

New Zealand.

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1896, No. 25.

Title.

AN ACT to amend "The Government Advances to Settlers Act, 1894."
[12th October, 1896.]

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

Short Title.

1. The Short Title of this Act is "The Government Advances to Settlers Act Amendment Act, 1896"; and it shall form part of and be read with "The Government Advances to Settlers Act, 1894" (hereinafter called "the principal Act").

FIXED LOANS.

Fixed loans on
freehold security
may be granted.

2. Notwithstanding anything to the contrary contained in the principal Act, it is hereby declared that advances on the security of freehold lands may be granted for any term not exceeding ten years, and with respect to every such advance (hereinafter referred to as a "fixed loan") the following provisions shall apply:—

Provisions relating
thereto.

- (1.) The amount of the fixed loan shall in no case exceed one-half the value of the security:
- (2.) The application for a fixed loan shall be in the form prescribed by the principal Act, save that it shall be expressed to be for a fixed loan, and shall specify the term of the loan:

- (3.) The fixed loan shall be repayable (without sinking fund) at the end of the term for which it is granted: Provided that the mortgagor may, on the due date of any half-yearly payment of interest during the term, repay to the Superintendent any sum of not less than five pounds or a multiple of five pounds in reduction of the principal sum:
- (4.) Interest on the fixed loan, or on so much thereof as for the time being remains unpaid, shall be payable at the rate of five pounds per centum per annum by half-yearly payments, and the first half-yearly payment of interest shall be made at the expiration of six months from the date of the loan:
- (5.) A certificate under the hand of the Superintendent, or of any person authorised by him to give the same, shall, until the contrary is proved, be sufficient evidence of the amount owing in respect of principal and interest respectively at the date named in the certificate.

3. The mortgage docketts in respect of fixed loans shall be in the forms respectively prescribed by the principal Act, nevertheless with the omission of the words, "Date of first prescribed half-yearly instalment," and the insertion, in lieu thereof, of the following words:—

Mortgage docketts
in respect thereof.

"Term of advance:

"Due date of repayment of principal:

"Dates of half-yearly payments of interest: and

"Due date of first half-yearly payment of interest: ."

4. (1.) Subject to the modifications hereinafter specified, all the covenants and conditions to be implied in mortgage docketts by virtue of the principal Act shall be implied in mortgage docketts for fixed loans.

Covenants to be
implied.

(2.) The modifications above referred to are as follows:—

(a.) In lieu of the covenant marked "Firstly," in the Fourth Schedule to the principal Act, the following covenant shall be deemed to be substituted:—

"Firstly, That the mortgagee will pay the principal sum mentioned in the mortgage docket with interest thereon in accordance with the provisions of 'The Government Advances to Settlers Act, 1894,' and the amendments thereof, relating to fixed loans, and will make the first half-yearly payment of interest on the date mentioned in that behalf in the mortgage docket."

(b.) The covenant marked "Seventhly" in the said Schedule shall be deemed to be modified by substituting the words "principal or interest moneys" in lieu of the words "said prescribed half-yearly instalments."

5. Subject to the foregoing provisions of this Act, all the provisions of the principal Act relating to advances on the security of freehold lands and the mortgage docketts in respect thereof shall apply to fixed loans and the mortgage docketts in respect thereof.

Principal Act to
apply.

GENERAL.

Amendment of section 5 of "The Government Advances to Settlers Act Amendment Act, 1895." Advances up to £3,000.

Amendment of subsection (1) of section 2 of "The Government Advances to Settlers Act Amendment Act, 1895."

Amendment of subsection (10) of section 6 of "The Government Advances to Settlers Act Amendment Act, 1895."

6. Section five of "The Government Advances to Settlers Act Amendment Act, 1895," is hereby amended by inserting the words "within or" next after the word "situate" wherever that word occurs in the section.

7. Subsections three and four of section forty of the principal Act are hereby amended by substituting "three thousand" for "two thousand five hundred" wherever those words occur therein.

8. Subsection one of section two of "The Government Advances to Settlers Act Amendment Act, 1895," is hereby amended as follows:—

- (1.) As to paragraph (e) thereof, by inserting the words "Public Trustee or" next after the words "absence of the," and by inserting the words "Deputy of the Public Trustee or" next after the words "office of"; and also
- (2.) As to paragraph (g) thereof, by inserting the words "or Commissioner of Taxes" next after the words "Office of Public Trustee," and by inserting the words "or Deputy Commissioner of Taxes" next before the word "shall."

9. Subsection ten of section six of "The Government Advances to Settlers Act Amendment Act, 1895," is hereby amended as follows:—

- (1.) By inserting next after the words "provisions of" the words "'The Land Act 1877 Amendment Act, 1882,' by virtue of Proclamation made under section fifty thereof, or 'The Land Act, 1885,' by virtue of Proclamation made under section two hundred and thirty-seven thereof, or": and also
- (2.) By adding at the end of the subsection the words "or on the deferred-payment or small grazing-run systems."