
COMMONWEALTH INSCRIBED STOCK.

No. 7 of 1918.

An Act to amend the *Commonwealth Inscribed Stock Act 1911-1915*.

[Assented to 28th May, 1918.]

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

1.—(1.) This Act may be cited as the *Commonwealth Inscribed Stock Act 1918*.

Short title
and citation.

(2.) The *Commonwealth Inscribed Stock Act 1911-1915* is in this Act referred to as the Principal Act.

(3.) The Principal Act, as amended by the *Loans Sinking Fund Act 1918* and by this Act, may be cited as the *Commonwealth Inscribed Stock Act 1911-1918*.

Amendment
of s. 2.

2. Section two of the Principal Act is amended by inserting after the words "PART V.—PENAL PROVISIONS." the words "PART VA.—TREASURY BONDS."

3. After section twenty of the Principal Act the following section is inserted :—

Certificates of
lien for moneys
advanced by
bank for
purposes of
assisting
subscription of
war loans.

"20A.—(1.) Notwithstanding anything contained in this Act, if any bank carrying on the business of banking in the Commonwealth—

(a) makes application for or on behalf of any person, firm or company for any stock or Treasury Bonds issued for the purpose of any loan raised by the Commonwealth for the purposes of the war ; or

(b) makes advances to any person, firm or company for the purpose of assisting that person, firm or company to subscribe for any such stock or Treasury Bonds,

the Registrar shall accept, from the bank or from any such person, firm or company, a certificate (in this section referred to as "a certificate of lien") signed by or on behalf of that person, firm or company, to the effect that the bank has advanced for the purposes of the subscription the whole of the moneys required for that purpose, or such portion of those moneys as is specified in the certificate of lien.

"(2.) On receipt of a certificate of lien the Registrar shall enter in the Stock Ledger a memorandum as to that certificate of lien, and thereafter, until the certificate of lien is withdrawn with the consent of the bank, the Registrar shall not record any dealings with the stock or Treasury Bonds the subject of the certificate of lien, and he shall not, without the consent of the bank, issue any stock-certificate in respect of the stock or the Treasury Bonds.

"(3.) For the purpose of this section the Registrar shall accept as a sufficient certificate of lien—

(a) any notice, signed by or on behalf of a person, firm or company, to the effect that moneys have been advanced by any bank, for the purposes of the subscription, to or on behalf of that person, firm or company ; or

(b) any notice signed by or on behalf of a person, firm or company giving to the Registrar an irrevocable authority to deliver to any bank any stock-certificate or Treasury Bonds,

whether that notice is given before or after the commencement of this section."

4. After section fifty-one of the Principal Act the following sections are inserted in Part VA. :—

Interest on
Treasury Bonds
may be paid to
Trust Fund.

"51F. When, in accordance with the terms and conditions under which Treasury Bonds are sold, the interest payable on such Treasury Bonds is accumulated, and the payment of the interest

is deferred until the Treasury Bonds are presented for payment, the Treasurer may, in each year during which the interest is accumulated, pay to a Trust Account, to be established for the purpose under section sixty-two A of the *Audit Act* 1901-1917, such amount as he thinks necessary to provide for the payment of the interest on the maturity of the Treasury Bonds.

“51G. When Treasury Bonds which have been issued and sold for raising money by way of loan for war purposes are presented for payment in accordance with the terms and conditions under which they were issued and sold, the Treasurer may repurchase or redeem them from the proceeds of any loan raised for war purposes.”

Treasury bonds
may be
repurchased out
of war loans.

5.—(1.) Section fifty-two A of the Principal Act is amended by adding at the end thereof the words “unless they are declared to be so liable by the prospectus relating to the loan in respect of which they are issued.”

Amendment of
s. 52A.

(2.) This section shall be deemed to have commenced on the first day of January One thousand nine hundred and eighteen.

6.—(1.) Section fifty-two B of the Principal Act is amended by adding at the end thereof the words “unless the interest is declared to be so liable by the prospectus relating to the loan on which the interest is payable.”

Amendment of
s. 52B.

(2.) This section shall be deemed to have commenced on the first day of January One thousand nine hundred and eighteen.