(6.) For remitting to the Treasury the annual sums for the sinking fund by equal half-yearly payments, and for the investment and accumulation thereof under their direction in the names of four trustees nominated from time to time, two by the Treasury and two by the Government of New Zealand.

The Treasury shall not guarantee in any one year a larger sum than two hundred thousand pounds, and the Treasury, before guaranteeing any portion of the loan after the first, shall satisfy themselves that the portion of the loan already raised has been or is in the course of being spent for the purposes mentioned in this Act.

Application of sinking fund.

4. The said sinking fund may be invested in such securities as the Government of New Zealand and the Treasury from time to time agree upon, and shall, whether invested or not, be applied from time to time, under the direction of the Treasury, in discharging the principal of the said loan; and the interest arising from such securities (including the interest on any part of the loan discharged by means of the sinking fund), and the resulting income thereof shall be invested and applied as part of such sinking fund.

Alteration of Act relating to guaranteed loan.

5. Every Act passed by the Legislature of New Zealand which in any way impairs the priority of the charge upon the Consolidated Revenue of New Zealand created by that Legislature of the said loan and the interest and sinking fund thereof, and the sums paid out of the Consolidated Fund of the United Kingdom and the interest thereon, shall, so far only as it impairs such priority, be void, unless such Act contain a suspending clause providing that such Act shall not come into operation until Her Majesty's pleasure thereon has been publicly signified in New Zealand.

Issue out of Consolidated Fund.

6. The Treasury are hereby authorised to cause to be issued from time to time, out of the growing produce of the Consolidated Fund of the United Kingdom, such sums of money as may at any time be required to be paid to fulfil the guarantee under this Act in respect either of principal or interest.

Certificate of amount paid out of Consolidated Fund.

7. The Treasury may, from time to time, certify to one of Her Majesty's Principal Secretaries of State the amount which has been paid out of the Consolidated Fund of the United Kingdom to fulfil the guarantee under this Act, and the date of such payment; such certificate shall be communicated to the Governor of New Zealand, and shall be conclusive evidence of the amount having been so paid and of the time when the same was so paid.

Accounts to be laid before Parliament.

8. The Treasury shall cause to be prepared and laid before both Houses of Parliament a statement of any guarantee given under this Act, and a copy of any accounts received by them respecting the expenditure of the said loan, and an account of all sums issued out of the Consolidated Fund of the United Kingdom for the purposes of this Act, within one month after the same are so given, received, or issued, if Parliament be then sitting, or if Parliament be not sitting, then within fourteen days after the then next meeting of Parliament.

CHAP. 41.

An Act for raising the sum of one million three hundred thousand pounds by Exchequer Bonds for the service of the year ending on the thirty-first day of March one thousand eight hundred and seventy-one. [1st August 1870.]

Most Gracious Sovereign,

WE, Your Majesty's most dutiful and loyal subjects, the Commons of the United Kingdom of Great Britain and Ireland, in Parliament assembled, towards raising the necessary supplies which we have cheerfully granted to Your Majesty in this session

of Parliament, have resolved to give and grant unto Your Majesty the sum herein-after mentioned; and do therefore most humbly beseech Your Majesty that it may be enacted; and be it enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

Treasury may raise 1,300,000*l.* by Exchequer bonds.

1. Towards raising the supply granted to Her Majesty for the service of the year ending on the thirty-first day of March one thousand eight hundred and seventy-one, it shall be lawful for the Commissioners of Her Majesty's Treasury at any time or times, but not later than the thirty-first day of March one thousand eight hundred and seventy-one, to cause any number of Exchequer Bonds to be made out at the Bank of England for any sum or sums of money not exceeding in the whole the sum of one million three hundred thousand pounds, and such bonds shall bear such interest as shall be determined by the said Commissioners, not exceeding four pounds per centum per annum, and shall be paid off at par at the expiration of any period or periods not exceeding five years from the date of such bonds.

Interest on bonds, and repayment of principal money.

2. The interest on such bonds shall be paid half-yearly on such days as shall be appointed by the said Commissioners, and shall be charged upon and issued out of the Consolidated Fund of the United Kingdom, or out of the growing produce thereof; and the principal moneys secured by such bonds shall be repaid out of such money as shall be provided by Parliament in that behalf.

Treasury may cause Exchequer bonds to be prepared and issued according to provisions of 29 & 30 Vict. c. 25.

3. The Commissioners of Her Majesty's Treasury may from time to time, by warrant under their hands, cause or direct the Exchequer bonds to be issued under the authority of this Act to be prepared for such principal sums, not less in any case than one hundred pounds, together with coupons for the interest becoming due from time to time thereon, in such form and under such regulations as the said Commissioners may think most safe and convenient, and according to the provisions, so far as they relate to Exchequer bonds, of an Act of the twenty-ninth year of Her Majesty, chapter twenty-five, intituled "An Act to consolidate and amend the several laws regulating the preparation, "issue, and payment of Exchequer bills and bonds."

Persons forging Exchequer bonds, &c. guilty of felony.

4. If any person shall forge or alter, or shall offer, utter, dispose of, or put off, knowing the same to be forged or altered, any Exchequer bond issued under this Act, or any coupon for interest accruing thereon, such person shall be guilty of felony, and upon being lawfully convicted thereof shall suffer accordingly.

Money raised to be paid to the Consolidated Fund.

5. All such sums of money as shall be raised by Exchequer bonds to be made out in pursuance of this Act shall be paid to the account of Her Majesty's Exchequer at the Bank of England, and shall be carried to and form part of the Consolidated Fund of the United Kingdom.

Treasury may borrow 1,300,000*l.* on the credit of bonds, and National Debt Commissioners may purchase bonds with savings banks money.

6. The Commissioners of the Treasury may borrow upon the credit of the Exchequer bonds to be made out in pursuance of this Act, any sum or sums of money not exceeding in the whole the sum of one million three hundred thousand pounds (anything in any Act to the contrary notwithstanding); and the Commissioners for the Reduction of the National Debt may invest, in the purchase of Exchequer bonds issued under the authority of this Act, any money in their hands on account of savings banks, or Post Office savings banks.