of the commissioners shall be audited when
this Act comes in force and thereafter annually at the close of each financial year of the bank by auditors appointed by the Auditor-
25 General, and shall be so audited at such other times as the Auditor-General may think fit.

Audit of accounts.

31. 30. (1) The commissioners shall annually, within three months
after the close of the bank's financial year, cause accounts and balance-sheets of the respective departments of the bank to be prepared, and
30 shall under their hands certify to the best of their belief the correctness of the same, giving such details as the Governor may prescribe.

Preparation of
accounts and
balance-sheets.

(2) Such accounts and balance-sheets, on being certified as
correct by the Auditor-General, shall be laid on the table of each
House of Parliament, and published by the commissioners in the
35 Gazette.

Publication in
Gazette.

Annual report of commissioners.

32. 31. The commissioners shall, at the close of each financial
year of the bank, make and sign and present to the Governor a full
report of the operations of the respective departments of the bank
40 during the said year, and of such other matters relating to the bank as they think fit. Such report shall be laid on the table of each House of Parliament without delay.

Annual report of
commissioners.

Officers.

*Government Savings Bank.**Officers.*

32. The Commissioners shall appoint such officers, servants, valuers, and agents of the bank as may be required. Every such officer, servant, or agent whose duties involve the receipt or custody of moneys or securities shall give such security for the due and faithful performance of his duties as to the Commissioners may seem proper.

Appointment of officers.

With the approval of the Public Service Board, and on such terms as may be agreed upon, the services of any person in the service of the Crown may in part be made use of by the commissioners.

The commissioners shall fix the emoluments of officers, servants, valuers, and agents.

The Commissioners shall control the officers, servants, valuers, and agents of the bank, and shall, as far as possible, adopt the regulations of the Public Service Board in so far as they are applicable.

33. The salaries and emoluments of officers, servants, valuers, and agents of the bank, and all expenses incurred in the management of the bank, shall, subject to the approval of Parliament, be paid by the commissioners out of the funds of the respective departments of the bank in such proportions as they may consider fair and reasonable.

Payment of salaries and expenses.

34. (1) In the first appointment of the officers of the bank, the persons now employed in the bank constituted by the Government Savings Bank Act, 1902, or under the Advances to Settlers Board, shall, if considered to be fully efficient and qualified, be appointed in preference to other persons.

Preference to persons now employed.

(2) Any officer of the Public Service who is appointed an officer of the bank, and whose services are dispensed with by the commissioners within two years after such appointment, shall return to and be an officer of the Public Service, and his service under the commissioners shall count as service as an officer of the Public Service.

Rights of public servants appointed officers of bank and whose services are dispensed with within two years.

(3) Any officer of the Public Service who is appointed an officer of the bank, and whose services are not so dispensed with, shall have the same rights under the Public Service Act, 1902, and any Acts amending the same, and the regulations thereunder, to deferred and extended leave and to contribute to the superannuation account, and to be paid a superannuation allowance as if he were an officer of the Public Service; and for those purposes his service as officer of the bank shall count as service in the Public Service.

Rights of other public servants.

Commissioners and officers not to borrow from bank.

35. No commissioner, and no officer, servant, or agent of the bank, shall, either directly or indirectly, borrow from either department of the bank, or receive, except in pursuance of this Act, any payment, gift, profit, or benefit from the funds of the bank:

Commissioners, officers, servants, or agents of banks not to borrow from bank.

Provided

Government Savings Bank.

Provided that nothing in this section shall prevent a commissioner or such officer, servant, or agent from becoming a depositor in the bank or from receiving any interest or other profit in respect of his deposit, or carrying out any arrangement or contract made prior to
5 the commencement of this Act.

Any commissioner, or any such officer, servant, or agent, who knowingly contravenes the provisions of this section shall be guilty of a misdemeanour.

~~37.~~ 36. (1) If any officer, servant, or agent of the bank having in
10 his possession or power any money or effects belonging thereto, or any deed or security relating to the same —

- (a) becomes bankrupt; or
- (b) makes an assignment for the benefit of his creditors; or
- (c) has any execution, attachment, or other process issued against
15 his land, goods, chattels, or effects; or
- (d) dies,

the commissioners may apply to such officer, servant, or agent, or his assignee or trustee, or to the sheriff or other person executing such process, or to his executors or administrators, or to any other person
20 having legal right as the case may be, and may demand that all such moneys, effects, deeds, or securities be paid over or delivered up to the commissioners or such person as they may appoint.

(2) The party so applied to and having the same shall on
such demand deliver over to the commissioners, or to such person
25 as aforesaid, all such moneys, effects, deeds, and securities, and shall pay out of the estate, assets, or effects of such officer, servant, or agent, all money due by him to the bank before any other of the debts of the said officer, servant, or agent are paid or satisfied, and before the money directed to be levied by such process as aforesaid is paid over to the
30 party issuing the same. All assets, land, goods, chattels, estate, and effects of such officer, servant, or agent shall be bound to the payment and discharge thereof accordingly.

PART V.

DIVISION 1.—DEPOSITS.

35 SAVINGS BANK DEPARTMENT.

Receipt of deposits.

~~38.~~ 37. (1) Deposits may be received at the bank subject to the
regulations. Receipt of deposits.

(2) Deposits may be received from minors of the age of
40 twelve years or upwards, and such deposits shall be subject to the provisions of this Act and the regulations relating to deposits. Deposits of minors.

(3)

Government Savings Bank.

(3) The commissioners may direct that no deposit shall be received from any person whom they may deem it inexpedient to admit or continue as a depositor, and that any deposit made by such person shall be returned to him. Power to refuse or return deposit.

5 39. 38. Except where otherwise in this Act expressly provided, no person shall have more than one account at the bank: Each person may have only one account.

Provided that this section shall not prevent any person having, bona fide, in addition to his own account—

- 10 (a) accounts in his own name in trust for other persons ;
 (b) joint accounts with different persons ;
 (c) accounts on behalf of different friendly, charitable, or other societies or institutions not carried on for purposes of trade or profit.

15 But the bank shall not be liable in respect of the performance of any trusts relating to a trust account; and the receipt of the trustee shall be a sufficient discharge to the commissioners for any payment from any such account: Provided that the Commissioners may, if they deem it advisable, require the signature of both the trustee and the cestui que trust before any payment is made.

20 *Interest on deposits.*

40. 39. (1) The commissioners shall from time to time fix the interest payable to depositors, and may, by regulations, fix differential rates of interest according to the amount of the deposit: Interest, how fixed.

25 Provided that interest shall not be allowed on any amount above five hundred pounds to the credit of any one account, except the account of—

- 30 (a) a friendly, charitable, or other society or institution (including a trades union or an industrial union of employers), not carried on for purposes of trade or profit; or
 (b) the Advance Department.

But the commissioners may in their discretion limit the amount of the respective accounts of such societies or institutions or any of them:

35 Provided also that the maximum rate of interest under the regulations shall be paid on the deposit of any of the aforesaid societies and institutions up to five hundred pounds, and above that amount the rate shall be a matter of agreement with the commissioners.

40 (2) Such interest shall be calculated on every complete sum of one pound, but shall not commence to run until the first day of the month next following that in which the deposit is made, and shall, with respect to any money withdrawn, cease upon the first day of the month in which such withdrawal takes place. Interest, how calculated.

(3)

Government Savings Bank.

(3) Such interest shall be calculated to the thirty-first day of December and the thirtieth day of June in every year, and shall then be added to and become part of the principal money on these respective dates.

5

Withdrawal of deposits.

~~41.~~ 40. No person shall have any claim on the bank in respect of a deposit which was not made during the office hours of the bank. Making and withdrawing deposits.

On the withdrawal of any money from the bank, a receipt or order in such form as the commissioners may direct shall be signed by the depositor, and such receipt or order shall be a sufficient discharge to the commissioners for the amount therein expressed to be received. A receipt or order so signed by a minor or married woman shall be a sufficient discharge to the commissioners.

~~42.~~ 41. (1) Deposits and interest payable thereon may be withdrawn on application in the prescribed form by the depositor or the person legally entitled to claim on his behalf. Withdrawal of deposits.

Where such application is made at the office of the bank, where the depositor's account is kept, the payment shall be on demand.

Where such application is made at any other office of the bank, the payment shall be made on the receipt by the paying officer of authority from the office in which the account is kept.

(2) The accounts of friendly societies in the bank may be drawn upon by cheque in such form and subject to such conditions as the commissioners may direct. Cheques for friendly societies accounts.

~~43.~~ 42. (1) Where the whole amount at credit of a depositor, exclusive of interest, does not at the time of his decease exceed one hundred pounds, the commissioners, if they are of opinion that such depositor died intestate, but without requiring proof of the issue or production of letters of administration of his estate, may in their discretion pay the said amount, or any part thereof, and any interest due thereon, to or among any of the following persons :—

- (a) Any person who has paid the funeral expenses of the depositor.
- (b) Creditors of the depositor.
- (c) The widow or widower of the depositor.
- 35 (d) The person entitled to the effects of the depositor according to the statutes of distribution.
- (e) In the case of foreign seamen, the consular authority of any country with which a treaty has been made relative to the payment of moneys due to such seamen.

40 (2) The receipt of any of the persons mentioned in this section shall be a good discharge to the commissioners for the sum paid, and shall be binding on any widow, widower, or next of kin. Receipts.

(2)

Government Savings Bank.

(3) If the commissioners under this section pay money to any person who is afterwards proved not to have been legally entitled thereto, the commissioners shall not be liable at suit of any person who was so entitled. Indemnity to commissioners.

5 But this subsection shall not affect the remedy of the last-mentioned person against the person who has received the money.

Pass-books.

44. 43. (1) Every depositor's pass-book shall be deemed to be the property of the commissioners, and shall be delivered up as and when required by them. Pass-books.

(2) Each depositor shall once in each year produce, or cause to be produced, his pass-book at the office of the bank in which his account is kept, for the purposes of examination and verification on a day or days to be notified by the commissioners as hereinafter prescribed. Production of pass-books.

15 Such notice shall be published in the Gazette, and shall specify the times and places respectively at which the said pass-books shall be produced for the purposes aforesaid. A copy thereof shall be inserted in one or more newspapers circulating in the district where such office of the bank is open for the transaction of business, and posted in such places and in such manner as to the commissioners may seem expedient.

Guarantee by Crown.

45. 44. The repayment of all deposits in the bank, whether made before or after the commencement of this Act, and the payment of interest thereon, shall be payable out of the funds of the commissioners held under this Part, and is guaranteed by the Crown. Any liability arising from such guarantee shall be payable out of the Consolidated Revenue Fund. Deposits guaranteed by Crown.

30 DIVISION 2.—BORROWING.

46. 45. It shall be lawful for the commissioners to borrow, and for the Governor to guarantee the repayment of, any money which the commissioners may require in order to meet the demands of depositors desirous of withdrawing their deposits; and the Governor shall obtain from the commissioners such security for the protection of any such guarantee as may in his opinion be necessary or advisable. Governor may guarantee loan to bank.

47. 46. The Governor may, upon like security, by warrant under his hand direct and authorise advances to be made to the commissioners for the purposes of the bank out of the Consolidated Revenue Fund; but the fact that such advance has been made, and the amount of such advance shall, as soon as possible, be reported to both Houses of Parliament. Loans by Government to bank.

DIVISION

Government Savings Bank.

DIVISION 3.—INVESTMENTS.

48. 47. All moneys received by the Savings Bank Department ^{Investments} after the constitution of the bank shall be invested and held, as nearly as may be, as follows:—

- 5 (a) ~~twelve~~ fifteen per centum of such moneys shall consist of cash and deposits in the Treasury and in banks of issue in the State, available at call or at short notice, and interest thereon;
- 10 (b) twenty per centum of such moneys shall be invested in premises used in the business of the commissioners and in freehold lands held by the commissioners in pursuance of this Act, and upon mortgage of land in the State of an estate of inheritance in fee simple;
- 15 (c) sixty-eight per centum of such moneys shall be invested in—
 (i) Government securities of New South Wales, or of any other State of the Commonwealth;
- (ii) debentures issued by the Advance Department; and
 (iii) debentures lawfully issued by the municipal council of Sydney or the council of any municipality in the State.
- 20 (b) the balance of such moneys shall be invested in—
 (i) premises used in the business of the commissioners, and in freehold lands held by the commissioners in pursuance of this Act;
- (ii) upon mortgage of land in the State of an estate of inheritance in fee simple;
- 25 (iii) Government securities of New South Wales, or of any other State in the Commonwealth;
- (iv) debentures issued by the Advance Department; and
 (v) debentures lawfully issued by the municipal council of Sydney, or the council of any municipality in the State.

30 49. 48. (1) No loan from the Savings Bank Department shall be made in respect of land subject to a prior mortgage or charge in favour of any person other than the commissioners, or unless the money lent is to be used to pay off such prior mortgage or charge. ^{Loans from Savings Bank Department.}

(2) The following provisions shall apply in respect of such

35 loans—

- (a) No loan shall be of less amount than fifty pounds.
- (b) The amount of any loans to any one person shall not exceed twenty-five thousand pounds.
- 40 (c) the amount of any loan shall not exceed three-fifths of the value of the interest of the borrower in the land and buildings, or other permanent improvements thereon.
- (d) Security in the form of a mortgage shall be taken for the loan, and such mortgage shall be registered without delay.

(e)

Government Savings Bank.

- (e) Dates shall be fixed for the repayment of the principal sum and for the payment of interest thereon.
- (f) The whole of the principal sum with interest thereon shall be made repayable within a period to be fixed by the commissioners.

5

PART VI.

ADVANCE DEPARTMENT.

DIVISION 1.—ISSUE OF DEBENTURES.

50. 49. (1) The commissioners may from time to time issue out of the Advance Department debentures in the form of Schedule Two or to the like purport. Issue of debentures.

(2) The due payment of such debentures and the interest thereon shall be a charge on all moneys and securities held by the commissioners on behalf of the said department, and is hereby guaranteed by the Government. Any liability arising from such guarantee shall be payable out of the Consolidated Revenue Fund: Charge of liability; guarantee by Government.

Provided that such charge shall not prejudice or affect the powers of the commissioners to reconvey, release, or discharge any of such securities, or the properties comprised therein, or to sell or convey such properties, or to foreclose such securities or properties, or to deal with the same under this Act.

51. 50. The total amount of such debentures so issued and uncanceled shall not at any time exceed two million pounds, nor shall any such debentures be issued while the total amount then issued and uncanceled exceeds by fifty thousand pounds the amount of advances then unpaid. Amount of issue.

52. 51. Such debentures may be issued in different series. Each series shall be numbered consecutively, beginning with the number one and proceeding arithmetically by units. Series.

53. 52. Such debentures shall be signed by the commissioners, and sealed with the commissioners' seal, but shall be issued only after the Auditor-General has certified that the issue is in accordance with law. The debentures shall be registered in the department of the Auditor-General. Signature.

Every such debenture which has been signed and sealed in accordance with this section shall be good and valid as against the commissioners.

54. 53. Every such debenture shall be for the sum of fifty-pounds or some multiple thereof, and shall have such currency and shall bear Amount and currency of debentures.

Government Savings Bank.

such interest, not exceeding four pounds per centum per annum, payable half-yearly from the Advance Department, as the commissioners may fix.

55. **54.** Debentures shall be issued at a minimum price to be fixed by the commissioners, and redeemed out of moneys in the Advance Department at their face values, and may be issued to the Savings Bank Department, or sold in the State or elsewhere. Issue and redemption of debentures.

56. **55.** Every such debenture shall be transferable by delivery without assignment or endorsement, and shall entitle the bearer of the same to be paid according to the tenor thereof. Debentures transferable by delivery.

57. **56.** (1) Debentures may be purchased by the commissioners out of moneys in the Advance Department at or below their face value. Purchase of debentures.

(2) All debentures redeemed or purchased by the commissioners under this Act shall be cancelled. Cancellation.

58. **57.** If any debenture is defaced by accident, the commissioners may cancel the same, and cause a new debenture to be made in lieu thereof, and such cancelled debenture shall be filed in the bank. Such new debenture shall be to the like purport, and be in all respects subject to the same rules, methods, and continuance, and bear the same number, date, principal sum, and rate of interest as such cancelled debenture. Defaced debenture may be exchanged.

59. **58.** Upon proof being made on oath before a Judge of the Supreme Court by any credible person that any debenture issued under this Act and held by him, the number and sum whereof is specified by him in his evidence, has been lost or accidentally burnt or otherwise destroyed before the same has been paid off, and upon such Judge certifying that he is satisfied with such proof, the commissioners may cause a new debenture to be made bearing the same number, date, principal sum, and rate of interest as the debenture so lost or destroyed, and to be delivered to such person upon his giving sufficient security to the commissioners to indemnify them against any double payment if the missing document should thereafter be presented for payment. Provisions for debentures lost, &c.

60. **59.** All debentures issued under this Act shall have the status of "Government Securities" within the meaning of the Act number four of one thousand eight hundred and ninety-eight (the Trustee Act of 1898) and of the Act thirty-seven Victoria number four, or any Act in force for the time being relating to friendly societies; and all corporations, companies, or co-partnerships, and all trustees, executors, and administrators, whether incorporated, established, or appointed before or after the passing of this Act not expressly forbidden to invest their funds in the purchase of Government stock or securities by their charter, Act of incorporation, deed of settlement, or of partnership, trust deed, settlement, testamentary or other instrument whatsoever respectively, are hereby authorised and empowered to invest such funds. Power to trustees to invest.

Government Savings Bank.

funds in the purchase of and to hold such debentures as aforesaid without incurring or committing any breach of trust or of any condition, restriction, or provision contained in any such Act, charter, or other instrument whatsoever as aforesaid.

5 ~~61.~~ **60.** Debentures issued under this Act shall be included in the exemptions in the Second Schedule to the Stamp Duties Act, 1898. Exemption from duty.

~~62.~~ **61.** The proceeds of the issue of debentures shall be carried to the Advance Department and applied in pursuance of this Act. Application of proceeds.

DIVISION 2.—LOANS.

10 ~~63.~~ **62.** The commissioners may lend moneys from the Advance Department— The lending of money from Advance Department.

(a) upon mortgage of an estate of inheritance in fee simple in any land in the State;

(b) upon mortgage of—

15 (i) conditional purchases with or without associated conditional leases;

(ii) homestead grants;

(iii) homestead selections;

(iv) settlement leases;

20 (v) settlement purchases;

(vi) conditional purchase leases;

(c) on deposit at call or short notice in the Treasury or any bank of issue in the State or on deposit in the Savings Bank Department.

25 ~~64.~~ **63.** (1) No such loan upon mortgage shall be made except for all or any of the following purposes, which shall be set out in the mortgage— Purposes for which loans may be made.

