
NAVAL LOAN.

No. 14 of 1909.

An Act to authorize the raising and expending
of the sum of Three million five hundred
thousand pounds for the purposes of Naval
Defence.

[Assented to 13th December, 1909.]

BE it enacted by the King's Most Excellent Majesty, the Senate,
and the House of Representatives of the Commonwealth of
Australia, as follows :—

Short title.

1. This Act may be cited as the *Naval Loan Act* 1909.

Definition.

2. In this Act, unless the contrary intention appears—

“Commonwealth security” means any Inscribed Stock, Treasury Bond, Debenture, Stock Certificate to Bearer, or document evidencing the title of any person to any Inscribed Stock, Treasury Bond, Debenture, or Stock Certificate to Bearer, or any coupon, warrant, or document for the payment of interest thereon.

3. The Governor-General may from time to time raise, by way of loan, moneys to an amount not exceeding Three million five hundred thousand pounds for the purpose of the Naval Defence of the Commonwealth.

Power to raise
loan of
£3,500,000 for
Naval Defence.

4.—(1.) Subject to this Act, the moneys to be so raised shall be raised by the creation and issue of Inscribed Stock.

Issue of
Inscribed
Stock.

(2.) Inscribed Stock shall bear interest at such rate not exceeding three per centum per annum, as the Governor-General from time to time before the issue of the stock directs.

5.—(1.) The Governor-General may authorize the Treasurer to raise any portion of the moneys, authorized to be raised under this Act, by the issue of Treasury Bonds having such currency not exceeding five years and bearing interest at such rate, not exceeding three and a half per centum per annum, as the Governor-General directs.

Issue of
Treasury Bonds.

(2.) Treasury Bonds shall be in the prescribed form.

(3.) The interest on Treasury Bonds shall be payable out of the Consolidated Revenue Fund, which is hereby appropriated accordingly.

(4.) The Treasurer may issue new Treasury Bonds in exchange for, or for the redemption of, any Treasury Bonds.

(5.) Treasury Bonds may be exchanged for Inscribed Stock or may be redeemed out of the moneys raised by the issue of Inscribed Stock.

6. The principal amount specified in any Inscribed Stock, Treasury Bond, Debenture, or Stock Certificate to Bearer, and the interest thereon, shall be charged on and payable out of the Consolidated Revenue Fund which is hereby appropriated accordingly.

Inscribed Stock
and interest
charged on
Consolidated
Revenue Fund.

7. Inscribed Stock shall be redeemable at par at such time not later than twenty years from the issue thereof or upon such notice as may be fixed in the order of the Governor-General creating the stock, and interest thereon shall cease on the date at which the stock becomes redeemable.

Date for
redemption of
Inscribed Stock.

8.—(1.) From and after the first day of July, One thousand nine hundred and eleven, and until there has been accumulated an amount sufficient to redeem the loan at maturity, there shall in each financial year be paid out of the Consolidated Revenue Fund into a Sinking Fund an amount equal to at least five per centum of the sum of Three million five hundred thousand pounds authorized to be raised under this Act, and the Consolidated Revenue Fund is hereby appropriated accordingly.

Sinking Fund.

(2.) The Sinking Fund shall be available only for the purpose of the purchase or the redemption of any Inscribed Stock, Treasury Bonds or Debentures.

(3.) Inscribed Stock or Treasury Bonds purchased out of the Sinking Fund shall bear interest until redeemed and such interest shall form part of the Sinking Fund.

Trustees of
Sinking Fund.

9. The Sinking Fund shall be paid to the President of the Senate, the Speaker of the House of Representatives, and the Secretary to the Treasury of the Commonwealth, who are hereby constituted Trustees for that purpose, to be invested and applied by them as in this Act provided.

Appropriation of
Loan moneys
for purposes of
Fleet.

10. The moneys raised by virtue of this Act may be expended towards the initial cost of a Fleet Unit for the purpose of the Naval Defence of the Commonwealth, and are hereby appropriated accordingly.

Conversion of
Inscribed Stock
into Debentures,
&c.

11. Subject to the regulations, Inscribed Stock may be exchanged for Debentures or for Stock Certificates to Bearer, and Debentures and Stock Certificates to Bearer may be re-exchanged for Inscribed Stock.

Investment of
Loan Fund and
Sinking Fund.

12. Moneys raised under this Act and moneys belonging to the Sinking Fund may be invested in Inscribed Stock or Treasury Bonds or in the Government securities of any State or on deposit in any bank.

Provisions
relating to
Commonwealth
Stock inscribed
in the United
Kingdom.

13.—(1.) Inscribed Stock may be inscribed and transferred in a register kept in the United Kingdom by some bank, Commonwealth officer, or person, appointed for that purpose by the Governor-General.

(2.) Whenever, by the final judgment, decree, rule, or order of any Court of competent jurisdiction in the United Kingdom, any sum of money is adjudged or declared to be payable by the Government of the Commonwealth in respect of any Inscribed Stock, the Commonwealth shall forthwith pay that sum out of any funds in the hands of the Commonwealth in the United Kingdom.

(3.) For the purposes of this section, final judgment, decree, rule, or order means, in case of appeal, the final judgment, decree, rule, or order of the ultimate Court hearing the appeal.

Commonwealth
securities to be
free from
taxation.

14. Commonwealth securities, and the income derived therefrom, shall not be subject to taxation by the Commonwealth.

Forging or
uttering of
Commonwealth
securities.

15. Every person who, with intent to defraud, forges, or utters knowing it to be forged—

- (a) any Commonwealth security ; or
- (b) any transfer of any Commonwealth security ; or
- (c) any power of attorney relating to any Commonwealth security,

shall be guilty of an indictable offence.

Penalty : Imprisonment for fourteen years.

Unlawful
possession of
forged
Commonwealth
securities.

16. Every person who, without lawful excuse, proof whereof shall lie upon him, has in his possession—

- (a) any forged Commonwealth security ; or
- (b) any forged transfer of any Commonwealth security ; or
- (c) any forged power of attorney relating to any Commonwealth security,

shall be guilty of an indictable offence.

Penalty : Imprisonment for four years.

17. Every person who, with intent to defraud—

- (a) falsely personates any person entitled to any Commonwealth security ; or
- (b) makes any false entry, or alters or erases any entry, or omits to make any entry in any book, register, or document kept or made out by virtue of the regulations in connexion with any Commonwealth security ; or
- (c) makes out or delivers any Commonwealth security for a greater or less amount than the amount to which the person on whose behalf it is made out is entitled,

Frauds in
relation to
Commonwealth
securities.

shall be guilty of an indictable offence.

Penalty : Imprisonment for eight years.

18. Every person who aids, abets, counsels, or procures, or by act or omission is in any way knowingly directly or indirectly concerned in the commission of any offence against this Act, shall be deemed to have committed that offence, and shall be punished accordingly.

Aiders and
abettors.

19. The Governor-General may make regulations, not inconsistent with this Act, prescribing all matters which by this Act are required or permitted to be prescribed, or which are necessary or convenient to be prescribed for carrying out or giving effect to this Act, and in particular for providing for any of the following matters :—

Regulations.

- (a) The establishment of Registries for the inscription or registration of Inscribed Stock, Debentures, and Stock Certificates to Bearer ;
 - (b) The inscription or registration of Inscribed Stock, Debentures, and Stock Certificates to Bearer ; and
 - (c) The transfer and transmission of Inscribed Stock, Debentures, and Stock Certificates to Bearer.
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