

# COMMONWEALTH INSCRIBED STOCK.

## No. 20 of 1911.

An Act to provide for Commonwealth Government Inscribed Stock and for other purposes in connexion therewith.

[Assented to 22nd December, 1911.]

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

### PART I.—PRELIMINARY.

1. This Act may be cited as the *Commonwealth Inscribed Stock Act* 1911. Short title.

2. This Act is divided into Parts as follows:—

Parts.

Part I.—Preliminary.

Part II.—Creation and Issue of Stock.

Part III.—Inscription of Stock.

Division 1.—Registries and Registrars.

Division 2.—Inscription of Stock.

Division 3.—Transfers and Transmissions.

Division 4.—Stock Certificates to Bearer.

Division 5.—Legal Provisions.

Part IV.—The Stock Redemption Fund.

Part V.—Penal Provisions.

Part VI.—Miscellaneous.

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

Definitions.

“Registrar” means the Registrar of Stock, or a Deputy Registrar of Stock;

“Registry” means a Registry for the inscription of stock;

“Stock” means Commonwealth Government Inscribed Stock and a reference to stock includes a reference to stock included in a stock certificate to bearer.

### PART II.—CREATION AND ISSUE OF STOCK.

4. The Governor-General may by order create capital stock called Commonwealth Government Inscribed Stock for— Power to create stock.

(a) raising by way of loan any money authority to borrow which is granted by any Act; and

(b) paying any expenses of carrying this Act into effect which the Governor-General considers are properly payable out of capital.

Interest.

5. Stock shall bear interest at a rate to be fixed by the order creating the stock but not exceeding Three pounds ten shillings per centum per annum, and the interest shall be payable half-yearly on days to be fixed by the order creating the stock.

Stock and interest a charge on revenue.

6. The principal money secured by any stock and the interest thereon shall rank equally and without priority or preference, and shall be a charge on and payable out of the Consolidated Revenue Fund which is hereby appropriated for the purpose.

Terms and conditions of issue.

7. Stock may be issued and sold in such amounts and manner and at such prices and on such terms and conditions as the Governor-General directs.

Time for redemption.

8. Stock shall be redeemable at par after a date to be fixed in the order creating the stock, or may be made interminable, reserving to the Treasurer the right after a date fixed by the Governor-General in the order creating the stock to redeem the stock at par upon such notice given in such time and manner as is prescribed.

Redemption of stock redeemable at a fixed date.

9. Stock redeemable after a date fixed in the order creating the stock may be redeemed by the Treasurer upon such notice and in such manner as he directs.

Redemption of interminable stock.

10. Stock made interminable may be redeemed by the Treasurer at any time after the expiration of the prescribed notice in such order and manner as he directs, or as is prescribed.

When interest to cease.

11. After the expiration of the notice for the redemption of any stock the interest on the stock specified in the notice shall cease.

Moneys raised to be placed to credit of Loan Fund.

12. All moneys raised by the sale of stock shall be placed to the credit of the Loan Fund.

Stock personal property.

13. Stock shall be personal property.

### PART III.—INSCRIPTION OF STOCK.

#### DIVISION 1.—REGISTRIES AND REGISTRARS.

Establishment of registries and appointment of Registrars.

14. The Governor-General may—

- (a) establish Registries for the inscription of stock within the Commonwealth ;
- (b) establish a Registry for the inscription of stock at London in the United Kingdom ;
- (c) appoint such Registrars of Stock and Deputy Registrars of Stock as he thinks necessary.

#### DIVISION 2.—INSCRIPTION OF STOCK.

Stock to be inscribed.

15. All stock issued shall be inscribed in a Stock Ledger at a Registry by entering therein the name of the owner of the stock and the amount thereof, and such other particulars as are prescribed.

16. No stock shall be inscribed in the names of more than four persons. Limit of number of names.

17. The Registrar shall upon demand of the owner of any stock issue to him a certificate of the proprietorship of the stock, and such certificate shall be *prima facie* evidence of the title of the holder to the stock therein specified; but the want of such certificate shall not prevent the owner of any stock from disposing of it. Stock certificates.