(a) to pay off existing encumbrances on or to purchase the land;

(b) to pay off money owing to the Crown in respect of the land;

30 (c) to make improvements on the land, or to improve and develop, or to utilise the agricultural or pastoral resources of the land, or to enable the borrower to carry on agricultural or pastoral pursuits on the land;

(d) to build homes upon the land.

35 (2) If any person applies any portion of a loan so made to any other than the purpose for which it was granted, the commissioners may cause his estate and interest in the land to be sold, and the provisions of sections ninety-two, ninety-four, ninety-five, and ninety-six of the Conveyancing and Law of Property Act, 1898, relating to a sale under section ninety-one of the said Act shall apply to a sale under this section of this Act.

40 (3) No such loan shall be made upon the security of lands of an estate of inheritance in fee simple within the boundaries of any city, town, or village, whether so declared by proclamation of the Governor or not so declared. (4)

Government Savings Bank.

(4) No such loan will be made on the security of land held under the Crown Lands Acts (except certificated conditional purchases) without the consent of the Secretary for Lands or some officer appointed by him in that behalf.

5 ~~65.~~ **64.** To facilitate close settlement on private estates suitable for the purpose, the commissioners may make advances to assist persons in purchasing lands, and in connection with such advances the following provisions shall apply :—

Advances on
purchase of farms.

10 (a) The title to the land must be either certificated conditional purchase or freehold under the Real Property Act, 1900.

(b) The amount of any such advance shall not exceed eighty per centum of the commissioners' valuation of the security.

15 (c) A valuation of a farm for the purpose of an advance may be made upon application, on the prescribed form, and upon payment of the prescribed fee.

(d) A certificate may be issued to either the vendor or the purchaser by the commissioners, setting out the amount they are prepared to advance upon a sound title in any such farm ; such certificate shall have force for the time, and be subject to the conditions therein named.

20 (e) Conditions and covenants may be inscribed in the mortgage deeds to secure close settlement and the making of such improvements as may be considered necessary.

25 (f) In all other respects loans under this section shall be subject to the same provisions as other loans from the Advance Department.

~~66.~~ **65.** All applications for loans under five hundred pounds shall have priority over those of a larger amount.

Priority of applica-
tions.

30 ~~67.~~ **66.** (1) Any borrower from the Advance Department, or under the Advances to Settlers Acts, who is not in arrear with the payment of any instalment of principal or any interest due in respect of his loan may on any day fixed for the payment of any such instalment, or interest, repay to the commissioners the whole of his debt or any portion thereof being five pounds or a multiple of five pounds.

Borrower may repay
the loan or portion
thereof.

35 (2) Where the loan is repayable by instalments and portion only of the loan is so repaid, the commissioners shall allow the amount so repaid to accumulate at interest at a rate to be fixed by the commissioners.

40 Such repayment shall not affect the obligation of the borrower to pay the instalments provided in the mortgage ; but when the sum deposited as aforesaid with the interest thereon amounts to the balance then unpaid on the loan, the commissioners shall apply such sum in repayment of the loan and release the borrower and the land from the mortgage.

Where loan
repayable by
instalments.

(3)

Government Savings Bank.

(3) In the case of a loan not repayable by instalments, the amount of such repayment shall be deducted from the amount of the loan, and thenceforward interest will only be payable on the reduced amount.

Where loan n. t. so repayable.

5 68. 67. The costs and expenses which the commissioners may charge in respect of the making of loans from the Advance Department shall not exceed—

Cost and expenses which may be charged in respect of advances.

- (a) fees for stamps, registration, searches, and other expenses out of pocket :
- 10 (b) the prescribed fees for valuation ;
- (c) for other expenses, not more than two per centum on the amount of the advance up to one hundred pounds, and thereafter one-half per centum on the amount above one hundred pounds and up to five hundred pounds, and one-fourth per centum on the amount above five hundred pounds.

15 69. 68. The following provisions shall apply in respect of loans made by the Advance Department :—

Directions to be observed by commissioners.

- (a) No loan shall be of less amount than fifty pounds.
- 20 (b) No loan shall be made in respect of land subject to a prior mortgage or charge, except a mortgage or charge in favour of the commissioners, or unless the money to be lent is to be used to pay off such prior mortgage or charge.
- 25 (c) A loan on the security of land not being a freehold or a certificated conditional purchase shall be made repayable within such period not exceeding thirty-one years as the commissioners think fit by half-yearly instalments with interest added commencing within nine months from the making of the loan. Each such repayment to be made on the last day of March and the last day of September in each year, and to consist partly of principal moneys and partly of interest.
- 30 (d) A loan may be granted on the security of a freehold or a certificated conditional purchase repayable—
- 35 (i) by instalments as in the next preceding paragraph provided ; or
- (ii) at the expiration of a fixed term not exceeding five years, during which interest only shall be payable ; or
- 40 (iii) by half-yearly instalments with interest added extending over such period not exceeding thirty-one years from the date of expiration of the fixed term as may be specified in the mortgage.
- (e) The amount of any loans to any one person shall not exceed two thousand pounds.
- 45 (f) The amount of any loan (except in the case of a loan under section ~~sixty-six~~ **sixty-five**) shall not exceed two-thirds of the value

Government Savings Bank.

- value of the interest of the borrower in the land and buildings, or other permanent improvements thereon, the subject of the mortgage security; but when the land is held as a conditional lease, homestead grant, settlement lease, homestead selection, settlement purchase, or conditional purchase lease, or a conditional purchase as to which the first five year's certificate has not issued, such amount shall not exceed one-half of the holder's interest in the value of the improvements on the land.
- 5
- 10 (g) Security in the form of a mortgage shall be taken for the loan, and such mortgage shall be registered without delay.
- (h) Dates shall be fixed for the repayment of the principal sum and for the payment of interest thereon.
- 15 (i) If any interest or instalment is in arrear for more than twenty-one days, the commissioners shall charge the borrower interest on such interest or instalment at a rate one per centum higher than the rate named in the mortgage.

70- 69. The following provisions shall apply to the land in respect of which any loan is made by the Advance Department:— Provisions applicable to land mortgaged.

- 20 (a) Where such land is held under the Crown Lands Acts, the Secretary for Lands shall not forfeit the land under those Acts, nor shall any such forfeiture be revoked, except with the consent of the commissioners. Where such land is held
- 25 under the Crown Lands Acts, and has become forfeited for non-compliance with conditions under those Acts, it shall thereupon vest in the commissioners, and may be sold by them to any person, who shall hold the same subject to any conditions prescribed by the Crown Lands Acts binding upon
- 30 the former holder, but free from any liability for any breach before such sale of any such conditions, and the purchaser shall have six months from the time of sale for complying with any unfulfilled improvement conditions in relation to the land. The proceeds of such sale shall, after payment of
- 35 any outstanding moneys due under the Crown Lands Acts, be applied in liquidation of the claims of the commissioners, any balance remaining thereafter being paid into the Treasury to the credit of the Lands Department. In the event of the commissioners failing to find a purchaser within
- 40 twelve months, the land may be disposed of as Crown lands under the Crown Lands Acts.
- (b) Where any such land is so forfeited, any money received by or on behalf of the Crown on account of the improvements on such land shall, to the extent of the amount owing to the commissioners for principal and interest and for expenses incurred

Government Savings Bank.

incurred in connection with the loan, be paid to the commissioners, after deducting therefrom any moneys due ~~after~~ **at the date of forfeiture for rent or instalments under the Crown Lands Acts.**

- 5 (c) Nothing in the Crown Lands Acts shall invalidate or affect any mortgage given under this Act to secure any loan or interest thereon or the pursuit of any remedy for the recovery of such loan or interest; and such mortgage may be given and any sale or foreclosure may be effected thereunder, notwithstanding that the land the subject of the mortgage
10 could not by the terms of the said Acts be transferred, assigned, or otherwise dealt with.

71. 70. The following conditions shall apply in respect of land subject to any mortgage under this Part:—

Conditions annexed to land whilst subject to advances.

- 15 (a) Such land shall not, nor shall any part thereof, be transferred, assigned, let, or sublet without the previous consent in writing of the commissioners.
- (b) Any transfer, assignment, letting, or subletting of such land, or any part thereof, in contravention of this section, shall be
20 void, and the commissioners may cause the estate and interest of the owner or lessee in such land to be sold.
- (c) Where the owner or lessee of any such land becomes bankrupt, the commissioners may cause his estate and interest therein to be sold.

25

PART VII.

SUPPLEMENTAL.

Advances.

72. 71. If any amount of principal or interest due in respect of any loan made under the Advances to Settlers Acts, or by the
30 commissioners in pursuance of this Act, on the security by mortgage of land not held under the provisions of the Real Property Act, 1900, is unpaid for a period of three months after the due date thereof, the commissioners may, at their option, in lieu of taking proceedings in any court, make application to the Registrar-General in
35 writing for an order for foreclosure.

Application for foreclosure.

Such application shall state that such default has been made as aforesaid, and that the land, estate, or interest mortgaged has been offered for sale by public auction by a licensed auctioneer, and that the amount of the highest bid at such sale was not sufficient to satisfy the

Government Savings Bank.

the moneys so due, together with the expenses occasioned by such sale, and that notice in writing of the intention of the commissioners to make such application has been given to the mortgagor or other person entitled to the equity of redemption, by leaving the same at his
 5 usual or last known place of abode, if such place be within three miles of the head office of the bank, or by forwarding the same by registered letter through the post office if such place be beyond that distance. Such application shall be accompanied by a certificate of the auctioneer by whom such land was put up for sale and such other proof of the
 10 matters stated therein as the Registrar-General may require. The statements made in such application shall be verified by the statutory declaration of one of the commissioners.

The Registrar-General may, at the expense of the commissioners, cause notice to be published, once in the Gazette and once in each
 15 of three succeeding weeks in at least one newspaper circulating in the district in which the mortgaged land is situated, offering such land for sale, and shall limit and appoint a time not less than one month from the date of the publication in the Gazette, upon or after which the Registrar-General may issue to the Commissioners an order for
 20 foreclosure unless in the interval a sufficient amount has been realised by the sale of the land to satisfy the principal and interest moneys due and all expenses occasioned by such sale and proceedings.

Every such order for foreclosure under the hand of the Registrar-General shall, upon registration under the Registration of
 25 Deeds Act, 1897, have the effect of barring all right and equity of redemption in the said land on the part of the mortgagor or of any person claiming through or under him.

~~72.~~ 72. Where land is sold by the commissioners for non-payment of principal or interest of money lent or for breach of any covenant in
 30 the instrument of mortgage securing the same, the land shall be freed from any charge in respect of the loan. But where such land was at the time of sale subject to conditions prescribed by the Crown Lands Acts, it shall be held by the purchaser and those claiming under him subject to the performance by them of those conditions. But he shall be
 35 free from any liability for any breach before such sale of any condition under those Acts, and shall have six months from the time of sale for complying with any unfulfilled improvement conditions in relation to the land.

~~74.~~ 73. The commissioners by regulations may prescribe the form
 40 of mortgage-deeds under this Act, and short forms of provisions to be inserted in such deeds, and may state the legal effect of such short forms when so inserted, which thereupon shall have the force of law: Provided that where the land, the subject of the mortgage, is under the Real Property Act, 1900, such forms shall not be inconsistent
 45 with the forms prescribed by or under the said Act.

Government Savings Bank.

75. **74.** Where an advance under the Advances to Settlers Acts or ^{Power to call in loan.} this Act has been made upon the security of lands held under the Crown Lands Acts, it shall be the duty of the person liable to repay such advance **to fulfil all residence and other conditions under those** 5 **Acts and to punctually pay all rents, instalments, or other moneys due to the Crown in connection therewith; and if he fails to make those to fulfil such conditions or to make such payments, or to fulfil any other conditions or covenants under the mortgage deed, the Commissioners may require payment forthwith of such of the principal moneys** 10 **advanced as have not been repaid, and all interest and charges thereon, and thereupon the same shall be so payable.**

^{Recovery of arrears.} 76. **75.** If any amount of principal or interest due in respect of any loan on mortgage made by the commissioners is in arrear for two years or upwards, it shall be the duty of the commissioners to exercise 15 the powers conferred on them for the recovery of such amount.

Settlement of disputes.

77. **76.** If any dispute arises between the Commissioners and any ^{Settlement of} depositor, or any executor, administrator, next of kin, creditor, or ^{disputes.} assignee of a depositor who may become bankrupt, or any persons 20 **claiming to be such executor, administrator, next of kin, creditor, or assignee, or to be entitled to any money deposited in the bank, the matter in dispute shall be referred in writing to the Attorney-General; and whatever award, order, or determination is made by the Attorney-General shall be final.**

25 *Bank represented in legal proceedings.*

78. **77.** The ~~bank, by its~~ **commissioners, by their counsel, attorney,** ^{Bank} or agent, shall be entitled to be heard before any land board or before ^{Commissioners} any court in any case relating to land in respect of which an advance ^{entitled to be} or loan has been made under the Advances to Settlers Acts or this Act. ^{heard before land} ^{board or any court.}

30 *Penalties.*

79. **78.** Any person employed in the business of the bank who ^{Penalty if officer} directly or indirectly takes any fee or reward from any applicant for a ^{takes fee or reward.} loan under this Act, shall be dismissed from his office and be liable to imprisonment for any term not exceeding two years, with or without 35 **hard labour.**

80. **79.** Any person who— ^{Penalty for acting} ^{when interested.}

(a) having any pecuniary interest in any land tendered as security for a loan under this Act; or

(b) being a partner of the applicant for a loan,

40 **acts as valuer or adviser to the commissioners in connection with such land or loan, shall be liable to a penalty of not less than fifty pounds nor more than two hundred pounds, and shall also be dismissed from his office.**

Government Savings Bank.

~~81.~~ **80.** Any person who, in respect of any loan or application for any loan, bribes, or attempts to bribe or corruptly influence any person appointed or acting under this Act, is liable to imprisonment for a term not exceeding two years, with or without hard labour. Penalty for bribing officer.

5 ~~82.~~ **81.** Any penalties imposed by or under this Act may be recovered before a stipendiary or police magistrate or any two justices in petty sessions. Recovery of penalties.

10 ~~83.~~ **82.** If any person forges or alters, or offers, utters, disposes of, or puts off, knowing the same to be forged or altered, any deed, rule, order, bond, or writing obligatory, or any acquittance, receipt, release, account, or statement, or any note, bill, or other security for payment of money, or letter, or power of attorney, or other instrument in writing, or makes any false entry, or knowingly makes up any untrue account, which concerns or relates to the affairs or business of the Forgery.
 15 savings bank with intent to defraud, every such offender shall be guilty of forgery, and punished accordingly.

Regulations.

~~84.~~ **83.** The commissioners may make regulations for carrying out the provisions of this Act, and particularly— Regulations.

- 20 (a) for the management of the bank and the regulation of its business ;
 (b) regulating proceedings at meetings of the commissioners, and the quorum necessary for the transaction of business ;
 25 (c) for the control of the officers, valuers, servants, and agents of the bank ;
 (d) for fixing the emoluments of valuers and agents ;
 (e) for regulating the receipt and repayment of deposits and the payments of interest thereon ;
 30 (f) regulating applications for and the making of loans by the bank ;
 (g) prescribing the fees payable in respect of such applications and loans ;
 (h) for the keeping of the accounts of the bank.

35 ~~85.~~ **84.** Every such regulation, when approved by the Governor and published in the Gazette, shall have the force of law. Approval of regulations.

~~86.~~ **85.** (1) A copy of every such regulation shall be deposited with the Prothonotary of the Supreme Court, who shall, without fee, file the same of record in the Court. Filing of regulations.

40 (2) All depositors and borrowers and their representatives shall be deemed to have notice of the regulations. Depositors, &c., deemed to have notice of regulations.

(3) Every copy so filed, or a certified copy thereof, shall be received in all courts as evidence of the regulations therein contained and of their having been duly made and approved as aforesaid. Copy filed to be evidence.

Government Savings Bank.

(4) A copy of every regulation shall be laid upon the Table of the Legislative Assembly before Parliament within fourteen days after publication in the Gazette, if Parliament be then in session, and, if not, then within fourteen days after the commencement of the 5 next ensuing session.

SCHEDULES.

SCHEDULE ONE.

Repeal of Enactments.

Number of Act.	Title of Act.	Extent of repeal.
10 Act No. 1, 1899 ...	Advances to Settlers Act, 1899 ...	The whole.
Act No. 1, 1902 ...	Advances to Settlers (Amendment) Act, 1901 ...	The whole.
Act No. 72, 1902 ...	Government Savings Bank Act, 1902 ...	The whole.
Act No. 106, 1902 ...	Advances to Settlers (Amendment) Act, 1902 ...	The whole.
Act No. 20, 1903 ...	Government Savings Bank (Amendment) Act, 1903.	The whole.

SCHEDULE TWO.

NEW SOUTH WALES.

Number

GOVERNMENT SAVINGS BANK ACT, 1906.

20 £

Debenture.

WE, the Commissioners of the Government Savings Bank of New South Wales, hereby acknowledge that the holder of this debenture is entitled to be paid, on the day of , the sum of pounds, and that until such payment is made we will, at 25 the Head Office of the Commissioners at Sydney, on every day of and day of , pay to the bearer of this debenture interest on the said sum at the rate of per centum per annum.

The said sum and interest are by the above-mentioned Act guaranteed by the Government of New South Wales.

30

Given under the common seal of the Commissioners of the Government Savings Bank of New South Wales, in the State of New South Wales, at Sydney, this day of 19 .

(L.S.)

Commissioners.

35

Registered at the Audit Office, Sydney, in the register of debentures of the Government Savings Bank of New South Wales, folio , this day of 19 .

Auditor-General.

Government Savings Bank

(1) A copy of every resolution shall be laid upon the table of the House before the House meets in session, and if not then within fourteen days after the commencement of the next ensuing session.

SCHEDULE

SCHEDULE ONE
Bills of Parliament

Number of Bill	Title of Bill	Date of Introduction
10	Advances to Settlers Act, 1900	18th March
11	Advances to Settlers (Amendment) Act, 1901	19th March
12	Government Printing Act, 1901	20th March
13	Advances to Settlers (Amendment) Act, 1901	21st March
14	Government Printing (Amendment) Act, 1901	22nd March

SCHEDULE TWO

New South Wales

GOVERNMENT SAVINGS BANK ACT 1900

We the Government of New South Wales do hereby give notice that the following bills have been introduced into the House of Representatives of New South Wales on the 18th day of March 1900, and that the House of Representatives has resolved that the bills be printed and that the House do not discuss the bills.

