

New Zealand.



ANALYSIS.

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| <p>Title.
Preamble.
1. Short Title.
2. Validation of overdraft.</p> | <p>3. Provisions for extinguishing overdraft.
4. Proceeds of realization of ferry assets to be applied in reduction of overdraft.
5. Protection of bank.</p> |
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1926, No. 11.—*Local and Personal.*

Title. AN ACT to validate and make Provision for Repayment of an Overdraft incurred by the Eastbourne Borough Council.
[31st August, 1926.]

Preamble. WHEREAS the Eastbourne Borough Council on the thirty-first day of March, nineteen hundred and twenty-six, owed to its bank on overdraft the sum of five thousand and six pounds seventeen shillings and ninepence in contravention of the provisions of the Local Bodies' Finance Act, 1921-22: And whereas the said overdraft was principally caused by loss of fares on the said Council's ferry-steamers plying between the City of Wellington and the bays on Wellington Harbour, such loss having been occasioned by the restriction upon travelling imposed on the occasion of the epidemic of infantile paralysis: And whereas it is expedient to validate the said overdraft and to make such provision for the payment thereof as hereinafter appears:

BE IT THEREFORE ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:—

Short Title. 1. This Act may be cited as the Eastbourne Borough Bank Account and Empowering Act, 1926.

Validation of overdraft. 2. Notwithstanding anything contained in the Local Bodies' Finance Act, 1921-22, or in any other Act, the overdraft incurred by the Eastbourne Borough Council on its District Fund and Ferries Accounts at the Union Bank of Australia (Limited), and under which overdraft there was owing by the said Council to the said bank on the thirty-first day of March, nineteen hundred and twenty-six, the total sum of five thousand and six pounds seventeen shillings and ninepence,

shall be deemed to have been lawfully incurred, and is hereby validated accordingly as regards both the said Council and the said bank.

3. (1.) The Council shall extinguish the said overdraft of five thousand and six pounds seventeen shillings and ninepence by seven equal payments out of its revenues attributable to its District Fund Account and its Ferries Account, one of such payments to be made in each year of the period of seven years commencing in the year nineteen hundred and twenty-seven :

Provisions for extinguishing overdraft.

Provided that the Council may in any year out of its said revenues provide in reduction or extinction of the said overdraft a sum greater than such seventh part, in which case the sum provided in any subsequent year shall not be less than the greatest sum provided in any previous year.

(2.) The said overdraft shall, until extinguished, or as reduced in accordance with the provisions of this section, be in addition to the amount which the said Council is authorized by section three of the Local Bodies' Finance Act, 1921-22, to borrow and owe at any time during any year and at the end of the year.

(3.) The said Council shall out of its said revenues in each year pay all interest and charges in respect of the said overdraft of five thousand and six pounds seventeen shillings and ninepence or of the reduced amount thereof.

(4.) The said Council may by resolution make and levy a separate rate for the purpose of providing any annual instalment payable under this section in reduction or extinction of this said overdraft. Such separate rate shall be a uniform rate over all rateable property in the Borough of Eastbourne.

4. In the event of the realization by the said Council of any of its steamers or any of its other permanent ferry assets before the said overdraft of five thousand and six pounds seventeen shillings and ninepence shall have been extinguished, the net proceeds of every such realization shall be applied by the Council in reduction or extinction of the said overdraft, as the case may be.

Proceeds of realization of ferry assets to be applied in reduction of overdraft.

5. Nothing in this Act shall be interpreted to affect the right of the said bank to be repaid out of the funds of the Mayor, Councillors, and Burgesses of the Borough of Eastbourne the said sum of five thousand and six pounds seventeen shillings and ninepence.

Protection of bank.