18. The person whose name is inscribed in the Stock Ledger as the owner of any stock shall be deemed to be the owner of the stock, and shall have power to dispose of and transfer the stock subject to and in manner provided by this Act, and to give effectual receipts for any money paid to him by way of consideration. Owner of stock.

19. No notice of any trust express implied or constructive shall be received by the Registrar, or the Government of the Commonwealth, or entered in any Stock Ledger or other book kept by the Registrar. Notice of trusts not received.

20. Without prejudice to the provisions of this Act relating to the disposal and transfer of stock and notice of trusts, it is the intention of this Act that equitable interests may be enforced against the owners of stock in the same manner as in respect of any other personal property. Equitable interests preserved.

21. Stock may be inscribed in the name of an infant jointly with one or more adult persons, but shall not, without the order of a Justice of the High Court or a Judge of the Supreme Court of a State or Territory, be transferred until the coming of age or decease of the infant. Stock in joint names of infant and an adult.

22. Any one of the persons in whose names any stock is inscribed may give valid receipts for interest. Receipts for interest.

### DIVISION 3.—TRANSFERS AND TRANSMISSIONS.

23. Stock may in the manner prescribed be transferred from one Registry to another Registry. Transfer to another register.

24. Stock may be transferred from one person to another by deed in the prescribed form. Transfer by deed.

25. Every deed of transfer shall be executed by all parties, and the signatures to it shall be attested in the prescribed manner. Execution of transfer.

26. Every deed of transfer when executed shall be delivered to the Registrar at the registry at which the stock specified in it is inscribed, and the Registrar shall register it by entering a memorial of it in the Stock Ledger, and shall inscribe the name of the transferee in the Stock Ledger as the owner of the stock. Registration of transfer.

27. No transfer of stock shall be registered within fourteen days next before either of the days on which interest is payable. Closing of register.

Transmission application.

28. Any person to whom any stock is transmitted may apply in the prescribed form to the Registrar at the registry where the stock is inscribed to be inscribed as the owner of the stock.

Verification of transmission.

29. Every transmission application shall be verified by statutory declaration or in such other manner as the Treasurer allows, and

*a*) in the case of a transmission consequent on death, the probate of the will or letters of administration shall be produced to the Registrar; and

*b*) in the case of a transmission consequent on bankruptcy or insolvency, an office copy of the adjudication or order of sequestration shall be delivered to the Registrar.

Registration of transmission.

30. The Registrar shall, if he is satisfied that the provisions of this Act have been complied with, register the transmission by entering a memorial of it in the Stock Ledger and inscribe the name of the person to whom the stock has been transmitted in the Stock Ledger as the owner of the stock.

Stock certificate to be delivered up.

31. Before registering any transfer or transmission, the Registrar may require the stock certificate relating to the stock to be delivered up to be cancelled.

Minimum amount transferable.

32. No transfer of any stock to a smaller amount than Fifty pounds, or to any amount containing any fractional part of a pound, shall be made without the permission of the Treasurer.

#### DIVISION 4.—STOCK CERTIFICATES TO BEARER.

Application.

33. The owner of any stock may by application in the prescribed form apply to the Registrar for a stock certificate to bearer in respect of any stock standing in his name.

Registrar may grant certificate.

34. The Registrar may, on the stock certificate relating to the stock specified in the application being delivered up to him, grant to the applicant a stock certificate to bearer.

Interest coupons.

35. Coupons shall be attached to every stock certificate to bearer and shall entitle the bearer or a person named in the coupon to the interest on the stock for a limited period.

Effect of certificate.

36. Stock certificates to bearer shall entitle the bearer to the stock therein described, and shall be transferable by delivery.

Stock not to be dealt with through register.

37. Stock in respect of which any stock certificate to bearer has been issued shall, so long as the certificate remains outstanding, cease to be dealt with through the medium of the Stock Ledger.

New certificates.

38. On the expiration of the period for which the coupons attached to a stock certificate to bearer have been issued, the certificate may be exchanged for another stock certificate to bearer with coupons for a further period attached.

39. On delivery to the Registrar of a stock certificate to bearer and of all unpaid coupons belonging thereto, the Registrar shall, if so requested by the bearer of the stock, cancel the stock certificate to bearer and the unpaid coupons belonging thereto and issue to the bearer in lieu thereof a certificate of proprietorship of the stock. Re-inscription.