10. Advances to Settlers Act, 1900.

11. Advances to Settlers (Amendment) Act, 1901.

12. Government Printing Act, 1901.

13. Advances to Settlers (Amendment) Act, 1901.

14. Government Printing (Amendment) Act, 1901.

15. Advances to Settlers (Amendment) Act, 1901.

16. Government Printing (Amendment) Act, 1901.

17. Advances to Settlers (Amendment) Act, 1901.

18. Government Printing (Amendment) Act, 1901.

19. Advances to Settlers (Amendment) Act, 1901.

20. Government Printing (Amendment) Act, 1901.

21. Advances to Settlers (Amendment) Act, 1901.

22. Government Printing (Amendment) Act, 1901.

23. Advances to Settlers (Amendment) Act, 1901.

24. Government Printing (Amendment) Act, 1901.

25. Advances to Settlers (Amendment) Act, 1901.

26. Government Printing (Amendment) Act, 1901.

27. Advances to Settlers (Amendment) Act, 1901.

28. Government Printing (Amendment) Act, 1901.

29. Advances to Settlers (Amendment) Act, 1901.

30. Government Printing (Amendment) Act, 1901.

31. Advances to Settlers (Amendment) Act, 1901.

32. Government Printing (Amendment) Act, 1901.

33. Advances to Settlers (Amendment) Act, 1901.

34. Government Printing (Amendment) Act, 1901.

35. Advances to Settlers (Amendment) Act, 1901.

36. Government Printing (Amendment) Act, 1901.

37. Advances to Settlers (Amendment) Act, 1901.

38. Government Printing (Amendment) Act, 1901.

39. Advances to Settlers (Amendment) Act, 1901.

40. Government Printing (Amendment) Act, 1901.

41. Advances to Settlers (Amendment) Act, 1901.

42. Government Printing (Amendment) Act, 1901.

43. Advances to Settlers (Amendment) Act, 1901.

44. Government Printing (Amendment) Act, 1901.

45. Advances to Settlers (Amendment) Act, 1901.

46. Government Printing (Amendment) Act, 1901.

47. Advances to Settlers (Amendment) Act, 1901.

48. Government Printing (Amendment) Act, 1901.

49. Advances to Settlers (Amendment) Act, 1901.

50. Government Printing (Amendment) Act, 1901.

GOVERNMENT SAVINGS BANK BILL.

SCHEDULE of the Amendments referred to in Message of 12th December, 1906.

- Page 1, Title, lines 8 to 11. *Omit* "subject to a poll of depositors, for the amalgamation of the Savings Bank of New South Wales with the bank constituted by this Act, and for the repeal of the Acts relating to such bank"
- Page 3, clause 5, lines 14 and 15. *Omit* "'Savings Bank of New South Wales' means the bank constituted by the Savings Bank of New South Wales Act, 1902"
- Page 3, clause 8, line 37. *After* "or" *insert* "other"
- Page 3, clause 8, lines 37 and 38. *Omit* "banking or money lending"
- Page 4, clause 13, line 37. *Omit* "order" *insert* "proclamation"
- Pages 5 and 6, clause 16. *Omit* clause 16.
- Pages 6 and 7, clause 19. *Omit* clause 19 and *insert* new clause 18.
- Page 11, clause 34. 33, line 18. *Omit* "subject to the approval of Parliament"
- Page 16, clause 48. 47, line 5. *Omit* "twelve" *insert* "fifteen"
- Page 16, clause 48. 47. *Omit* paragraphs (b) and (c) *insert* new paragraph (b).
- Page 18, clause 60. 59, line 37. *Omit* "the Act thirty-seven Victoria number-four, or"
- Page 21, clause 69. 68, line 45. *Omit* "sixty-six" *insert* "sixty-five"
- Page 22, clause 70. 69. *Omit* paragraph (a) *insert* new paragraph (a).
- Page 23, clause 70. 69, line 2. *Omit* "after" secondly occurring, *insert* "at the"
- Page 25, clause 75. 74, line 4. *After* "advance" *insert* "to fulfil all residence and other conditions under those Acts and"
- Page 25, clause 75. 74, line 6. *Omit* "to make those" *insert* "to fulfil such conditions or to make such"
- Page 25, clause 78. 77, line 26. *Omit* "bank, by its" *insert* "Commissioners by their"
- Page 27, clause 86. 85, lines 1 and 2. *Omit* "upon the Table of the Legislative Assembly" *add* "before Parliament within fourteen days after publication in the Gazette, if Parliament be then in session, and if not, then within fourteen days after the commencement of the next ensuing session."

This PUBLIC BILL originated in the LEGISLATIVE ASSEMBLY, and, having this day passed, is now ready for presentation to the LEGISLATIVE COUNCIL for its concurrence.

Legislative Assembly Chamber,
Sydney, 23 November, 1906. }

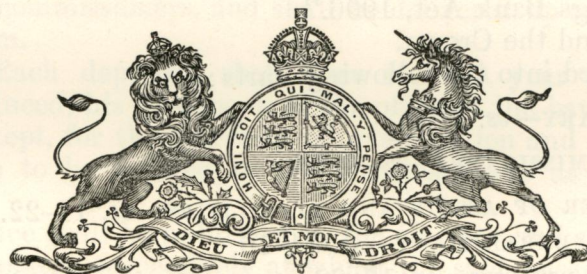
RICHD. A. ARNOLD,
Clerk of the Legislative Assembly.

The LEGISLATIVE COUNCIL has this day agreed to this Bill with Amendments.

Legislative Council Chamber,
Sydney, 12th December, 1906. }

JOHN J. CALVERT,
Clerk of the Parliaments.

New South Wales.



ANNO SEXTO

EDWARDI VII REGIS.

Act No. , 1906.

An Act to constitute and regulate and provide for the management of the Government Savings Bank of New South Wales and its departments; to authorise the said bank to receive deposits, borrow moneys, and make loans and investments; to provide for a Government guarantee of any indebtedness of the said bank; to repeal the Acts dealing with the Government Savings Bank, and with advances to settlers; to provide subject to a poll of depositors, for the amalgamation of the Savings Bank of New South Wales with the bank constituted by this Act, and for the repeal of the Acts relating to such bank; for the transfer of certain assets, liabilities, and powers to the said bank; to amend the Acts dealing with Crown lands, the Closer Settlement Act, 1904, and certain other Acts; and for purposes consequent thereon or incidental thereto.

40—A.

BE

77732

NOTE.—The words to be omitted are ruled through; those to be inserted are printed in black letter.

Government Savings Bank.

BE it 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 :—

5 **PART I.****PRELIMINARY.**

1. This Act shall commence and take effect on the first day of January, one thousand nine hundred and seven, and may be cited as the "Government Savings Bank Act, 1906." Commencement and short title.

10 2. This Act shall bind the Crown. Act to bind Crown.

3. This Act is divided into the following Parts :— Division of Act.

PART I.—PRELIMINARY—*ss.* 1-5.

PART II.—THE COMMISSIONERS—*ss.* 6-13.

PART III.—TRANSFER OF ASSETS AND LIABILITIES—*ss.* 14-22.

15 1. SAVINGS BANK DEPARTMENT—*ss.* 14-16.

2. ADVANCE DEPARTMENT—*ss.* 17-22.

PART IV.—ADMINISTRATION OF THE BANK—*ss.* 23-37.

PART V.—SAVINGS BANK DEPARTMENT—*ss.* 38-49.

1. DEPOSITS—*ss.* 38-45.

20 2. BORROWING—*ss.* 46, 47.

3. INVESTMENTS—*ss.* 48, 49.

PART VI.—ADVANCE DEPARTMENT—*ss.* 50-71.

1. ISSUE OF DEBENTURES—*ss.* 50-62.

2. LOANS—*ss.* 63-71.

25 PART VII.—SUPPLEMENTAL—*ss.* 72-86.

4. The Acts mentioned in Schedule One to this Act are to the extent therein expressed repealed: Repeal.

30 Provided that subject to this Act the provisions of the Advances to Settlers Acts shall continue in force in respect of advances made thereunder before the commencement of this Act until all such advances with interest thereon are repaid or are written off in the books of the bank as bad debts.

5. In this Act, unless the context requires another meaning,— Definitions.

"Advance Department" means Advance Department of the Bank.

35 "Advances to Settlers Acts" means the Advances to Settlers Act, 1899, the Advances to Settlers (Amendment) Act, 1901, and the Advances to Settlers (Amendment) Act, 1902.

"Advances to settlers board" means the board constituted by the Advances to Settlers Act, 1899.

"Certificated

Government Savings Bank.

- “Certificated conditional purchase” means conditional purchase as to which all conditions have been fulfilled except payment of the balance of purchase money.
- 5 “Commissioners” means commissioners of the bank constituted by this Act.
- “Crown Lands Acts” means Acts dealing with the disposal and tenure of Crown lands, and includes the Closer Settlement Act, 1904.
- “Part” means part of this Act.
- 10 “President” means president of the Bank.
- “Regulations” means regulations under this Act.
- “Savings Bank Department” means Savings Bank Department of the Bank.
- 15 “Savings Bank of New South Wales” means the bank constituted by the Savings Bank of New South Wales Act, 1902.
- “The Bank” means the bank constituted by this Act, and includes a branch or agency of the bank.
- “The State” means the State of New South Wales.
- “Treasurer” means Colonial Treasurer.

20

PART II.

THE COMMISSIONERS.

6. Three commissioners shall be appointed in pursuance of this Act. One of such commissioners shall be so appointed president. Constitution and incorporation of commissioners.
- 25 The commissioners for the time being holding office are constituted a body corporate by the name of the “Commissioners of the Government Savings Bank of New South Wales,” having perpetual succession and a common seal. The seal of the commissioners shall be judicially noticed.
- 30 7. Each commissioner shall be appointed by the Governor by commission in His Majesty’s name, and shall, subject to this Act, hold his office during ability and good behaviour. He shall devote the whole of his time to the duties of his office, and shall not absent himself from such duties except for an annual leave of twenty-one days, unless by leave of the Governor. Appointment and term of office of commissioners.
- 35 8. If any commissioner— Disqualification of commissioners.
- (a) becomes a director or a member of the managing body of any bank, building society, or other company carrying on banking or money-lending business within the State;
- (b) becomes bankrupt or compounds with his creditors;
- 40 (c) is convicted of any criminal offence; or
- (d) becomes a lunatic or of unsound mind,
- his office shall thereupon be vacant.

Government Savings Bank.

9. In the case of the illness, suspension, or absence of any commissioner, the Governor may appoint some person as deputy to act in the place of such commissioner during such illness, suspension, or absence.

Appointment of
deputies.

5 If under this section one of the other commissioners is appointed deputy of the president, the Governor may appoint a deputy of such commissioner.

Any person while acting as a deputy shall have the powers and the duties of the commissioner in whose place he acts.

10 10. A commissioner may be removed from his office for misbehaviour or inability to perform the duties of his office only in the following manner:—

Removal from office.

(a) He may be suspended from his office by the Governor for such alleged misbehaviour or inability; and thereupon
15 (b) there shall, within seven days after such suspension, if Parliament is then sitting, or, if Parliament is not then sitting, within seven days after the next meeting of Parliament, be laid before each House of Parliament a full statement of the grounds of such suspension.

20 (c) If, within twenty-four sitting days after such statement has been laid before them respectively, the Houses of Parliament pass resolutions that the commissioner ought to be removed from his office, the commissioner shall be so removed by the Governor; but if such resolutions are not so passed within
25 the said twenty-four days, such suspension shall be removed.

11. The president shall for his services be paid out of the funds of the bank at the rate of twelve hundred pounds annually, and each of the other commissioners at the rate of nine hundred pounds annually.

Payment for services
of commissioners.

30 12. Any two of the commissioners shall be a quorum for the exercise of the powers of the commissioners.

Quorum of
commissioners—
casting vote of
president.

The president shall preside at a meeting of the commissioners, and if the votes at any such meeting are equal he shall have a second or casting vote. If at any meeting at which the president is not present the voting is equal, the matter shall be postponed to the next
35 meeting of the commissioners.

13. The Governor, on the recommendation of the commissioners, may, by order, proclamation, declare that all administrative acts of a specified class performed by one commissioner, and all documents and writings of a specified class authenticated or signed by one
40 commissioner, shall be of the same effect as if performed, authenticated, or signed by all the commissioners, and may vary or revoke such declaration. Such declaration may state the commissioner who may perform the act or authenticate or sign the document or writing.

Acts which may be
done by one
commissioner.

Any such declaration when notified in the Gazette shall have
45 the force of law.

Government Savings Bank.

PART III.

TRANSFER OF ASSETS AND LIABILITIES.

DIVISION I.—SAVINGS BANK DEPARTMENT.

14. On the commencement of this Act, all moneys in the
 5 Treasury at credit of the Government Savings Bank Trust Fund, and
 all moneys held or deposited in a bank under the Government Savings
 Bank Act, 1902, or advanced to the Federal Government for the
 purposes of the said Act, shall be held for the commissioners, and shall
 be paid to them within three years after the commencement of this
 10 Act in such amounts and at such times as may be agreed upon between
 the Treasurer and the commissioners. All securities in which such
 moneys have been invested, and interest thereon, and all books and
 documents and other property used for or in connection with the
 carrying out of the provisions of the said Act, shall pass to and become
 15 vested in the commissioners. Such moneys and securities shall be
 carried by the commissioners to the Savings Bank Department.

Property, &c., of
 Government Savings
 Bank to vest in
 commissioners.

15. (1) The interest due at the commencement of this Act on
 any deposits made under the Government Savings Bank Act, 1902,
 or any Act amending the same, shall be added to and form part of
 20 the principal moneys.

Deposits in old
 savings bank—how
 dealt with.

(2) Each such deposit and such moneys shall be subject to
 the provisions of this Act and the regulations :

Provided that where under the said Acts any such deposit or
 any interest thereon is repayable to any person other than the depositor,
 25 such deposit or interest may be repaid to the said person.

(3) The person entitled to any such deposit shall be
 entitled to a Government Savings Bank book on giving up the deposit
 book issued to him under any of the Acts above referred to.

16. Within twelve months after the commencement of this Act
 30 the question whether the Savings Bank of New South Wales is to be
 amalgamated with the bank constituted by this Act shall be submitted
 to a poll of the depositors of the first-mentioned bank. At such poll
 each such depositor shall have one vote. The time and method of
 taking such poll and the certifying the result of the poll shall be
 35 as prescribed by regulations which the Governor is authorised to make
 for that purpose.

Provision for
 amalgamation of
 Savings Bank of
 New South Wales.

If a majority of the depositors voting at such poll is in favour
 of such amalgamation, the following provisions shall apply on and
 from a date to be determined by the Governor and notified in the
 40 Gazette :—

- (a) The body corporate of the trustees of the Savings Bank of New
 South Wales shall be dissolved.
- (b) All property, real and personal, including books, documents,
 moneys, and securities for money, held by or on behalf of
 the

Government Savings Bank.

- 5 the Savings Bank of New South Wales, or the trustees of
the said bank, and all moneys lent, deposited, or otherwise
invested by the said bank or trustees shall pass to and become
vested in the commissioners, and such property, moneys, and
securities shall be carried by them to the Savings Bank
Department.
- 10 (c) Any right of action accrued to or against, and any agreement,
mortgage, debenture, bond, guarantee, covenant, or obligation,
made or entered into by or with the Savings Bank of New
South Wales or the trustees of the said bank, or any person
on behalf of the said bank or trustees, may be prosecuted
and enforced by or against the commissioners in their name
as if the right of action had originally accrued to or against,
15 or the agreement, mortgage, debenture, bond, guarantee,
covenant, or obligation had been made or entered into by or
with the commissioners.
- (d) The officers of the Savings Bank of New South Wales shall,
if considered to be fully efficient and qualified, be appointed
to the service of the bank as positions are available.
- 20 (e) The Savings Bank of New South Wales Act, 1902, and the
Savings Bank of New South Wales (Amendment) Act, 1902,
shall stand repealed.

DIVISION 2.—ADVANCE DEPARTMENT.

25 17. 16. On the commencement of this Act, all moneys and
securities for money, and all books, documents, and other property held
by or on behalf of the Advances to Settlers Board or by the Treasurer
or any person on his behalf under the Advances to Settlers Acts,
shall pass to and become vested in the commissioners, and such
moneys, securities, and property shall be carried to the Advance
30 Department.

*Vesting of money
and securities in
commissioners.*

35 18. 17. (1) The commissioners shall collect and carry to the Advance
Department all repayments of advances made under the Advances to
Settlers Acts, and all interest on such advances.

*Commissioners to
collect advances and
interest.*

(2) The Government guarantees the bank against any loss
35 or deficiency in collecting the principal and interest of the said
advances. Any such loss or deficiency shall, on being certified by
the commissioners, be made good to the Advance Department out of
the Consolidated Revenue Fund annually at the close of each financial
year of the bank.

*Under Government
guarantee.*

40 19. The Advance Department shall issue to the Savings Bank
Department debentures to the amount of the balances of the
advances made under the Advances to Settlers Acts outstanding at
the commencement of this Act, together with the amount of the
balance at credit of the Advances to Settlers Board's special loan
account.

*Advance Department
to issue debentures to
amount of advances
now outstanding.*

Government Savings Bank.

account in the Treasury; and an equivalent amount of three per centum Government Stock transferred by this Act to the Savings Bank Department shall be cancelled.

18. (1) The Advance Department shall issue to the Savings Bank Department debentures to the amount of three hundred and five thousand pounds, being the amount of stock issued under the Advances to Settlers Acts, and held at the commencement of this Act by the Government Savings Bank, and an equivalent amount of Government stock, transferred by this Act to the Savings Bank Department, shall be cancelled.

Advance Department
to issue debentures
to amount of
advances now
outstanding.

(2) The bank shall be liable to the Treasury for the amount of one hundred and twenty thousand and fifty pounds, being the amount of stock issued and sold to the public under the Advances to Settlers Acts, and outstanding at the commencement of this Act, together with all interest payable thereon.

The interest on such stock shall be paid half-yearly by the Advance Department to the Treasurer.

On maturity of the stock, the sum required for redemption shall be paid by the Savings Bank Department to the Treasurer, and the Advance Department shall, at the same time, issue to the Savings Bank Department an equivalent amount in debentures.

19. Subject to this Act, but notwithstanding the repeal of the Advances to Settlers Acts, the following provisions shall apply in respect of advances made under those Acts—

Provisions applicable
to advances under
Advances to Settlers
Acts.

(a) Such advances shall be repaid, and interest thereon shall be paid to the Advance Department at the times and in the amounts prescribed by the said Acts or by any regulation or instrument thereunder:

Provided that the commissioners may extend the term for the repayment of any such advance where, by any regulations under the said Acts in force at the commencement of this Act, such extension might have been granted.

(b) The commissioners may take any proceeding which under the said Acts might have been taken by the Secretary for Lands for the recovery of such advances and interest, except forfeiture under paragraph (i) of subsection two of section nine of the Advances to Settlers Act, 1899, of land held under the Crown Lands Acts, not being freehold land.

(c) In respect of the land last mentioned, the power of the Secretary for Lands to forfeit as aforesaid may, on the recommendation of the commissioners, be exercised. Any sums received by or on behalf of the Crown on account of improvements on such land shall (after deducting any moneys overdue at date of forfeiture for rent or instalments) to the extent of the amount owing to the Advance Department for principal and interest and for expenses incurred in connection with the advance, be paid to the said department.

(d)

Government Savings Bank.

- (d) The land in respect of which the advance was made shall continue to be charged with the repayment of the advance with interest thereon in accordance with the Advances to Settlers Acts.
- 5 (e) If any amount of principal or interest due in respect of any such advance is unpaid for a period of three months after the due date thereof the commissioners may, on the expiration of the said period, exercise any powers which, by sections ninety-one to one hundred and three of the Conveyancing and Law of Property Act, 1898, mortgagees may exercise in case of any default mentioned in section ninety-one aforesaid; and the provisions of those sections shall apply as if the principal money advanced were secured or charged by deed on the land in respect of which the advance was made, although 10 such money may not in fact have been so secured or charged: Provided that the notice of sale under section ninety-three aforesaid shall be for three months instead of six months: 15 Provided also that unless any amount of the principal or interest due in respect of a loan or mortgage is in arrear for two years or upwards, the consent of the Treasurer shall be 20 necessary to the exercise of the powers conferred by this paragraph.

~~21.~~ 20. Applications for advances under the Advances to Settlers Acts pending at the commencement of this Act may be dealt with ^{Applications already made.} as applications under this Act for loans from the Advance Department. 25

Rights of action and securities.

- ~~22.~~ 21. Any right of action, accrued to or against, and any agreement, mortgage, debenture, bond, guarantee, covenant, or obligation made or entered into by or with— ^{Rights of action and under contracts.}
- 30 (a) the Treasurer, or any person acting on his behalf under the Government Savings Bank Act, 1902, or any Act amending the same;
- (b) the Treasurer, the Secretary for Lands, or the Advances to Settlers Board acting under the Advances to Settlers Acts;
- 35 may be prosecuted and enforced, by or against the commissioners in their name, as if the right of action had originally accrued to or against, or the agreement, mortgage, debenture, bond, guarantee, covenant, or obligation had been made or entered into by or with the commissioners.

Government Savings Bank.

PART IV.

ADMINISTRATION OF THE BANK.

Duties of commissioners.

23. 22. The bank shall, under this Act, be administered, governed, ^{The commissioners to manage the bank.} and managed by the commissioners.

Departments of the bank.

24. 23. (1) The business of the bank shall be carried on in two ^{Savings Bank and Advance Departments.} distinct and separate departments, namely—

- 10 (a) the Savings Bank Department;
(b) the Advance Department.
- (2) All transactions and accounts relating to each such department shall be kept separate from those relating to the other department.

15 (3) Subject to this Act, no money belonging to any such department shall be used for the purpose of the other department, and no liability incurred in respect of any such department shall affect the other department or the funds thereof.

Powers to hold land.

25. 24. The commissioners may, on behalf of the bank— ^{Commissioners may hold land for certain purposes.}
- 20 (a) purchase or lease lands and buildings to be used in the business of the bank ;
- (b) hold, until the same can be advantageously disposed of, any property, real or personal, taken by them as security for or in satisfaction, liquidation, or discharge of any debt owing to either department of the bank ; and
- 25 (c) sell, lease, convey, assign, and assure such lands, buildings, and property, or any property vested in them by this Act, or any estate or interest in the same, as occasion may require.

Reserve funds.

30 26. 25. The commissioners shall, out of the net profits of the Savings Bank Department earned during any year, set apart such sum, not being less than one-twentieth nor more than one-fifth of the whole amount of interest received by the said department during the said year as they think proper towards a reserve fund for equalising the rate of interest payable on deposits, and for meeting losses : ^{Reserve fund of Savings Bank Department.} Provided that the Governor, on the recommendation of the commissioners, may suspend the operations of the above provisions for any year. The order suspending such provisions shall be laid before Parliament without delay. ^{Such}

Government Savings Bank.

Such part of the sum of fifty-two thousand two hundred and thirty pounds five shillings and eight pence, transferred from the profit and loss account of the bank constituted by the Government Savings Bank Act, 1902, to the Consolidated Revenue Fund, as upon adjustment between the Treasurer and the president of credits and charges in respect of services rendered appears to fairly belong to the said profit and loss account, shall be carried to the reserve fund constituted by this section.

27. 26. The commissioners shall set apart the whole of the net profits earned by the Advance Department during any year towards a reserve fund for meeting any loss or deficiency in connection with the transactions of the said department.

Reserve fund of
Advance
Department.

Branches and agencies.

28. 27. The commissioners may establish branches and agencies of the bank for the receipt of deposits and the payment of deposits and interest thereon and for receiving applications for advances under this Act.

Branches and
agencies.

29. 28. The commissioners may, subject to such terms and conditions as may be agreed upon between the Governor and the Governor-General, establish branches and agencies of the bank at post-offices.

Branches and
agencies at
post-offices.

Audit and accounts.

30. 29. The accounts of the commissioners shall be audited when this Act comes in force and thereafter annually at the close of each financial year of the bank by auditors appointed by the Auditor-General, and shall be so audited at such other times as the Auditor-General may think fit.

Audit of accounts.

31. 30. (1) The commissioners shall annually, within three months after the close of the bank's financial year, cause accounts and balance-sheets of the respective departments of the bank to be prepared, and shall under their hands certify to the best of their belief the correctness of the same, giving such details as the Governor may prescribe.

Preparation of
accounts and
balance-sheets.

(2) Such accounts and balance-sheets, on being certified as correct by the Auditor-General, shall be laid on the table of each House of Parliament, and published by the commissioners in the Gazette.

Publication in
Gazette.

Annual report of commissioners.

32. 31. The commissioners shall, at the close of each financial year of the bank, make and sign and present to the Governor a full report of the operations of the respective departments of the bank during the said year, and of such other matters relating to the bank as they think fit. Such report shall be laid on the table of each House of Parliament without delay.

Annual report of
commissioners.

Officers.

*Government Savings Bank.**Officers.*

32. **32.** The Commissioners shall appoint such officers, servants, valuers, and agents of the bank as may be required. Every such officer, servant, or agent whose duties involve the receipt or custody of moneys or securities shall give such security for the due and faithful performance of his duties as to the Commissioners may seem proper.

Appointment of officers.

With the approval of the Public Service Board, and on such terms as may be agreed upon, the services of any person in the service of the Crown may in part be made use of by the commissioners.

The commissioners shall fix the emoluments of officers, servants, valuers, and agents.

The Commissioners shall control the officers, servants, valuers, and agents of the bank, and shall, as far as possible, adopt the regulations of the Public Service Board in so far as they are applicable.

33. The salaries and emoluments of officers, servants, valuers, and agents of the bank, and all expenses incurred in the management of the bank, shall, ~~subject to the approval of Parliament,~~ be paid by the commissioners out of the funds of the respective departments of the bank in such proportions as they may consider fair and reasonable.

Payment of salaries and expenses.

34. (1) In the first appointment of the officers of the bank, the persons now employed in the bank constituted by the Government Savings Bank Act, 1902, or under the Advances to Settlers Board, shall, if considered to be fully efficient and qualified, be appointed in preference to other persons.

Preference to persons now employed.

(2) Any officer of the Public Service who is appointed an officer of the bank, and whose services are dispensed with by the commissioners within two years after such appointment, shall return to and be an officer of the Public Service, and his service under the commissioners shall count as service as an officer of the Public Service.

Rights of public servants appointed officers of bank and whose services are dispensed with within two years.

(3) Any officer of the Public Service who is appointed an officer of the bank, and whose services are not so dispensed with, shall have the same rights under the Public Service Act, 1902, and any Acts amending the same, and the regulations thereunder, to deferred and extended leave and to contribute to the superannuation account, and to be paid a superannuation allowance as if he were an officer of the Public Service; and for those purposes his service as officer of the bank shall count as service in the Public Service.

Rights of other public servants.

Commissioners and officers not to borrow from bank.

35. No commissioner, and no officer, servant, or agent of the bank, shall, either directly or indirectly, borrow from either department of the bank, or receive, except in pursuance of this Act, any payment, gift, profit, or benefit from the funds of the bank:

Commissioners, officers, servants, or agents of banks not to borrow from bank.

Provided

Government Savings Bank.

Provided that nothing in this section shall prevent a commissioner or such officer, servant, or agent from becoming a depositor in the bank or from receiving any interest or other profit in respect of his deposit, or carrying out any arrangement or contract made prior to
5 the commencement of this Act.

Any commissioner, or any such officer, servant, or agent, who knowingly contravenes the provisions of this section shall be guilty of a misdemeanour.

37- 36. (1) If any officer, servant, or agent of the bank having in
10 his possession or power any money or effects belonging thereto, or any deed or security relating to the same —

Bankruptcy, &c., of officer in possession of property of the bank.

20 Vic. No. 11, s. 20.

- (a) becomes bankrupt; or
- (b) makes an assignment for the benefit of his creditors; or
- (c) has any execution, attachment, or other process issued against
15 his land, goods, chattels, or effects; or
- (d) dies,

the commissioners may apply to such officer, servant, or agent, or his assignee or trustee, or to the sheriff or other person executing such process, or to his executors or administrators, or to any other person
20 having legal right as the case may be, and may demand that all such moneys, effects, deeds, or securities be paid over or delivered up to the commissioners or such person as they may appoint.

(2) The party so applied to and having the same shall on
such demand deliver over to the commissioners, or to such person
25 as aforesaid, all such moneys, effects, deeds, and securities, and shall pay out of the estate, assets, or effects of such officer, servant, or agent, all money due by him to the bank before any other of the debts of the said officer, servant, or agent are paid or satisfied, and before the money directed to be levied by such process as aforesaid is paid over to the
30 party issuing the same. All assets, land, goods, chattels, estate, and effects of such officer, servant, or agent shall be bound to the payment and discharge thereof accordingly.

Such property to be delivered on demand.

PART V.

DIVISION 1.—DEPOSITS.

35 SAVINGS BANK DEPARTMENT.

Receipt of deposits.

38- 37. (1) Deposits may be received at the bank subject to the
regulations. Receipt of deposits.

(2) Deposits may be received from minors of the age of
40 twelve years or upwards, and such deposits shall be subject to the provisions of this Act and the regulations relating to deposits.

(3)

Government Savings Bank.

(3) The commissioners may direct that no deposit shall be received from any person whom they may deem it inexpedient to admit or continue as a depositor, and that any deposit made by such person shall be returned to him. Power to refuse or return deposit.

5 ~~39.~~ 38. Except where otherwise in this Act expressly provided, no person shall have more than one account at the bank: Each person may have only one account.

Provided that this section shall not prevent any person having, bona fide, in addition to his own account—

- 10 (a) accounts in his own name in trust for other persons ;
 (b) joint accounts with different persons ;
 (c) accounts on behalf of different friendly, charitable, or other societies or institutions not carried on for purposes of trade or profit.

15 But the bank shall not be liable in respect of the performance of any trusts relating to a trust account ; and the receipt of the trustee shall be a sufficient discharge to the commissioners for any payment from any such account: Provided that the Commissioners may, if they deem it advisable, require the signature of both the trustee and the cestui que trust before any payment is made.

20

Interest on deposits.

40. 39. (1) The commissioners shall from time to time fix the interest payable to depositors, and may, by regulations, fix differential rates of interest according to the amount of the deposit: Interest, how fixed.

25 Provided that interest shall not be allowed on any amount above five hundred pounds to the credit of any one account, except the account of—

- 30 (a) a friendly, charitable, or other society or institution (including a trades union or an industrial union of employers), not carried on for purposes of trade or profit ; or
 (b) the Advance Department.

But the commissioners may in their discretion limit the amount of the respective accounts of such societies or institutions or any of them :

35 Provided also that the maximum rate of interest under the regulations shall be paid on the deposit of any of the aforesaid societies and institutions up to five hundred pounds, and above that amount the rate shall be a matter of agreement with the commissioners.

40 (2) Such interest shall be calculated on every complete sum of one pound, but shall not commence to run until the first day of the month next following that in which the deposit is made, and shall, with respect to any money withdrawn, cease upon the first day of the month in which such withdrawal takes place. Interest, how calculated.

(3)

Government Savings Bank.

(3) Such interest shall be calculated to the thirty-first day of December and the thirtieth day of June in every year, and shall then be added to and become part of the principal money on these respective dates.

5

Withdrawal of deposits.

~~41.~~ 40. No person shall have any claim on the bank in respect of a deposit which was not made during the office hours of the bank. Making and withdrawing deposits.

On the withdrawal of any money from the bank, a receipt or order in such form as the commissioners may direct shall be signed by the depositor, and such receipt or order shall be a sufficient discharge to the commissioners for the amount therein expressed to be received. A receipt or order so signed by a minor or married woman shall be a sufficient discharge to the commissioners.

~~42.~~ 41. (1) Deposits and interest payable thereon may be withdrawn on application in the prescribed form by the depositor or the person legally entitled to claim on his behalf. Withdrawal of deposits.

Where such application is made at the office of the bank, where the depositor's account is kept, the payment shall be on demand.

Where such application is made at any other office of the bank, the payment shall be made on the receipt by the paying officer of authority from the office in which the account is kept.

(2) The accounts of friendly societies in the bank may be drawn upon by cheque in such form and subject to such conditions as the commissioners may direct. Cheques for friendly societies accounts.

~~43.~~ 42. (1) Where the whole amount at credit of a depositor, exclusive of interest, does not at the time of his decease exceed one hundred pounds, the commissioners, if they are of opinion that such depositor died intestate, but without requiring proof of the issue or production of letters of administration of his estate, may in their discretion pay the said amount, or any part thereof, and any interest due thereon, to or among any of the following persons :—

- (a) Any person who has paid the funeral expenses of the depositor.
- (b) Creditors of the depositor.
- (c) The widow or widower of the depositor.
- 35 (d) The person entitled to the effects of the depositor according to the statutes of distribution.
- (e) In the case of foreign seamen, the consular authority of any country with which a treaty has been made relative to the payment of moneys due to such seamen.

40 (2) The receipt of any of the persons mentioned in this section shall be a good discharge to the commissioners for the sum paid, and shall be binding on any widow, widower, or next of kin. Receipts.

(3)

Government Savings Bank.

(3) If the commissioners under this section pay money to any person who is afterwards proved not to have been legally entitled thereto, the commissioners shall not be liable at suit of any person who was so entitled. Indemnity to commissioners.

5 But this subsection shall not affect the remedy of the last-mentioned person against the person who has received the money.

Pass-books.

44. 43. (1) Every depositor's pass-book shall be deemed to be the property of the commissioners, and shall be delivered up as and when required by them. Pass-books.

(2) Each depositor shall once in each year produce, or cause to be produced, his pass-book at the office of the bank in which his account is kept, for the purposes of examination and verification on a day or days to be notified by the commissioners as hereinafter prescribed. Production of pass-books.

15 Such notice shall be published in the Gazette, and shall specify the times and places respectively at which the said pass-books shall be produced for the purposes aforesaid. A copy thereof shall be inserted in one or more newspapers circulating in the district where such office of the bank is open for the transaction of business, and posted in such places and in such manner as to the commissioners may seem expedient.

Guarantee by Crown.

45. 44. The repayment of all deposits in the bank, whether made before or after the commencement of this Act, and the payment of interest thereon, shall be payable out of the funds of the commissioners held under this Part, and is guaranteed by the Crown. Any liability arising from such guarantee shall be payable out of the Consolidated Revenue Fund. Deposits guaranteed by Crown.

30 DIVISION 2.—BORROWING.

46. 45. It shall be lawful for the commissioners to borrow, and for the Governor to guarantee the repayment of, any money which the commissioners may require in order to meet the demands of depositors desirous of withdrawing their deposits; and the Governor shall obtain from the commissioners such security for the protection of any such guarantee as may in his opinion be necessary or advisable. Governor may guarantee loan to bank.

47. 46. The Governor may, upon like security, by warrant under his hand direct and authorise advances to be made to the commissioners for the purposes of the bank out of the Consolidated Revenue Fund; but the fact that such advance has been made, and the amount of such advance shall, as soon as possible, be reported to both Houses of Parliament. Loans by Government to bank.

DIVISION

Government Savings Bank.

DIVISION 3.—INVESTMENTS.

48. 47. All moneys received by the Savings Bank Department ^{Investments.} after the constitution of the bank shall be invested and held, as nearly as may be, as follows:—

- 5 (a) ~~twelve~~ **fifteen** per centum of such moneys shall consist of cash and deposits in the Treasury and in banks of issue in the State, available at call or at short notice, and interest thereon;
- 10 (b) twenty per centum of such moneys shall be invested in premises used in the business of the commissioners and in freehold lands held by the commissioners in pursuance of this Act, and upon mortgage of land in the State of an estate of inheritance in fee simple;
- 15 (c) sixty-eight per centum of such moneys shall be invested in—
 (i) Government securities of New South Wales, or of any other State of the Commonwealth;
- 20 (ii) debentures issued by the Advance Department; and
 (iii) debentures lawfully issued by the municipal council of Sydney or the council of any municipality in the State.
- (b) the balance of such moneys shall be invested in—
 20 (i) premises used in the business of the commissioners, and in freehold lands held by the commissioners in pursuance of this Act;
- 25 (ii) upon mortgage of land in the State of an estate of inheritance in fee simple;
- (iii) Government securities of New South Wales, or of any other State in the Commonwealth;
- (iv) debentures issued by the Advance Department; and
 (v) debentures lawfully issued by the municipal council of Sydney, or the council of any municipality in the State.

30 49. 48. (1) No loan from the Savings Bank Department shall be made in respect of land subject to a prior mortgage or charge in favour of any person other than the commissioners, or unless the money lent is to be used to pay off such prior mortgage or charge.

(2) The following provisions shall apply in respect of such
 35 loans—

- (a) No loan shall be of less amount than fifty pounds.
- (b) The amount of any loans to any one person shall not exceed twenty-five thousand pounds.
- 40 (c) the amount of any loan shall not exceed three-fifths of the value of the interest of the borrower in the land and buildings, or other permanent improvements thereon.
- (d) Security in the form of a mortgage shall be taken for the loan, and such mortgage shall be registered without delay.

(e)

Government Savings Bank.

- (e) Dates shall be fixed for the repayment of the principal sum and for the payment of interest thereon.
- (f) The whole of the principal sum with interest thereon shall be made repayable within a period to be fixed by the commissioners.

5

PART VI.

ADVANCE DEPARTMENT.

DIVISION 1.—ISSUE OF DEBENTURES.

~~50.~~ 49. (1) The commissioners may from time to time issue out of the Advance Department debentures in the form of Schedule Two or to the like purport. Issue of debentures.