40. If the bearer of a stock certificate to bearer inserts in it the name address and occupation of some person, the certificate shall cease to be transferable, and the person so named, or some person deriving title from him by devolution in law, shall alone be entitled to the stock described in the certificate, and shall be entitled to have his name inscribed in the Stock Ledger as the owner of the stock upon delivering the certificate to the Registrar. Effect of inserting name in certificate.

41. No trustee shall apply for or hold a stock certificate to bearer unless authorized to do so by the terms of the trust, but the Registrar shall not be obliged to inquire whether the applicant for a stock certificate to bearer is a trustee or not, and shall not be subject to any liability by reason of his issuing a stock certificate to bearer to a trustee, and no stock certificate to bearer so issued shall be deemed to be invalid on the ground that it has been issued to a trustee. Trustees not to hold stock certificates to bearer.

42. If any stock certificate to bearer is lost, mislaid, or destroyed, the Registrar may issue a fresh stock certificate to bearer in place of it upon such terms as to indemnity and payment of expenses as he thinks proper. Lost, mislaid, or destroyed certificates.

#### DIVISION 5.—LEGAL PROVISIONS.

43. The Registrar, upon being served with any order relating to stock or having the effect of vesting stock in any order made by the High Court or a Justice thereof, or the Supreme Court of a State or a Judge thereof, or the Supreme Court of a Territory or a Judge thereof, shall make any entries in the Stock Ledger necessary to be made for the purpose of carrying the order into effect. Orders to be carried into effect.

44. A copy of, or extract from, any entry in any Stock Ledger and a copy of any document relating to stock in the custody of a Registrar, shall be admissible in evidence in all courts within the Commonwealth— Copies of books &c. evidence.

- (a) if it is proved to be an examined copy or extract ; or
- (b) if it purports to be signed and certified as a true copy or extract by the Registrar.

#### PART IV.—THE STOCK REDEMPTION FUND.

45. The Treasurer shall on the last day of March and on the last day of September in each year pay out of the Consolidated Revenue Fund, which is hereby appropriated for the purpose, into the Trust Fund, under the head of the Stock Redemption Fund, such sum as is fixed by any order directing the sale of any stock, being not less than Ten shillings per centum on such stock. Stock Redemption Fund.

Application  
of Stock  
Redemption  
Fund.

**46.**—(1.) The Treasurer shall apply the Stock Redemption Fund in repurchasing, purchasing, or redeeming any stock, and in paying the commission costs and expenses incurred in so doing, and for no other purpose whatever.

(2.) No repurchased, purchased, or redeemed stock shall be reissued.

Investment of  
Stock  
Redemption  
Fund.

**47.**—(1.) The Treasurer may invest any part of the Stock Redemption Fund in the purchase of any securities of, or guaranteed by, the Government of the United Kingdom, or the Government of the Commonwealth, or the Government of any State, and may at any time sell such securities.

(2.) All sums received as interest earned by such securities, or from the sale of such securities, shall be paid into the Stock Redemption Fund.

#### PART V.—PENAL PROVISIONS.

Forging or  
uttering stock  
certificates &c.

**48.**—(1.) Any person who, with intent to defraud, forges, or utters knowing it to be forged—

(a) any stock certificate, or stock certificate to bearer, or

(b) any transfer of stock, or

(c) any coupon, warrant, or document for the payment of money in respect of stock, or

(d) any power of attorney in respect of stock, or

(e) the signature of any person as witness to the execution of any instrument or document in respect of stock,

shall be guilty of an indictable offence.

Penalty : Imprisonment for ten years.

(2.) Any person who, without authority, proof whereof shall lie upon him—

(a) makes, or has in his possession, any form of stock certificate or stock certificate to bearer, or

(b) makes, or has in his possession, any form of any coupon, warrant, or document for the payment of money in respect of stock, or

(c) makes any instrument or thing for the purpose of making any imitation of any distinctive mark or signature on any stock certificate, stock certificate to bearer, or coupon, warrant, or document for the payment of money in respect of stock, or has in his possession any instrument or thing so made,

shall be guilty of an offence.

Penalty : Imprisonment for two years.

(3.) In this section “form” in relation to any instrument or document includes any form resembling or apparently intended to resemble or pass for a form of the instrument or document.