(2) The due payment of such debentures and the interest thereon shall be a charge on all moneys and securities held by the commissioners on behalf of the said department, and is hereby guaranteed by the Government. Any liability arising from such guarantee shall be payable out of the Consolidated Revenue Fund : Charge of liability ; guarantee by Government.

15 Provided that such charge shall not prejudice or affect the powers of the commissioners to reconvey, release, or discharge any of such securities, or the properties comprised therein, or to sell or convey such properties, or to foreclose such securities or properties, or to deal with the same under this Act.

~~51.~~ 50. The total amount of such debentures so issued and uncancelled shall not at any time exceed two million pounds, nor shall any such debentures be issued while the total amount then issued and uncancelled exceeds by fifty thousand pounds the amount of advances then unpaid. Amount of issue.

~~52.~~ 51. Such debentures may be issued in different series. Each series shall be numbered consecutively, beginning with the number one and proceeding arithmetically by units. Series.

30 ~~53.~~ 52. Such debentures shall be signed by the commissioners, and sealed with the commissioners' seal, but shall be issued only after the Auditor-General has certified that the issue is in accordance with law. The debentures shall be registered in the department of the Auditor-General. Signature.

35 Every such debenture which has been signed and sealed in accordance with this section shall be good and valid as against the commissioners.

~~54.~~ 53. Every such debenture shall be for the sum of fifty-pounds or some multiple thereof, and shall have such currency and shall bear Amount and currency of debentures.

Government Savings Bank.

such interest, not exceeding four pounds per centum per annum, payable half-yearly from the Advance Department, as the commissioners may fix.

55. **54.** Debentures shall be issued at a minimum price to be fixed by the commissioners, and redeemed out of moneys in the Advance Department at their face values, and may be issued to the Savings Bank Department, or sold in the State or elsewhere.

Issue and redemption of debentures.

56. **55.** Every such debenture shall be transferable by delivery without assignment or endorsement, and shall entitle the bearer of the same to be paid according to the tenor thereof.

Debentures transferable by delivery.

57. **56.** (1) Debentures may be purchased by the commissioners out of moneys in the Advance Department at or below their face value.

Purchase of debentures.

(2) All debentures redeemed or purchased by the commissioners under this Act shall be cancelled.

Cancellation.

58. **57.** If any debenture is defaced by accident, the commissioners may cancel the same, and cause a new debenture to be made in lieu thereof, and such cancelled debenture shall be filed in the bank. Such new debenture shall be to the like purport, and be in all respects subject to the same rules, methods, and continuance, and bear the same number, date, principal sum, and rate of interest as such cancelled debenture.

Defaced debenture may be exchanged.

59. **58.** Upon proof being made on oath before a Judge of the Supreme Court by any credible person that any debenture issued under this Act and held by him, the number and sum whereof is specified by him in his evidence, has been lost or accidentally burnt or otherwise destroyed before the same has been paid off, and upon such Judge certifying that he is satisfied with such proof, the commissioners may cause a new debenture to be made bearing the same number, date, principal sum, and rate of interest as the debenture so lost or destroyed, and to be delivered to such person upon his giving sufficient security to the commissioners to indemnify them against any double payment if the missing document should thereafter be presented for payment.

Provisions for debentures lost, &c.

60. **59.** All debentures issued under this Act shall have the status of "Government Securities" within the meaning of the Act number four of one thousand eight hundred and ninety-eight (the Trustee Act of 1898) and of the Act thirty-seven Victoria number four, or any Act in force for the time being relating to friendly societies; and all corporations, companies, or co-partnerships, and all trustees, executors, and administrators, whether incorporated, established, or appointed before or after the passing of this Act not expressly forbidden to invest their funds in the purchase of Government stock or securities by their charter, Act of incorporation, deed of settlement, or of partnership, trust deed, settlement, testamentary or other instrument whatsoever respectively, are hereby authorised and empowered to invest such funds

Power to trustees to invest.

Government Savings Bank.

funds in the purchase of and to hold such debentures as aforesaid without incurring or committing any breach of trust or of any condition, restriction, or provision contained in any such Act, charter, or other instrument whatsoever as aforesaid.

5 ~~64.~~ **60.** Debentures issued under this Act shall be included in the exemptions in the Second Schedule to the Stamp Duties Act, 1898. Exemption from duty.

~~62.~~ **61.** The proceeds of the issue of debentures shall be carried to the Advance Department and applied in pursuance of this Act. Application of proceeds.

DIVISION 2.—LOANS.

10 ~~63.~~ **62.** The commissioners may lend moneys from the Advance Department— The lending of money from Advance Department.

(a) upon mortgage of an estate of inheritance in fee simple in any land in the State ;

(b) upon mortgage of—

15 (i) conditional purchases with or without associated conditional leases ;

(ii) homestead grants ;

(iii) homestead selections ;

(iv) settlement leases ;

20 (v) settlement purchases ;

(vi) conditional purchase leases ;

(c) on deposit at call or short notice in the Treasury or any bank of issue in the State or on deposit in the Savings Bank Department.

25 ~~64.~~ **63.** (1) No such loan upon mortgage shall be made except for all or any of the following purposes, which shall be set out in the mortgage— Purposes for which loans may be made.

(a) to pay off existing encumbrances on or to purchase the land ;

(b) to pay off money owing to the Crown in respect of the land ;

30 (c) to make improvements on the land, or to improve and develop, or to utilise the agricultural or pastoral resources of the land, or to enable the borrower to carry on agricultural or pastoral pursuits on the land ;

(d) to build homes upon the land.

35 (2) If any person applies any portion of a loan so made to any other than the purpose for which it was granted, the commissioners may cause his estate and interest in the land to be sold, and the provisions of sections ninety-two, ninety-four, ninety-five, and ninety-six of the Conveyancing and Law of Property Act, 1898, relating to a sale under section ninety-one of the said Act shall apply to a sale under this section of this Act.

40 (3) No such loan shall be made upon the security of lands of an estate of inheritance in fee simple within the boundaries of any city, town, or village, whether so declared by proclamation of the Governor or not so declared. (4)

Government Savings Bank.

(4) No such loan will be made on the security of land held under the Crown Lands Acts (except certificated conditional purchases) without the consent of the Secretary for Lands or some officer appointed by him in that behalf.

5 ~~65.~~ **64.** To facilitate close settlement on private estates suitable for the purpose, the commissioners may make advances to assist persons in purchasing lands, and in connection with such advances the following provisions shall apply :—

Advances on purchase of farms.

- 10 (a) The title to the land must be either certificated conditional purchase or freehold under the Real Property Act, 1900.
- (b) The amount of any such advance shall not exceed eighty per centum of the commissioners' valuation of the security.
- 15 (c) A valuation of a farm for the purpose of an advance may be made upon application, on the prescribed form, and upon payment of the prescribed fee.
- (d) A certificate may be issued to either the vendor or the purchaser by the commissioners, setting out the amount they are prepared to advance upon a sound title in any such farm ; such certificate shall have force for the time, and be subject to the conditions therein named.
- 20 (e) Conditions and covenants may be inscribed in the mortgage deeds to secure close settlement and the making of such improvements as may be considered necessary.
- 25 (f) In all other respects loans under this section shall be subject to the same provisions as other loans from the Advance Department.

~~66.~~ **65.** All applications for loans under five hundred pounds shall have priority over those of a larger amount.

Priority of applications.

30 ~~67.~~ **66.** (1) Any borrower from the Advance Department, or under the Advances to Settlers Acts, who is not in arrear with the payment of any instalment of principal or any interest due in respect of his loan may on any day fixed for the payment of any such instalment, or interest, repay to the commissioners the whole of his debt or any portion thereof being five pounds or a multiple of five pounds.

Borrower may repay the loan or portion thereof.

35 (2) Where the loan is repayable by instalments and portion only of the loan is so repaid, the commissioners shall allow the amount so repaid to accumulate at interest at a rate to be fixed by the commissioners.

40 Such repayment shall not affect the obligation of the borrower to pay the instalments provided in the mortgage ; but when the sum deposited as aforesaid with the interest thereon amounts to the balance then unpaid on the loan, the commissioners shall apply such sum in repayment of the loan and release the borrower and the land from the mortgage.

Where loan repayable by instalments.

Government Savings Bank.

(3) In the case of a loan not repayable by instalments, the amount of such repayment shall be deducted from the amount of the loan, and thenceforward interest will only be payable on the reduced amount.

Where loan not so repayable.

5 68. 67. The costs and expenses which the commissioners may charge in respect of the making of loans from the Advance Department shall not exceed—

Cost and expenses which may be charged in respect of advances.

- (a) fees for stamps, registration, searches, and other expenses out of pocket :
- 10 (b) the prescribed fees for valuation ;
- (c) for other expenses, not more than two per centum on the amount of the advance up to one hundred pounds, and thereafter one-half per centum on the amount above one hundred pounds and up to five hundred pounds, and one-fourth
- 15 per centum on the amount above five hundred pounds.

69. 68. The following provisions shall apply in respect of loans made by the Advance Department :—

Directions to be observed by commissioners.

- (a) No loan shall be of less amount than fifty pounds.
- 20 (b) No loan shall be made in respect of land subject to a prior mortgage or charge, except a mortgage or charge in favour of the commissioners, or unless the money to be lent is to be used to pay off such prior mortgage or charge.
- (c) A loan on the security of land not being a freehold or a certificated conditional purchase shall be made repayable
- 25 within such period not exceeding thirty-one years as the commissioners think fit by half-yearly instalments with interest added commencing within nine months from the making of the loan. Each such repayment to be made on
- 30 the last day of March and the last day of September in each year, and to consist partly of principal moneys and partly of interest.
- (d) A loan may be granted on the security of a freehold or a certificated conditional purchase repayable—
- 35 (i) by instalments as in the next preceding paragraph provided ;
- or
- (ii) at the expiration of a fixed term not exceeding five years, during which interest only shall be payable ; or
- (iii) by half-yearly instalments with interest added extending
- 40 over such period not exceeding thirty-one years from the date of expiration of the fixed term as may be specified in the mortgage.
- (e) The amount of any loans to any one person shall not exceed two thousand pounds.
- 45 (f) The amount of any loan (except in the case of a loan under section ~~sixty-six~~ sixty-five) shall not exceed two-thirds of the value

Government Savings Bank.

- value of the interest of the borrower in the land and buildings, or other permanent improvements thereon, the subject of the mortgage security; but when the land is held as a conditional lease, homestead grant, settlement lease, homestead selection, settlement purchase, or conditional purchase lease, or a conditional purchase as to which the first five year's certificate has not issued, such amount shall not exceed one-half of the holder's interest in the value of the improvements on the land.
- 5
- 10 (g) Security in the form of a mortgage shall be taken for the loan, and such mortgage shall be registered without delay.
- (h) Dates shall be fixed for the repayment of the principal sum and for the payment of interest thereon.
- 15 (i) If any interest or instalment is in arrear for more than twenty-one days, the commissioners shall charge the borrower interest on such interest or instalment at a rate one per centum higher than the rate named in the mortgage.

70- 69. The following provisions shall apply to the land in respect of which any loan is made by the Advance Department:— Provisions applicable to land mortgaged.

- 20 (a) Where such land is held under the Crown Lands Acts, the Secretary for Lands shall not forfeit the land under those Acts, nor shall any such forfeiture be revoked, except with the consent of the commissioners. Where such land is held
- 25 under the Crown Lands Acts, and has become forfeited for non-compliance with conditions under those Acts, it shall thereupon vest in the commissioners, and may be sold by them to any person, who shall hold the same subject to any conditions prescribed by the Crown Lands Acts binding upon the former holder, but free from any liability for any breach
- 30 before such sale of any such conditions, and the purchaser shall have six months from the time of sale for complying with any unfulfilled improvement conditions in relation to the land. The proceeds of such sale shall, after payment of any outstanding moneys due under the Crown Lands Acts,
- 35 be applied in liquidation of the claims of the commissioners, any balance remaining thereafter being paid into the Treasury to the credit of the Lands Department. In the event of the commissioners failing to find a purchaser within twelve months, the land may be disposed of as Crown lands
- 40 under the Crown Lands Acts.
- (b) Where any such land is so forfeited, any money received by or on behalf of the Crown on account of the improvements on such land shall, to the extent of the amount owing to the commissioners for principal and interest and for expenses incurred

Government Savings Bank.

incurred in connection with the loan, be paid to the commissioners, after deducting therefrom any moneys due ~~after~~ **at the** date of forfeiture for rent or instalments under the Crown Lands Acts.

- 5 (c) Nothing in the Crown Lands Acts shall invalidate or affect any mortgage given under this Act to secure any loan or interest thereon or the pursuit of any remedy for the recovery of such loan or interest; and such mortgage may be given and any sale or foreclosure may be effected thereunder, notwithstanding that the land the subject of the mortgage could not by the terms of the said Acts be transferred, assigned, or otherwise dealt with.

10 ~~71.~~ **70.** The following conditions shall apply in respect of land subject to any mortgage under this Part:—

Conditions annexed to land whilst subject to advances.

- 15 (a) Such land shall not, nor shall any part thereof, be transferred, assigned, let, or sublet without the previous consent in writing of the commissioners.
- (b) Any transfer, assignment, letting, or subletting of such land, or any part thereof, in contravention of this section, shall be void, and the commissioners may cause the estate and interest
- 20 of the owner or lessee in such land to be sold.
- (c) Where the owner or lessee of any such land becomes bankrupt, the commissioners may cause his estate and interest therein to be sold.

PART VII.

SUPPLEMENTAL.

Advances.

- 25 ~~72.~~ **71.** If any amount of principal or interest due in respect of any loan made under the Advances to Settlers Acts, or by the
- 30 commissioners in pursuance of this Act, on the security by mortgage of land not held under the provisions of the Real Property Act, 1900, is unpaid for a period of three months after the due date thereof, the commissioners may, at their option, in lieu of taking proceedings in any court, make application to the Registrar-General in
- 35 writing for an order for foreclosure.

Application for foreclosure.

Such application shall state that such default has been made as aforesaid, and that the land, estate, or interest mortgaged has been offered for sale by public auction by a licensed auctioneer, and that the amount of the highest bid at such sale was not sufficient to satisfy the

Government Savings Bank.

the moneys so due, together with the expenses occasioned by such sale, and that notice in writing of the intention of the commissioners to make such application has been given to the mortgagor or other person entitled to the equity of redemption, by leaving the same at his
 5 usual or last known place of abode, if such place be within three miles of the head office of the bank, or by forwarding the same by registered letter through the post office if such place be beyond that distance. Such application shall be accompanied by a certificate of the auctioneer by whom such land was put up for sale and such other proof of the
 10 matters stated therein as the Registrar-General may require. The statements made in such application shall be verified by the statutory declaration of one of the commissioners.

The Registrar-General may, at the expense of the commissioners, cause notice to be published, once in the Gazette and once in each
 15 of three succeeding weeks in at least one newspaper circulating in the district in which the mortgaged land is situated, offering such land for sale, and shall limit and appoint a time not less than one month from the date of the publication in the Gazette, upon or after which the Registrar-General may issue to the Commissioners an order for
 20 foreclosure unless in the interval a sufficient amount has been realised by the sale of the land to satisfy the principal and interest moneys due and all expenses occasioned by such sale and proceedings.

Every such order for foreclosure under the hand of the Registrar-General shall, upon registration under the Registration of
 25 Deeds Act, 1897, have the effect of barring all right and equity of redemption in the said land on the part of the mortgagor or of any person claiming through or under him.

~~72.~~ 72. Where land is sold by the commissioners for non-payment of principal or interest of money lent or for breach of any covenant in
 30 the instrument of mortgage securing the same, the land shall be freed from any charge in respect of the loan. But where such land was at the time of sale subject to conditions prescribed by the Crown Lands Acts, it shall be held by the purchaser and those claiming under him subject to the performance by them of those conditions. But he shall be
 35 free from any liability for any breach before such sale of any condition under those Acts, and shall have six months from the time of sale for complying with any unfulfilled improvement conditions in relation to the land.

74. 73. The commissioners by regulations may prescribe the form
 40 of mortgage-deeds under this Act, and short forms of provisions to be inserted in such deeds, and may state the legal effect of such short forms when so inserted, which thereupon shall have the force of law: Provided that where the land, the subject of the mortgage, is under the Real Property Act, 1900, such forms shall not be inconsistent
 45 with the forms prescribed by or under the said Act.

Government Savings Bank.

75. **74.** Where an advance under the Advances to Settlers Acts or this Act has been made upon the security of lands held under the Crown Lands Acts, it shall be the duty of the person liable to repay such advance **to fulfil all residence and other conditions under those Acts** and to punctually pay all rents, instalments, or other moneys due to the Crown in connection therewith; and if he fails ~~to make those~~ **to fulfil such conditions or to make such** payments, or to fulfil any other conditions or covenants under the mortgage deed, the Commissioners may require payment forthwith of such of the principal moneys advanced as have not been repaid, and all interest and charges thereon, and thereupon the same shall be so payable.

76. **75.** If any amount of principal or interest due in respect of any loan on mortgage made by the commissioners is in arrear for two years or upwards, it shall be the duty of the commissioners to exercise the powers conferred on them for the recovery of such amount.

Settlement of disputes.

77. **76.** If any dispute arises between the Commissioners and any depositor, or any executor, administrator, next of kin, creditor, or assignee of a depositor who may become bankrupt, or any persons claiming to be such executor, administrator, next of kin, creditor, or assignee, or to be entitled to any money deposited in the bank, the matter in dispute shall be referred in writing to the Attorney-General; and whatever award, order, or determination is made by the Attorney-General shall be final.

25 *Bank represented in legal proceedings.*

78. **77.** The bank, by its commissioners, by their counsel, attorney, or agent, shall be entitled to be heard before any land board or before any court in any case relating to land in respect of which an advance or loan has been made under the Advances to Settlers Acts or this Act.

30 *Penalties.*

79. **78.** Any person employed in the business of the bank who directly or indirectly takes any fee or reward from any applicant for a loan under this Act, shall be dismissed from his office and be liable to imprisonment for any term not exceeding two years, with or without hard labour.

80. **79.** Any person who—
 (a) having any pecuniary interest in any land tendered as security for a loan under this Act; or
 (b) being a partner of the applicant for a loan,
 acts as valuer or adviser to the commissioners in connection with such land or loan, shall be liable to a penalty of not less than fifty pounds nor more than two hundred pounds, and shall also be dismissed from his office.

Government Savings Bank.

81. 80. Any person who, in respect of any loan or application for any loan, bribes, or attempts to bribe or corruptly influence any person appointed or acting under this Act, is liable to imprisonment for a term not exceeding two years, with or without hard labour. Penalty for bribing officer.

5 82. 81. Any penalties imposed by or under this Act may be recovered before a stipendiary or police magistrate or any two justices in petty sessions. Recovery of penalties.

10 83. 82. If any person forges or alters, or offers, utters, disposes of, or puts off, knowing the same to be forged or altered, any deed, rule, order, bond, or writing obligatory, or any acquittance, receipt, release, account, or statement, or any note, bill, or other security for payment of money, or letter, or power of attorney, or other instrument in writing, or makes any false entry, or knowingly makes up any untrue account, which concerns or relates to the affairs or business of the savings bank with intent to defraud, every such offender shall be 15 guilty of forgery, and punished accordingly. Forgery.

Regulations.

84. 83. The commissioners may make regulations for carrying out the provisions of this Act, and particularly— Regulations.

- 20 (a) for the management of the bank and the regulation of its business ;
- (b) regulating proceedings at meetings of the commissioners, and the quorum necessary for the transaction of business ;
- 25 (c) for the control of the officers, valuers, servants, and agents of the bank ;
- (d) for fixing the emoluments of valuers and agents ;
- (e) for regulating the receipt and repayment of deposits and the payments of interest thereon ;
- (f) regulating applications for and the making of loans by the 30 bank ;
- (g) prescribing the fees payable in respect of such applications and loans ;
- (h) for the keeping of the accounts of the bank.

35 85. 84. Every such regulation, when approved by the Governor and published in the Gazette, shall have the force of law. Approval of regulations.

86. 85. (1) A copy of every such regulation shall be deposited with the Prothonotary of the Supreme Court, who shall, without fee, file the same of record in the Court. Filing of regulations.

40 (2) All depositors and borrowers and their representatives shall be deemed to have notice of the regulations. Depositors, &c., deemed to have notice of regulations.

(3) Every copy so filed, or a certified copy thereof, shall be received in all courts as evidence of the regulations therein contained and of their having been duly made and approved as aforesaid. Copy filed to be evidence.

(4)

Government Savings Bank.

(4) A copy of every regulation shall be laid upon the Table of the Legislative Assembly before Parliament within fourteen days after publication in the Gazette, if Parliament be then in session, and, if not, then within fourteen days after the commencement of the 5 next ensuing session.

SCHEDULES.

SCHEDULE ONE.

Repeal of Enactments.

Number of Act.	Title of Act.	Extent of repeal.
10 Act No. 1, 1899 ...	Advances to Settlers Act, 1899 ...	The whole.
Act No. 1, 1902 ...	Advances to Settlers (Amendment) Act, 1901 ...	The whole.
Act No. 72, 1902 ...	Government Savings Bank Act, 1902 ...	The whole.
Act No. 106, 1902 ...	Advances to Settlers (Amendment) Act, 1902 ...	The whole.
15 Act No. 20, 1903 ...	Government Savings Bank (Amendment) Act, 1903.	The whole.

SCHEDULE TWO.

NEW SOUTH WALES.

Number
20 £ GOVERNMENT SAVINGS BANK ACT, 1906.

Debenture.

WE, the Commissioners of the Government Savings Bank of New South Wales, hereby acknowledge that the holder of this debenture is entitled to be paid, on the day of , the sum of pounds, and that until such payment is made we will, at 25 the Head Office of the Commissioners at Sydney, on every day of and day of , pay to the bearer of this debenture interest on the said sum at the rate of per centum per annum.

The said sum and interest are by the above-mentioned Act guaranteed by the Government of New South Wales.

30 Given under the common seal of the Commissioners of the Government Savings Bank of New South Wales, in the State of New South Wales, at Sydney, this day of 19 .

(L.S.)

Commissioners.

35 Registered at the Audit Office, Sydney, in the register of debentures of the Government Savings Bank of New South Wales, folio , this day of 19 .

Auditor-General.

Department of State

(1) A copy of every regulation shall be left available to the public in the Department of State, and it shall be the duty of the Department to publish in the Federal Register every regulation which it has issued within fifteen days after the promulgation of the text of such regulation.

AMENDMENT

REGULATIONS

Section 1

In Title 22, Chapter I, Part 101, Section 101.1, the first sentence shall read: "The Department of State shall publish in the Federal Register every regulation which it has issued within fifteen days after the promulgation of the text of such regulation."

Section 2

Section 101.1 shall be amended to read: "The Department of State shall publish in the Federal Register every regulation which it has issued within fifteen days after the promulgation of the text of such regulation."

The Department of State shall publish in the Federal Register every regulation which it has issued within fifteen days after the promulgation of the text of such regulation.

The Department of State shall publish in the Federal Register every regulation which it has issued within fifteen days after the promulgation of the text of such regulation.

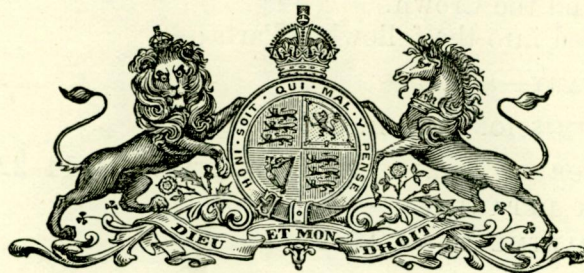
[Signature]

This PUBLIC BILL originated in the LEGISLATIVE ASSEMBLY, and, having this day passed, is now ready for presentation to the LEGISLATIVE COUNCIL for its concurrence.

*Legislative Assembly Chamber,
Sydney, 23 November, 1906. }*

*RICHD. A. ARNOLD,
Clerk of the Legislative Assembly.*

New South Wales.



ANNO SEXTO

EDWARDI VII REGIS.

Act No. , 1906.

An Act to constitute and regulate and provide for the management of the Government Savings Bank of New South Wales and its departments; to authorise the said bank to receive deposits, borrow moneys, and make loans and investments; to provide for a Government guarantee of any indebtedness of the said bank; to repeal the Acts dealing with the Government Savings Bank, and with advances to settlers; to provide, subject to a poll of depositors, for the amalgamation of the Savings Bank of New South Wales with the bank constituted by this Act, and for the repeal of the Acts relating to such bank; for the transfer of certain assets, liabilities, and powers to the said bank; to amend the Acts dealing with Crown lands, the Closer Settlement Act, 1904, and certain other Acts; and for purposes consequent thereon or incidental thereto.

Government Savings Bank.

BE it 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:—

5

PART I.

PRELIMINARY.

1. This Act shall commence and take effect on the first day of January, one thousand nine hundred and seven, and may be cited as the "Government Savings Bank Act, 1906."

10

2. This Act shall bind the Crown.

3. This Act is divided into the following Parts:—

Act to bind Crown.

Division of Act.

PART I.—PRELIMINARY—*ss.* 1-5.

PART II.—THE COMMISSIONERS—*ss.* 6-13.

PART III.—TRANSFER OF ASSETS AND LIABILITIES—*ss.* 14-22.

15

1. SAVINGS BANK DEPARTMENT—*ss.* 14-16.

2. ADVANCE DEPARTMENT—*ss.* 17-22.

PART IV.—ADMINISTRATION OF THE BANK—*ss.* 23-37.

PART V.—SAVINGS BANK DEPARTMENT—*ss.* 38-49.

20

1. DEPOSITS—*ss.* 38-45.

2. BORROWING—*ss.* 46, 47.

3. INVESTMENTS—*ss.* 48, 49.

PART VI.—ADVANCE DEPARTMENT—*ss.* 50-71.

1. ISSUE OF DEBENTURES—*ss.* 50-62.

2. LOANS—*ss.* 63-71.

25

PART VII.—SUPPLEMENTAL—*ss.* 72-86.

4. The Acts mentioned in Schedule One to this Act are to the extent therein expressed repealed:

Provided that subject to this Act the provisions of the Advances to Settlers Acts shall continue in force in respect of advances made thereunder before the commencement of this Act until all such advances with interest thereon are repaid or are written off in the books of the bank as bad debts.

5. In this Act, unless the context requires another meaning,—

35

"Advance Department" means Advance Department of the Bank.

"Advances to Settlers Acts" means the Advances to Settlers Act, 1899, the Advances to Settlers (Amendment) Act, 1901, and the Advances to Settlers (Amendment) Act, 1902.

"Advances to settlers board" means the board constituted by the Advances to Settlers Act, 1899.

"Certificated"

Government Savings Bank.

- “Certificated conditional purchase” means conditional purchase as to which all conditions have been fulfilled except payment of the balance of purchase money.
- 5 “Commissioners” means commissioners of the bank constituted by this Act.
- “Crown Lands Acts” means Acts dealing with the disposal and tenure of Crown lands, and includes the Closer Settlement Act, 1904.
- “Part” means part of this Act.
- 10 “President” means president of the Bank.
- “Regulations” means regulations under this Act.
- “Savings Bank Department” means Savings Bank Department of the Bank.
- 15 “Savings Bank of New South Wales” means the bank constituted by the Savings Bank of New South Wales Act, 1902.
- “The Bank” means the bank constituted by this Act, and includes a branch or agency of the bank.
- “The State” means the State of New South Wales.
- “Treasurer” means Colonial Treasurer.

20

PART II.

THE COMMISSIONERS.

6. Three commissioners shall be appointed in pursuance of this Act. One of such commissioners shall be so appointed president. Constitution and incorporation of commissioners.
- 25 The commissioners for the time being holding office are constituted a body corporate by the name of the “Commissioners of the Government Savings Bank of New South Wales,” having perpetual succession and a common seal. The seal of the commissioners shall be judicially noticed.
- 30 7. Each commissioner shall be appointed by the Governor by commission in His Majesty’s name, and shall, subject to this Act, hold his office during ability and good behaviour. He shall devote the whole of his time to the duties of his office, and shall not absent himself from such duties except for an annual leave of twenty-one days, unless by leave of the Governor. Appointment and term of office of commissioners.
- 35 8. If any commissioner— Disqualification of commissioners.
- (a) becomes a director or a member of the managing body of any bank, building society, or company carrying on banking or money lending business within the State;
- (b) becomes bankrupt or compounds with his creditors;
- 40 (c) is convicted of any criminal offence; or
- (d) becomes a lunatic or of unsound mind,
- his office shall thereupon be vacant. **9.**

Government Savings Bank.

9. In the case of the illness, suspension, or absence of any commissioner, the Governor may appoint some person as deputy to act in the place of such commissioner during such illness, suspension, or absence.

Appointment of
deputies.

5 If under this section one of the other commissioners is appointed deputy of the president, the Governor may appoint a deputy of such commissioner.

Any person while acting as a deputy shall have the powers and the duties of the commissioner in whose place he acts.

10 10. A commissioner may be removed from his office for misbehaviour or inability to perform the duties of his office only in the following manner:—

Removal from office.

- (a) He may be suspended from his office by the Governor for such alleged misbehaviour or inability; and thereupon
- 15 (b) there shall, within seven days after such suspension, if Parliament is then sitting, or, if Parliament is not then sitting, within seven days after the next meeting of Parliament, be laid before each House of Parliament a full statement of the grounds of such suspension.
- 20 (c) If, within twenty-four sitting days after such statement has been laid before them respectively, the Houses of Parliament pass resolutions that the commissioner ought to be removed from his office, the commissioner shall be so removed by the Governor; but if such resolutions are not so passed within
- 25 the said twenty-four days, such suspension shall be removed.

11. The president shall for his services be paid out of the funds of the bank at the rate of twelve hundred pounds annually, and each of the other commissioners at the rate of nine hundred pounds annually.

Payment for services
of commissioners.

30 12. Any two of the commissioners shall be a quorum for the exercise of the powers of the commissioners.

Quorum of
commissioners—
casting vote of
president.

The president shall preside at a meeting of the commissioners, and if the votes at any such meeting are equal he shall have a second or casting vote. If at any meeting at which the president is not present the voting is equal, the matter shall be postponed to the next

35 meeting of the commissioners.

13. The Governor, on the recommendation of the commissioners, may, by order, declare that all administrative acts of a specified class performed by one commissioner, and all documents and writings of a specified class authenticated or signed by one commissioner, shall be

40 of the same effect as if performed, authenticated, or signed by all the commissioners, and may vary or revoke such declaration. Such declaration may state the commissioner who may perform the act or authenticate or sign the document or writing.

Acts which may be
done by one
commissioner.

Any such declaration when notified in the Gazette shall have

45 the force of law.

Government Savings Bank.

PART III.

TRANSFER OF ASSETS AND LIABILITIES.

DIVISION 1.—SAVINGS BANK DEPARTMENT.

14. On the commencement of this Act, all moneys in the
 5 Treasury at credit of the Government Savings Bank Trust Fund, and
 all moneys held or deposited in a bank under the Government Savings
 Bank Act, 1902, or advanced to the Federal Government for the
 purposes of the said Act, shall be held for the commissioners, and shall
 be paid to them within three years after the commencement of this
 10 Act in such amounts and at such times as may be agreed upon between
 the Treasurer and the commissioners. All securities in which such
 moneys have been invested, and interest thereon, and all books and
 documents and other property used for or in connection with the
 carrying out of the provisions of the said Act, shall pass to and become
 15 vested in the commissioners. Such moneys and securities shall be
 carried by the commissioners to the Savings Bank Department.

Property, &c., of
 Government Savings
 Bank to vest in
 commissioners.

15. (1) The interest due at the commencement of this Act on
 any deposits made under the Government Savings Bank Act, 1902,
 or any Act amending the same, shall be added to and form part of
 20 the principal moneys.

Deposits in old
 savings bank—how
 dealt with.

(2) Each such deposit and such moneys shall be subject to
 the provisions of this Act and the regulations :

Provided that where under the said Acts any such deposit or
 any interest thereon is repayable to any person other than the depositor,
 25 such deposit or interest may be repaid to the said person.

(3) The person entitled to any such deposit shall be
 entitled to a Government Savings Bank book on giving up the deposit
 book issued to him under any of the Acts above referred to.

16. Within twelve months after the commencement of this Act
 30 the question whether the Savings Bank of New South Wales is to be
 amalgamated with the bank constituted by this Act shall be submitted
 to a poll of the depositors of the first-mentioned bank. At such poll
 each such depositor shall have one vote. The time and method of
 taking such poll and the certifying the result of the poll shall be
 35 as prescribed by regulations which the Governor is authorised to make
 for that purpose.

Provision for
 amalgamation of
 Savings Bank of
 New South Wales.

If a majority of the depositors voting at such poll is in favour
 of such amalgamation, the following provisions shall apply on and
 from a date to be determined by the Governor and notified in the
 40 Gazette :—

- (a) The body corporate of the trustees of the Savings Bank of New
 South Wales shall be dissolved.
- (b) All property, real and personal, including books, documents,
 moneys, and securities for money, held by or on behalf of
 the

Government Savings Bank.

- 5 the Savings Bank of New South Wales, or the trustees of the said bank, and all moneys lent, deposited, or otherwise invested by the said bank or trustees shall pass to and become vested in the commissioners, and such property, moneys, and securities shall be carried by them to the Savings Bank Department.
- 10 (c) Any right of action accrued to or against, and any agreement, mortgage, debenture, bond, guarantee, covenant, or obligation, made or entered into by or with the Savings Bank of New South Wales or the trustees of the said bank, or any person on behalf of the said bank or trustees, may be prosecuted and enforced by or against the commissioners in their name as if the right of action had originally accrued to or against, or the agreement, mortgage, debenture, bond, guarantee, covenant, or obligation had been made or entered into by or with the commissioners.
- 15 (d) The officers of the Savings Bank of New South Wales shall, if considered to be fully efficient and qualified, be appointed to the service of the bank as positions are available.
- 20 (e) The Savings Bank of New South Wales Act, 1902, and the Savings Bank of New South Wales (Amendment) Act, 1902, shall stand repealed.

DIVISION 2.—ADVANCE DEPARTMENT.

- 25 17. On the commencement of this Act, all moneys and securities for money, and all books, documents, and other property held by or on behalf of the Advances to Settlers Board or by the Treasurer or any person on his behalf under the Advances to Settlers Acts, shall pass to and become vested in the commissioners, and such moneys, securities, and property shall be carried to the Advance Department.
- 30 18. (1) The commissioners shall collect and carry to the Advance Department all repayments of advances made under the Advances to Settlers Acts, and all interest on such advances. Vesting of money and securities in commissioners.
- 35 (2) The Government guarantees the bank against any loss or deficiency in collecting the principal and interest of the said advances. Any such loss or deficiency shall, on being certified by the commissioners, be made good to the Advance Department out of the Consolidated Revenue Fund annually at the close of each financial year of the bank. Commissioners to collect advances and interest.
- 40 19. The Advance Department shall issue to the Savings Bank Department debentures to the amount of the balances of the advances made under the Advances to Settlers Acts outstanding at the commencement of this Act, together with the amount of the balance at credit of the Advances to Settlers Board's special loan account Under Government guarantee.
- Advance Department to issue debentures to amount of advances now outstanding.

Government Savings Bank.

account in the Treasury; and an equivalent amount of three per centum Government Stock transferred by this Act to the Savings Bank Department shall be cancelled.

20. Subject to this Act, but notwithstanding the repeal of the
 5 Advances to Settlers Acts, the following provisions shall apply in
 respect of advances made under those Acts—

Provisions applicable
 to advances under
 Advances to Settlers
 Acts.

10 (a) Such advances shall be repaid, and interest thereon shall be
 paid to the Advance Department at the times and in the
 amounts prescribed by the said Acts or by any regulation or
 instrument thereunder :

Provided that the commissioners may extend the term
 for the repayment of any such advance where, by any
 regulations under the said Acts in force at the commence-
 ment of this Act, such extension might have been granted.

15 (b) The commissioners may take any proceeding which under
 the said Acts might have been taken by the Secretary for
 Lands for the recovery of such advances and interest, except
 forfeiture under paragraph (i) of subsection two of section
 nine of the Advances to Settlers Act, 1899, of land held
 20 under the Crown Lands Acts, not being freehold land.

(c) In respect of the land last mentioned, the power of the Secretary
 for Lands to forfeit as aforesaid may, on the recommendation
 of the commissioners, be exercised. Any sums received
 by or on behalf of the Crown on account of improvements on
 25 such land shall (after deducting any moneys overdue at date
 of forfeiture for rent or instalments) to the extent of the
 amount owing to the Advance Department for principal and
 interest and for expenses incurred in connection with the
 advance, be paid to the said department.

30 (d) The land in respect of which the advance was made shall
 continue to be charged with the repayment of the advance
 with interest thereon in accordance with the Advances to
 Settlers Acts.

35 (e) If any amount of principal or interest due in respect of any
 such advance is unpaid for a period of three months after the
 due date thereof the commissioners may, on the expiration of
 the said period, exercise any powers which, by sections ninety-
 one to one hundred and three of the Conveyancing and Law
 of Property Act, 1898, mortgagees may exercise in case of any
 40 default mentioned in section ninety-one aforesaid; and the
 provisions of those sections shall apply as if the principal
 money advanced were secured or charged by deed on the
 land in respect of which the advance was made, although
 such money may not in fact have been so secured or charged:
 45 Provided that the notice of sale under section ninety-three
 aforesaid

Government Savings Bank.

aforesaid shall be for three months instead of six months :
 Provided also that unless any amount of the principal or
 interest due in respect of a loan or mortgage is in arrear for
 two years or upwards, the consent of the Treasurer shall be
 necessary to the exercise of the powers conferred by this
 paragraph.