False  
personation.

**49.** Any person who, with intent to defraud, falsely personates any person entitled to any stock or to any money payable in respect of any stock, shall be guilty of an indictable offence.

Penalty : Imprisonment for ten years.

**50. Any person who fraudulently—**Falsification of  
books or  
documents.

(a) makes any false entry in any book, record, or document relating to stock, or

(b) omits to make any entry in any book, record, or document relating to stock, or

(c) by act or omission falsifies any book, record, or document relating to stock, or

(d) destroys any book, record, or document relating to stock, or

(e) delivers to any person not entitled thereto any stock certificate or stock certificate to bearer, or any coupon, warrant, or document for the payment of any money payable in respect of any stock,

shall be guilty of an indictable offence.

Penalty : Imprisonment for ten years.

**51. All forged instruments or documents, the forging or uttering of which is punishable under this Act, and all forms, instruments, and things made or had in possession in contravention of this Act, shall be forfeited to the King, and may be seized by any member of the police force of the Commonwealth or a State.**

Forfeiture of  
forged  
documents and  
illicit forms.

## PART VI.—MISCELLANEOUS.

**52. Any person who is authorized to invest money upon any security of the Government of the Commonwealth or of a State may invest such money in stock.**

Investments  
in stock.

**53. All ledgers and transfer books shall be examined once a month by the Auditor-General or his Deputy.**

Auditor-General  
to examine  
ledgers.

**54.—(1.) Each Registrar shall keep lists of persons upon whose stock interest is unclaimed for ten years, together with their registered addresses and descriptions.**

List of unclaimed  
interest.

(2.) Such lists shall be open for inspection upon payment of the prescribed fee.

**55.—(1.) Each Registrar shall keep the prescribed forms.**

Forms.

(2.) No forms other than the prescribed forms shall be used except with the approval of the Treasurer.

**56.—(1.) Any person may, by power of attorney under his hand and seal and attested, appoint some person to be his attorney for any purpose in relation to stock.**

Powers of  
attorney.

(2.) Every power of attorney in relation to stock shall be deposited at the Registry where the stock to which it relates is inscribed.

(3.) A power of attorney shall be valid and effectual for all the purposes therein mentioned until notice of its revocation, or of the bankruptcy, insolvency, lunacy, unsoundness of mind, or death of the principal, has been received by the Registrar at the Registry where the power of attorney is deposited.

Statement to be  
submitted to  
Parliament.

57. The Treasurer shall as soon as practicable in each financial year lay before both Houses of the Parliament a full statement certified by the Auditor-General of the following dealings and transactions under this Act during the year ending on the thirtieth day of June then last, namely : the total amount of stock issued, the net proceeds thereof, the purposes to which such proceeds have been applied, the unexpended balance of such proceeds, the amount paid into the Stock Redemption Fund, the amount of stock repurchased, purchased, or redeemed, and the price paid therefor, the commission, costs, and expenses paid in relation to the repurchase, purchase, or redemption of stock, the balance standing to the credit of the Stock Redemption Fund, and how it is invested, and such other particulars as are prescribed.

Regulations.

58. The Governor-General may make regulations, not inconsistent with this Act, prescribing the fees payable under this Act and all matters and forms required or necessary or convenient to be prescribed for carrying out or for giving effect to this Act or for the conduct of any business at or in connexion with any Registry.

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## AUSTRALIAN NOTES.

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### No. 21 of 1911.

An Act to amend Section Nine of the *Australian Notes Act* 1910.

[Assented to 22nd December, 1911.]

**B**E 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 and  
citation.

- 1.—(1.) This Act may be cited as the *Australian Notes Act* 1911.  
(2.) The *Australian Notes Act* 1910, as amended by this Act, may be cited as the *Australian Notes Act* 1910–11.

Amendment of  
s. 9.

2. Section nine of the *Australian Notes Act* 1910 is amended by omitting sub-section (1.) therefrom and by inserting in its stead the following sub-section :—

“(1.) The Treasurer shall hold in gold coin a reserve of not less than one-fourth of the amount of Australian Notes issued.”

Commencement  
of Act.

3. This Act shall come into operation on the first day of July, One thousand nine hundred and twelve.