5

21. Applications for advances under the Advances to Settlers
 Acts pending at the commencement of this Act may be dealt with
 as applications under this Act for loans from the Advance Department.

Applications already
made.

10

Rights of action and securities.

22. Any right of action, accrued to or against, and any agree-
 ment, mortgage, debenture, bond, guarantee, covenant, or obligation
 made or entered into by or with—

Rights of action and
under contracts.

15

(a) the Treasurer, or any person acting on his behalf under the
 Government Savings Bank Act, 1902, or any Act amending
 the same ;

(b) the Treasurer, the Secretary for Lands, or the Advances to
 Settlers Board acting under the Advances to Settlers Acts ;
 may be prosecuted and enforced, by or against the commissioners in
 their name, as if the right of action had originally accrued to or
 against, or the agreement, mortgage, debenture, bond, guarantee,
 covenant, or obligation had been made or entered into by or with the
 commissioners.

PART IV.

25

ADMINISTRATION OF THE BANK.

Duties of commissioners.

23. The bank shall, under this Act, be administered, governed,
 and managed by the commissioners.

The commissioners
to manage the bank.

Departments of the bank.

30

24. (1) The business of the bank shall be carried on in two
 distinct and separate departments, namely—

Savings Bank
and Advance
Departments.

(a) the Savings Bank Department ;

(b) the Advance Department.

(2) All transactions and accounts relating to each such
 department shall be kept separate from those relating to the other
 department.

(3) Subject to this Act, no money belonging to any such
 department shall be used for the purpose of the other department,
 and no liability incurred in respect of any such department shall affect
 the other department or the funds thereof.

Powers

*Government Savings Bank.**Powers to hold land.*

25. The commissioners may, on behalf of the bank—
- (a) purchase or lease lands and buildings to be used in the business of the bank ;
- 5 (b) hold, until the same can be advantageously disposed of, any property, real or personal, taken by them as security for or in satisfaction, liquidation, or discharge of any debt owing to either department of the bank ; and
- 10 (c) sell, lease, convey, assign, and assure such lands, buildings, and property, or any property vested in them by this Act, or any estate or interest in the same, as occasion may require.
- Commissioners may hold land for certain purposes.

Reserve funds.

26. The commissioners shall, out of the net profits of the Savings Bank Department earned during any year, set apart such sum, not being less than one-twentieth nor more than one-fifth of the whole amount of interest received by the said department during the said year as they think proper towards a reserve fund for equalising the rate of interest payable on deposits, and for meeting losses : Provided that the Governor, on the recommendation of the commissioners, may suspend the operations of the above provisions for any year. The order suspending such provisions shall be laid before Parliament without delay.
- Reserve fund of Savings Bank Department.

Such part of the sum of fifty-two thousand two hundred and thirty pounds five shillings and eight pence, transferred from the profit and loss account of the bank constituted by the Government Savings Bank Act, 1902, to the Consolidated Revenue Fund, as upon adjustment between the Treasurer and the president of credits and charges in respect of services rendered appears to fairly belong to the said profit and loss account, shall be carried to the reserve fund constituted by this section.

27. The commissioners shall set apart the whole of the net profits earned by the Advance Department during any year towards a reserve fund for meeting any loss or deficiency in connection with the transactions of the said department.
- Reserve fund of Advance Department.

35 *Branches and agencies.*

28. The commissioners may establish branches and agencies of the bank for the receipt of deposits and the payment of deposits and interest thereon and for receiving applications for advances under this Act.
- Branches and agencies.
- 40 29. The commissioners may, subject to such terms and conditions as may be agreed upon between the Governor and the Governor-General, establish branches and agencies of the bank at post-offices.
- Branches and agencies at post-offices.

Audit

*Government Savings Bank.**Audit and accounts.*

30. The accounts of the commissioners shall be audited when this Act comes in force and thereafter annually at the close of each financial year of the bank by auditors appointed by the Auditor-General, and shall be so audited at such other times as the Auditor-General may think fit. Audit of accounts.

31. (1) The commissioners shall annually, within three months after the close of the bank's financial year, cause accounts and balance-sheets of the respective departments of the bank to be prepared, and shall under their hands certify to the best of their belief the correctness of the same, giving such details as the Governor may prescribe. Preparation of accounts and balance-sheets.

(2) Such accounts and balance-sheets, on being certified as correct by the Auditor-General, shall be laid on the table of each House of Parliament, and published by the commissioners in the Gazette. Publication in Gazette.

Annual report of commissioners.

32. The commissioners shall, at the close of each financial year of the bank, make and sign and present to the Governor a full report of the operations of the respective departments of the bank during the said year, and of such other matters relating to the bank as they think fit. Such report shall be laid on the table of each House of Parliament without delay. Annual report of commissioners.

Officers.

33. The Commissioners shall appoint such officers, servants, valuers, and agents of the bank as may be required. Every such officer, servant, or agent whose duties involve the receipt or custody of moneys or securities shall give such security for the due and faithful performance of his duties as to the Commissioners may seem proper. Appointment of officers.

30 With the approval of the Public Service Board, and on such terms as may be agreed upon, the services of any person in the service of the Crown may in part be made use of by the commissioners.

The commissioners shall fix the emoluments of officers, servants, valuers, and agents.

35 The Commissioners shall control the officers, servants, valuers, and agents of the bank, and shall, as far as possible, adopt the regulations of the Public Service Board in so far as they are applicable.

34. The salaries and emoluments of officers, servants, valuers, and agents of the bank, and all expenses incurred in the management of the bank, shall, subject to the approval of Parliament, be paid by the commissioners out of the funds of the respective departments of the bank in such proportions as they may consider fair and reasonable. Payment of salaries and expenses.

35.

Government Savings Bank.

35. (1) In the first appointment of the officers of the bank, the persons now employed in the bank constituted by the Government Savings Bank Act, 1902, or under the Advances to Settlers Board, shall, if considered to be fully efficient and qualified, be appointed in preference to other persons.

Preference to persons now employed.

(2) Any officer of the Public Service who is appointed an officer of the bank, and whose services are dispensed with by the commissioners within two years after such appointment, shall return to and be an officer of the Public Service, and his service under the commissioners shall count as service as an officer of the Public Service.

Rights of public servants appointed officers of bank and whose services are dispensed with within two years.

(3) Any officer of the Public Service who is appointed an officer of the bank, and whose services are not so dispensed with, shall have the same rights under the Public Service Act, 1902, and any Acts amending the same, and the regulations thereunder, to deferred and extended leave and to contribute to the superannuation account, and to be paid a superannuation allowance as if he were an officer of the Public Service; and for those purposes his service as officer of the bank shall count as service in the Public Service.

Rights of other public servants.

Commissioners and officers not to borrow from bank.

36. No commissioner, and no officer, servant, or agent of the bank, shall, either directly or indirectly, borrow from either department of the bank, or receive, except in pursuance of this Act, any payment, gift, profit, or benefit from the funds of the bank:

Commissioners, officers, servants, or agents of banks not to borrow from bank.

Provided that nothing in this section shall prevent a commissioner or such officer, servant, or agent from becoming a depositor in the bank or from receiving any interest or other profit in respect of his deposit, or carrying out any arrangement or contract made prior to the commencement of this Act.

Any commissioner, or any such officer, servant, or agent, who knowingly contravenes the provisions of this section shall be guilty of a misdemeanour.

37. (1) If any officer, servant, or agent of the bank having in his possession or power any money or effects belonging thereto, or any deed or security relating to the same—

Bankruptcy, &c., of officer in possession of property of the bank.

- (a) becomes bankrupt; or
- (b) makes an assignment for the benefit of his creditors; or
- (c) has any execution, attachment, or other process issued against his land, goods, chattels, or effects; or
- (d) dies,

20 Vic. No. 11, s. 20.

the commissioners may apply to such officer, servant, or agent, or his assignee or trustee, or to the sheriff or other person executing such process, or to his executors or administrators, or to any other person having legal right as the case may be, and may demand that all such moneys, effects, deeds, or securities be paid over or delivered up to the commissioners or such person as they may appoint. (2)

Government Savings Bank.

(2) The party so applied to and having the same shall on such demand deliver over to the commissioners, or to such person as aforesaid, all such moneys, effects, deeds, and securities, and shall pay out of the estate, assets, or effects of such officer, servant, or agent, all money due by him to the bank before any other of the debts of the said officer, servant, or agent are paid or satisfied, and before the money directed to be levied by such process as aforesaid is paid over to the party issuing the same. All assets, land, goods, chattels, estate, and effects of such officer, servant, or agent shall be bound to the payment and discharge thereof accordingly.

Such property to be delivered on demand.

PART V.

DIVISION 1.—DEPOSITS.

SAVINGS BANK DEPARTMENT.

Receipt of deposits.

38. (1) Deposits may be received at the bank subject to the regulations.

Receipt of deposits.

(2) Deposits may be received from minors of the age of twelve years or upwards, and such deposits shall be subject to the provisions of this Act and the regulations relating to deposits.

Deposits of minors.

(3) The commissioners may direct that no deposit shall be received from any person whom they may deem it inexpedient to admit or continue as a depositor, and that any deposit made by such person shall be returned to him.

Power to refuse or return deposit.

39. Except where otherwise in this Act expressly provided, no person shall have more than one account at the bank:

Each person may have only one account.

Provided that this section shall not prevent any person having, bona fide, in addition to his own account—

- (a) accounts in his own name in trust for other persons;
- (b) joint accounts with different persons;
- (c) accounts on behalf of different friendly, charitable, or other societies or institutions not carried on for purposes of trade or profit.

But the bank shall not be liable in respect of the performance of any trusts relating to a trust account; and the receipt of the trustee shall be a sufficient discharge to the commissioners for any payment from any such account: Provided that the Commissioners may, if they deem it advisable, require the signature of both the trustee and the cestui que trust before any payment is made.

Interest

*Government Savings Bank.**Interest on deposits.*

40. (1) The commissioners shall from time to time fix the ^{Interest, how fixed.} interest payable to depositors, and may, by regulations, fix differential rates of interest according to the amount of the deposit :

5 Provided that interest shall not be allowed on any amount above five hundred pounds to the credit of any one account, except the account of—

- 10 (a) a friendly, charitable, or other society or institution (including a trades union or an industrial union of employers), not carried on for purposes of trade or profit ; or
 (b) the Advance Department.

But the commissioners may in their discretion limit the amount of the respective accounts of such societies or institutions or any of them :

15 Provided also that the maximum rate of interest under the regulations shall be paid on the deposit of any of the aforesaid societies and institutions up to five hundred pounds, and above that amount the rate shall be a matter of agreement with the commissioners.

20 (2) Such interest shall be calculated on every complete ^{Interest, how calculated.} sum of one pound, but shall not commence to run until the first day of the month next following that in which the deposit is made, and shall, with respect to any money withdrawn, cease upon the first day of the month in which such withdrawal takes place.

25 (3) Such interest shall be calculated to the thirty-first day of December and the thirtieth day of June in every year, and shall then be added to and become part of the principal money on these respective dates.

Withdrawal of deposits.

30 41. No person shall have any claim on the bank in respect of a deposit which was not made during the office hours of the bank. ^{Making and withdrawing deposits.}

On the withdrawal of any money from the bank, a receipt or order in such form as the commissioners may direct shall be signed by the depositor, and such receipt or order shall be a sufficient discharge to the commissioners for the amount therein expressed to be received.
 35 A receipt or order so signed by a minor or married woman shall be a sufficient discharge to the commissioners.

40 42. (1) Deposits and interest payable thereon may be with- ^{Withdrawal of deposits.} drawn on application in the prescribed form by the depositor or the person legally entitled to claim on his behalf.

Where such application is made at the office of the bank, where the depositor's account is kept, the payment shall be on demand.

Where such application is made at any other office of the bank, the payment shall be made on the receipt by the paying officer of authority from the office in which the account is kept.

Government Savings Bank.

(2) The accounts of friendly societies in the bank may be drawn upon by cheque in such form and subject to such conditions as the commissioners may direct. Cheques for friendly societies accounts.

43. (1) Where the whole amount at credit of a depositor, exclusive of interest, does not at the time of his decease exceed one hundred pounds, the commissioners, if they are of opinion that such depositor died intestate, but without requiring proof of the issue or production of letters of administration of his estate, may in their discretion pay the said amount, or any part thereof, and any interest due thereon, to or among any of the following persons :— Funds of a deceased depositor not exceeding £100.

- (a) Any person who has paid the funeral expenses of the depositor.
- (b) Creditors of the depositor.
- (c) The widow or widower of the depositor.
- (d) The person entitled to the effects of the depositor according to the statutes of distribution.
- (e) In the case of foreign seamen, the consular authority of any country with which a treaty has been made relative to the payment of moneys due to such seamen.

(2) The receipt of any of the persons mentioned in this section shall be a good discharge to the commissioners for the sum paid, and shall be binding on any widow, widower, or next of kin. Receipts.

(3) If the commissioners under this section pay money to any person who is afterwards proved not to have been legally entitled thereto, the commissioners shall not be liable at suit of any person who was so entitled. Indemnity to commissioners.

But this subsection shall not affect the remedy of the last-mentioned person against the person who has received the money.

Pass-books.

44. (1) Every depositor's pass-book shall be deemed to be the property of the commissioners, and shall be delivered up as and when required by them. Pass-books.

(2) Each depositor shall once in each year produce, or cause to be produced, his pass-book at the office of the bank in which his account is kept, for the purposes of examination and verification on a day or days to be notified by the commissioners as hereinafter prescribed. Production of pass-books.

Such notice shall be published in the Gazette, and shall specify the times and places respectively at which the said pass-books shall be produced for the purposes aforesaid. A copy thereof shall be inserted in one or more newspapers circulating in the district where such office of the bank is open for the transaction of business, and posted in such places and in such manner as to the commissioners may seem expedient.

Guarantee

*Government Savings Bank.**Guarantee by Crown.*

45. The repayment of all deposits in the bank, whether made before or after the commencement of this Act, and the payment of interest thereon, shall be payable out of the funds of the commissioners held under this Part, and is guaranteed by the Crown. Any liability arising from such guarantee shall be payable out of the Consolidated Revenue Fund.

DIVISION 2.—BORROWING.

46. It shall be lawful for the commissioners to borrow, and for the Governor to guarantee the repayment of, any money which the commissioners may require in order to meet the demands of depositors desirous of withdrawing their deposits; and the Governor shall obtain from the commissioners such security for the protection of any such guarantee as may in his opinion be necessary or advisable.

47. The Governor may, upon like security, by warrant under his hand direct and authorise advances to be made to the commissioners for the purposes of the bank out of the Consolidated Revenue Fund; but the fact that such advance has been made, and the amount of such advance shall, as soon as possible, be reported to both Houses of Parliament.

DIVISION 3.—INVESTMENTS.

48. All moneys received by the Savings Bank Department after the constitution of the bank shall be invested and held, as nearly as may be, as follows:—

- (a) twelve per centum of such moneys shall consist of cash and deposits in the Treasury and in banks of issue in the State, available at call or at short notice, and interest thereon;
- (b) twenty per centum of such moneys shall be invested in premises used in the business of the commissioners and in freehold lands held by the commissioners in pursuance of this Act, and upon mortgage of land in the State of an estate of inheritance in fee simple;
- (c) sixty-eight per centum of such moneys shall be invested in—
 - (i) Government securities of New South Wales, or of any other State of the Commonwealth;
 - (ii) debentures issued by the Advance Department; and
 - (iii) debentures lawfully issued by the municipal council of Sydney or the council of any municipality in the State.

49. (1) No loan from the Savings Bank Department shall be made in respect of land subject to a prior mortgage or charge in favour of any person other than the commissioners, or unless the money lent is to be used to pay off such prior mortgage or charge.

(2)

Government Savings Bank.

- (2) The following provisions shall apply in respect of such loans—
- (a) No loan shall be of less amount than fifty pounds.
- 5 (b) The amount of any loans to any one person shall not exceed twenty-five thousand pounds.
- (c) the amount of any loan shall not exceed three-fifths of the value of the interest of the borrower in the land and buildings, or other permanent improvements thereon.
- 10 (d) Security in the form of a mortgage shall be taken for the loan, and such mortgage shall be registered without delay.
- (e) Dates shall be fixed for the repayment of the principal sum and for the payment of interest thereon.
- 15 (f) The whole of the principal sum with interest thereon shall be made repayable within a period to be fixed by the commissioners.

PART VI.

ADVANCE DEPARTMENT.

DIVISION 1.—ISSUE OF DEBENTURES.

50. (1) The commissioners may from time to time issue out of Issue of debentures.
 20 the Advance Department debentures in the form of Schedule Two or to the like purport.

(2) The due payment of such debentures and the interest Charge of liability ;
guarantee by
Government.
 thereon shall be a charge on all moneys and securities held by the commissioners on behalf of the said department, and is hereby
 25 guaranteed by the Government. Any liability arising from such guarantee shall be payable out of the Consolidated Revenue Fund :

Provided that such charge shall not prejudice or affect the powers of the commissioners to reconvey, release, or discharge any of such securities, or the properties comprised therein, or to sell or convey
 30 such properties, or to foreclose such securities or properties, or to deal with the same under this Act.

51. The total amount of such debentures so issued and uncan- Amount of issue.
 celled shall not at any time exceed two million pounds, nor shall any such debentures be issued while the total amount then issued and
 35 uncanceled exceeds by fifty thousand pounds the amount of advances then unpaid.

Government Savings Bank.

52. Such debentures may be issued in different series. Each series shall be numbered consecutively, beginning with the number one and proceeding arithmetically by units.

53. Such debentures shall be signed by the commissioners, and sealed with the commissioners' seal, but shall be issued only after the Auditor-General has certified that the issue is in accordance with law. The debentures shall be registered in the department of the Auditor-General.

Every such debenture which has been signed and sealed in accordance with this section shall be good and valid as against the commissioners.

54. Every such debenture shall be for the sum of fifty-pounds or some multiple thereof, and shall have such currency and shall bear such interest, not exceeding four pounds per centum per annum, payable half-yearly from the Advance Department, as the commissioners may fix.

55. Debentures shall be issued at a minimum price to be fixed by the commissioners, and redeemed out of moneys in the Advance Department at their face values, and may be issued to the Savings Bank Department, or sold in the State or elsewhere.

56. Every such debenture shall be transferable by delivery without assignment or endorsement, and shall entitle the bearer of the same to be paid according to the tenor thereof.

57. (1) Debentures may be purchased by the commissioners out of moneys in the Advance Department at or below their face value.

(2) All debentures redeemed or purchased by the commissioners under this Act shall be cancelled.

58. If any debenture is defaced by accident, the commissioners may cancel the same, and cause a new debenture to be made in lieu thereof, and such cancelled debenture shall be filed in the bank. Such new debenture shall be to the like purport, and be in all respects subject to the same rules, methods, and continuance, and bear the same number, date, principal sum, and rate of interest as such cancelled debenture.

59. Upon proof being made on oath before a Judge of the Supreme Court by any credible person that any debenture issued under this Act and held by him, the number and sum whereof is specified by him in his evidence, has been lost or accidentally burnt or otherwise destroyed before the same has been paid off, and upon such Judge certifying that he is satisfied with such proof, the commissioners may cause a new debenture to be made bearing the same number, date, principal sum, and rate of interest as the debenture so lost or destroyed, and to be delivered to such person upon his giving sufficient security to the commissioners to indemnify them against any double payment if the missing document should thereafter be presented for payment.

Government Savings Bank.

60. All debentures issued under this Act shall have the status of "Government Securities" within the meaning of the Act number four of one thousand eight hundred and ninety-eight (the Trustee Act of 1898) and of the Act thirty-seven Victoria number four, or any Act in force for the time being relating to friendly societies; and all corporations, companies, or co-partnerships, and all trustees, executors, and administrators, whether incorporated, established, or appointed before or after the passing of this Act not expressly forbidden to invest their funds in the purchase of Government stock or securities by their charter, Act of incorporation, deed of settlement, or of partnership, trust deed, settlement, testamentary or other instrument whatsoever respectively, are hereby authorised and empowered to invest such funds in the purchase of and to hold such debentures as aforesaid without incurring or committing any breach of trust or of any condition, restriction, or provision contained in any such Act, charter, or other instrument whatsoever as aforesaid.

Power to trustees to invest.

61. Debentures issued under this Act shall be included in the exemptions in the Second Schedule to the Stamp Duties Act, 1898.

Exemption from duty.

62. The proceeds of the issue of debentures shall be carried to the Advance Department and applied in pursuance of this Act.

Application of proceeds.

DIVISION 2.—LOANS.

63. The commissioners may lend moneys from the Advance Department—

The lending of money from Advance Department.

- (a) upon mortgage of an estate of inheritance in fee simple in any land in the State;
- (b) upon mortgage of—
- (i) conditional purchases with or without associated conditional leases;
- (ii) homestead grants;
- (iii) homestead selections;
- (iv) settlement leases;
- (v) settlement purchases;
- (vi) conditional purchase leases;
- (c) on deposit at call or short notice in the Treasury or any bank of issue in the State or on deposit in the Savings Bank Department.

64. (1) No such loan upon mortgage shall be made except for all or any of the following purposes, which shall be set out in the mortgage—

Purposes for which loans may be made.

- (a) to pay off existing encumbrances on or to purchase the land;
- (b) to pay off money owing to the Crown in respect of the land;
- (c) to make improvements on the land, or to improve and develop, or to utilise the agricultural or pastoral resources of the land, or to enable the borrower to carry on agricultural or pastoral pursuits on the land;
- (d) to build homes upon the land.

(2)

Government Savings Bank.

(2) If any person applies any portion of a loan so made to any other than the purpose for which it was granted, the commissioners may cause his estate and interest in the land to be sold, and the provisions of sections ninety-two, ninety-four, ninety-five, and ninety-six of the Conveyancing and Law of Property Act, 1898, relating to a sale under section ninety-one of the said Act shall apply to a sale under this section of this Act.

(3) No such loan shall be made upon the security of lands of an estate of inheritance in fee simple within the boundaries of any city, town, or village, whether so declared by proclamation of the Governor or not so declared.

(4) No such loan will be made on the security of land held under the Crown Lands Acts (except certificated conditional purchases) without the consent of the Secretary for Lands or some officer appointed by him in that behalf.

65. To facilitate close settlement on private estates suitable for the purpose, the commissioners may make advances to assist persons in purchasing lands, and in connection with such advances the following provisions shall apply :—

- (a) The title to the land must be either certificated conditional purchase or freehold under the Real Property Act, 1900.
- (b) The amount of any such advance shall not exceed eighty per centum of the commissioners' valuation of the security.
- (c) A valuation of a farm for the purpose of an advance may be made upon application, on the prescribed form, and upon payment of the prescribed fee.
- (d) A certificate may be issued to either the vendor or the purchaser by the commissioners, setting out the amount they are prepared to advance upon a sound title in any such farm ; such certificate shall have force for the time, and be subject to the conditions therein named.
- (e) Conditions and covenants may be inscribed in the mortgage deeds to secure close settlement and the making of such improvements as may be considered necessary.
- (f) In all other respects loans under this section shall be subject to the same provisions as other loans from the Advance Department.

66. All applications for loans under five hundred pounds shall have priority over those of a larger amount.

67. (1) Any borrower from the Advance Department, or under the Advances to Settlers Acts, who is not in arrear with the payment of any instalment of principal or any interest due in respect of his loan may on any day fixed for the payment of any such instalment, or interest, repay to the commissioners the whole of his debt or any portion thereof being five pounds or a multiple of five pounds.

Government Savings Bank.

(2) Where the loan is repayable by instalments and portion only of the loan is so repaid, the commissioners shall allow the amount so repaid to accumulate at interest at a rate to be fixed by the commissioners. Where loan repayable by instalments.

5 Such repayment shall not affect the obligation of the borrower to pay the instalments provided in the mortgage; but when the sum deposited as aforesaid with the interest thereon amounts to the balance then unpaid on the loan, the commissioners shall apply such sum in repayment of the loan and release the borrower and the land from the
10 mortgage.

(3) In the case of a loan not repayable by instalments, the amount of such repayment shall be deducted from the amount of the loan, and thenceforward interest will only be payable on the reduced amount. Where loan not so repayable.

15 **68.** The costs and expenses which the commissioners may charge in respect of the making of loans from the Advance Department shall not exceed— Cost and expenses which may be charged in respect of advances.

- (a) fees for stamps, registration, searches, and other expenses out of pocket :
20 (b) the prescribed fees for valuation ;
(c) for other expenses, not more than two per centum on the amount of the advance up to one hundred pounds, and thereafter one-half per centum on the amount above one hundred pounds and up to five hundred pounds, and one-fourth
25 per centum on the amount above five hundred pounds.

69. The following provisions shall apply in respect of loans made by the Advance Department :— Directions to be observed by commissioners.

- (a) No loan shall be of less amount than fifty pounds.
30 (b) No loan shall be made in respect of land subject to a prior mortgage or charge, except a mortgage or charge in favour of the commissioners, or unless the money to be lent is to be used to pay off such prior mortgage or charge.
(c) A loan on the security of land not being a freehold or a
35 certificated conditional purchase shall be made repayable within such period not exceeding thirty-one years as the commissioners think fit by half-yearly instalments with interest added commencing within nine months from the making of the loan. Each such repayment to be made on
40 the last day of March and the last day of September in each year, and to consist partly of principal moneys and partly of interest.
(d) A loan may be granted on the security of a freehold or a certificated conditional purchase repayable—
45 (i) by instalments as in the next preceding paragraph provided ;
or (ii)

Government Savings Bank.

- (ii) at the expiration of a fixed term not exceeding five years, during which interest only shall be payable; or
- (iii) by half-yearly instalments with interest added extending over such period not exceeding thirty-one years from the date of expiration of the fixed term as may be specified in the mortgage.
- 5 (e) The amount of any loans to any one person shall not exceed two thousand pounds.
- 10 (f) The amount of any loan (except in the case of a loan under section sixty-six) shall not exceed two-thirds of the value of the interest of the borrower in the land and buildings, or other permanent improvements thereon, the subject of the mortgage security; but when the land is held as a conditional lease, homestead grant, settlement lease, homestead selection, settlement purchase, or conditional purchase lease, or a conditional purchase as to which the first five year's certificate has not issued, such amount shall not exceed one-half of the holder's interest in the value of the improvements on the land.
- 15 (g) Security in the form of a mortgage shall be taken for the loan, and such mortgage shall be registered without delay.
- 20 (h) Dates shall be fixed for the repayment of the principal sum and for the payment of interest thereon.
- 25 (i) If any interest or instalment is in arrear for more than twenty-one days, the commissioners shall charge the borrower interest on such interest or instalment at a rate one per centum higher than the rate named in the mortgage.

70. The following provisions shall apply to the land in respect of which any loan is made by the Advance Department:—

Provisions applicable to land mortgaged.

- 30 (a) Where such land is held under the Crown Lands Acts, the Secretary for Lands shall not forfeit the land under those Acts, nor shall any such forfeiture be revoked, except with the consent of the commissioners.
- 35 (b) Where any such land is so forfeited, any money received by or on behalf of the Crown on account of the improvements on such land shall, to the extent of the amount owing to the commissioners for principal and interest and for expenses incurred in connection with the loan, be paid to the commissioners, after deducting therefrom any moneys due after date of forfeiture for rent or instalments under the Crown Lands Acts.
- 40 (c) Nothing in the Crown Lands Acts shall invalidate or affect any mortgage given under this Act to secure any loan or interest thereon or the pursuit of any remedy for the recovery of such loan or interest; and such mortgage may be given and

Government Savings Bank.

and any sale or foreclosure may be effected thereunder, notwithstanding that the land the subject of the mortgage could not by the terms of the said Acts be transferred, assigned, or otherwise dealt with.

- 5 **71.** The following conditions shall apply in respect of land subject to any mortgage under this Part :—
- (a) Such land shall not, nor shall any part thereof, be transferred, assigned, let, or sublet without the previous consent in writing of the commissioners.
- 10 (b) Any transfer, assignment, letting, or subletting of such land, or any part thereof, in contravention of this section, shall be void, and the commissioners may cause the estate and interest of the owner or lessee in such land to be sold.
- 15 (c) Where the owner or lessee of any such land becomes bankrupt, the commissioners may cause his estate and interest therein to be sold.

Conditions annexed to land whilst subject to advances.

PART VII.

SUPPLEMENTAL.

Advances.

- 20 **72.** If any amount of principal or interest due in respect of any loan made under the Advances to Settlers Acts, or by the commissioners in pursuance of this Act, on the security by mortgage of land not held under the provisions of the Real Property Act, 1900, is unpaid for a period of three months after the due date
- 25 thereof, the commissioners may, at their option, in lieu of taking proceedings in any court, make application to the Registrar-General in writing for an order for foreclosure.

Application for foreclosure.

Such application shall state that such default has been made as aforesaid, and that the land, estate, or interest mortgaged has been

30 offered for sale by public auction by a licensed auctioneer, and that the amount of the highest bid at such sale was not sufficient to satisfy the moneys so due, together with the expenses occasioned by such sale, and that notice in writing of the intention of the commissioners to make such application has been given to the mortgagor or other

35 person entitled to the equity of redemption, by leaving the same at his usual or last known place of abode, if such place be within three miles of the head office of the bank, or by forwarding the same by registered letter through the post office if such place be beyond that distance.

Such

Government Savings Bank.

Such application shall be accompanied by a certificate of the auctioneer by whom such land was put up for sale and such other proof of the matters stated therein as the Registrar-General may require. The statements made in such application shall be verified by the statutory
5 declaration of one of the commissioners.

The Registrar-General may, at the expense of the commissioners, cause notice to be published, once in the Gazette and once in each of three succeeding weeks in at least one newspaper circulating in the district in which the mortgaged land is situated, offering such land for
10 sale, and shall limit and appoint a time not less than one month from the date of the publication in the Gazette, upon or after which the Registrar-General may issue to the Commissioners an order for foreclosure unless in the interval a sufficient amount has been realised by the sale of the land to satisfy the principal and interest moneys due
15 and all expenses occasioned by such sale and proceedings.

Every such order for foreclosure under the hand of the Registrar-General shall, upon registration under the Registration of Deeds Act, 1897, have the effect of barring all right and equity of redemption in the said land on the part of the mortgagor or of any
20 person claiming through or under him.

73. Where land is sold by the commissioners for non-payment of principal or interest of money lent or for breach of any covenant in the instrument of mortgage securing the same, the land shall be freed from any charge in respect of the loan. But where such land was at
25 the time of sale subject to conditions prescribed by the Crown Lands Acts, it shall be held by the purchaser and those claiming under him subject to the performance by them of those conditions. But he shall be free from any liability for any breach before such sale of any condition under those Acts, and shall have six months from the time of sale for
30 complying with any unfulfilled improvement conditions in relation to the land.

Conditions attached to land sold on default of mortgagor.

74. The commissioners by regulations may prescribe the form of mortgage-deeds under this Act, and short forms of provisions to be inserted in such deeds, and may state the legal effect of such
35 short forms when so inserted, which thereupon shall have the force of law: Provided that where the land, the subject of the mortgage, is under the Real Property Act, 1900, such forms shall not be inconsistent with the forms prescribed by or under the said Act.

Forms of mortgage-deeds.

75. Where an advance under the Advances to Settlers Acts or
40 this Act has been made upon the security of lands held under the Crown Lands Acts, it shall be the duty of the person liable to repay such advance to punctually pay all rents, instalments, or other moneys due to the Crown in connection therewith; and if he fails to make those payments, or to fulfil any other conditions or covenants under
45 the mortgage deed, the Commissioners may require payment forthwith of

Power to call in loan.

Government Savings Bank.

of such of the principal moneys advanced as have not been repaid, and all interest and charges thereon, and thereupon the same shall be so payable.

5 **76.** If any amount of principal or interest due in respect of Recovery of arrears. any loan on mortgage made by the commissioners is in arrear for two years or upwards, it shall be the duty of the commissioners to exercise the powers conferred on them for the recovery of such amount.

Settlement of disputes.

10 **77.** If any dispute arises between the Commissioners and any Settlement of disputes. depositor, or any executor, administrator, next of kin, creditor, or assignee of a depositor who may become bankrupt, or any persons claiming to be such executor, administrator, next of kin, creditor, or assignee, or to be entitled to any money deposited in the bank, the matter in dispute shall be referred in writing to the Attorney-General;
 15 and whatever award, order, or determination is made by the Attorney-General shall be final.

Bank represented in legal proceedings.

20 **78.** The bank, by its counsel, attorney, or agent, shall be Bank entitled to be heard before land board or any court. entitled to be heard before any land board or before any court in any case relating to land in respect of which an advance or loan has been made under the Advances to Settlers Acts or this Act.

Penalties.

25 **79.** Any person employed in the business of the bank who Penalty if officer takes fee or reward. directly or indirectly takes any fee or reward from any applicant for a loan under this Act, shall be dismissed from his office and be liable to imprisonment for any term not exceeding two years, with or without hard labour.

30 **80.** Any person who — Penalty for acting when interested.
 (a) having any pecuniary interest in any land tendered as security for a loan under this Act; or
 (b) being a partner of the applicant for a loan, acts as valuer or adviser to the commissioners in connection with such land or loan, shall be liable to a penalty of not less than fifty pounds nor more than two hundred pounds, and shall also be dismissed from
 35 his office.

81. Any person who, in respect of any loan or application for Penalty for bribing officer. any loan, bribes, or attempts to bribe or corruptly influence any person appointed or acting under this Act, is liable to imprisonment for a term not exceeding two years, with or without hard labour.

Government Savings Bank.

82. Any penalties imposed by or under this Act may be recovered before a stipendiary or police magistrate or any two justices in petty sessions. Recovery of penalties.

83. If any person forges or alters, or offers, utters, disposes of, or puts off, knowing the same to be forged or altered, any deed, rule, order, bond, or writing obligatory, or any acquittance, receipt, release, account, or statement, or any note, bill, or other security for payment of money, or letter, or power of attorney, or other instrument in writing, or makes any false entry, or knowingly makes up any untrue account, which concerns or relates to the affairs or business of the savings bank with intent to defraud, every such offender shall be guilty of forgery, and punished accordingly. Forgery.

Regulations.

84. The commissioners may make regulations for carrying out the provisions of this Act, and particularly— Regulations.

- (a) for the management of the bank and the regulation of its business ;
- (b) regulating proceedings at meetings of the commissioners, and the quorum necessary for the transaction of business ;
- (c) for the control of the officers, valuers, servants, and agents of the bank ;
- (d) for fixing the emoluments of valuers and agents ;
- (e) for regulating the receipt and repayment of deposits and the payments of interest thereon ;
- (f) regulating applications for and the making of loans by the bank ;
- (g) prescribing the fees payable in respect of such applications and loans ;
- (h) for the keeping of the accounts of the bank.

85. Every such regulation, when approved by the Governor and published in the Gazette, shall have the force of law. Approval of regulations.

86. (1) A copy of every such regulation shall be deposited with the Prothonotary of the Supreme Court, who shall, without fee, file the same of record in the Court. Filing of regulations.

(2) All depositors and borrowers and their representatives shall be deemed to have notice of the regulations. Depositors, &c., deemed to have notice of regulations.

(3) Every copy so filed, or a certified copy thereof, shall be received in all courts as evidence of the regulations therein contained and of their having been duly made and approved as aforesaid. Copy filed to be evidence.

(4) A copy of every regulation shall be laid upon the Table of the Legislative Assembly.

Government Savings Bank.

SCHEDULES.

SCHEDULE ONE.

Repeal of Enactments.

Number of Act.	Title of Act.	Extent of repeal.
5 Act No. 1, 1899 ...	Advances to Settlers Act, 1899	The whole.
Act No. 1, 1902 ...	Advances to Settlers (Amendment) Act, 1901 ...	The whole.
Act No. 72, 1902 ...	Government Savings Bank Act, 1902	The whole.
Act No. 106, 1902 ...	Advances to Settlers (Amendment) Act, 1902...	The whole.
10 Act No. 20, 1903 ...	Government Savings Bank (Amendment) Act, 1903.	The whole.

SCHEDULE TWO.

NEW SOUTH WALES.

Number

GOVERNMENT SAVINGS BANK ACT, 1906.

15 £

Debenture.

We, the Commissioners of the Government Savings Bank of New South Wales, hereby acknowledge that the holder of this debenture is entitled to be paid, on the day of , the sum of pounds, and that until such payment is made we will, at the Head Office of the Commissioners at Sydney, on every day of and day of , pay to the bearer of this debenture interest on the said sum at the rate of per centum per annum.

The said sum and interest are by the above-mentioned Act guaranteed by the Government of New South Wales.

25 Given under the common seal of the Commissioners of the Government Savings Bank of New South Wales, in the State of New South Wales, at Sydney, this day of 19 .

(L.S.)

Commissioners.

30 Registered at the Audit Office, Sydney, in the register of debentures of the Government Savings Bank of New South Wales, folio , this day of 19 .

Auditor-General.