

Sums borrowed under recited Act of General Assembly of New Zealand, not exceeding £1,000,000 Interest, guaranteed under this Act.

Treasury not to approve of the borrowing of £1,000,000 until Provisions are made by General Assembly of New Zealand as herein named.

Advances out of Consolidated Fund to be charged on Revenues of New Zealand.

No Act of New Zealand varying the Security for the Money borrowed and Interest to be valid unless confirmed by Her Majesty in Council.

Certificate of Amount paid out of Consolidated Fund to be sent to New Zealand.

Accounts to be laid before Parliament.

Nothing in recited Act of New Zealand rendered void on account of any Repugnancy to 20 & 21 Vict. c. 51.

1. The liquidation of all such sums, not exceeding in the whole the sum of One million Pounds, as shall be borrowed and raised in Great Britain, with the approbation of the Commissioners of Her Majesty's Treasury, under the said first recited Act of the General Assembly of New Zealand, or of any Act passed in amendment of the same, together with the Interest thereon not exceeding the yearly rate of four pounds for One hundred Pounds, shall be guaranteed under this Act; and for giving effect to such guarantee it shall be lawful for the Commissioners of Her Majesty's Treasury to direct and cause to be issued and paid out of the growing produce of the Consolidated Fund of the United Kingdom of Great Britain and Ireland such sums as shall be required to make good any deficiency which shall happen in the regular payment, on the part of New Zealand, of the Interest accruing due upon such sums as shall be borrowed as aforesaid, or in the liquidation of the principal sums when the same shall become payable.

2. Provided nevertheless, that it shall not be lawful for the Commissioners of Her Majesty's Treasury to approve the borrowing and raising of the herein-before mentioned principal sum of One million Pounds, or any part thereof, until provision shall have been made by the General Assembly of New Zealand to the following effect; that is to say,

1. That every part of the said principal sum shall be repayable and repaid at the expiration of thirty years at the furthest from the day on which such part shall have been borrowed and raised.
2. That for the purpose of providing a sinking fund for the liquidation of the said principal sums, a sum equal at the least to Two per Cent. per Annum on the total of such principal sums shall be paid yearly, and invested and increased by way of accumulation in the manner directed by the said first-recited Act in respect of the sinking fund therein provided for.
3. That the said principal sums and all interest thereon, and the said annual sum of not less than two per cent. for sinking fund, shall be a charge on the general revenue of New Zealand, having priority over all other charges upon the said revenue, except charges created in virtue of an Act passed by the said General Assembly, intituled "The New Zealand Loan Act, 1856," and of an Act of Parliament passed in the twenty-first year of Her Majesty, intituled "An Act to Guarantee a Loan for the Service of New Zealand," or either of them, and that the said general revenue shall for the purposes of this Act be deemed to include all the revenue which shall arise from duties of import and export, from post office receipts, and Supreme Court fees, from the disposal of Waste Lands of the Crown, and from all taxes, duties, rates, and imposts levied or to be levied by virtue of any Act of the General Assembly of New Zealand, and all revenues whatsoever which may be lawfully expended or disposed of by the authority of the said Assembly:

nor until the said Commissioners shall be satisfied by certificate under the hand of the officer administering the Government of New Zealand, or otherwise, that the said General Assembly have adopted such proposals as shall have been made to them by authority of any of Her Majesty's Principal Secretaries of State respecting the repayment of any monies due to the Imperial Treasury from the Treasury of the Colony, and for the payments to be made from the Colonial Revenue as well for the support of Her Majesty's troops employed in the said Colony as for the benefit of the native inhabitants thereof.

3. All the sums which shall be so issued and paid out of the said Consolidated Fund in respect of the interest of the sums borrowed as aforesaid, or the liquidation of the principal sums, with interest upon the sums so issued after the yearly rate of five pounds for one hundred pounds, to be computed from the several times of issuing the same, shall be charged upon the general revenue of the Colony of New Zealand as hereinbefore defined.

4. No Act passed by the Legislature of New Zealand in anywise discharging or varying the security to be given in accordance with this Act, upon the Revenue arising from the Duties of Import and Export and from the disposal of Waste Lands of the Crown, for the repayment of the sums of money borrowed as aforesaid, and the interest thereon, shall be valid, unless such Act contain a clause suspending the operation of the same until Her Majesty's pleasure shall have been taken thereon, and the same shall have been confirmed by Her Majesty, with the advice of Her Privy Council, and a Proclamation of such confirmation having been given shall have been made by the Governor or person administering the government of the said Colony.

5. The Commissioners of Her Majesty's Treasury shall from time to time certify to one of Her Majesty's Principal Secretaries of State the amount so paid from time to time on account of the interest or principal of the sums borrowed as aforesaid; and such certificate shall be communicated to the Governor or person administering the government of New Zealand, and shall be by him communicated to the General Assembly of the said Colony; and such certificate shall be conclusive evidence of the amount so paid out of the Consolidated Fund of the said United Kingdom, and of the time when the same was paid on account of the interest or principal of the sum so borrowed.

6. The Commissioners of Her Majesty's Treasury shall cause to be prepared, and shall lay before both Houses of Parliament within fourteen days next after the beginning of every Session, an account of all sums from time to time issued out of the Consolidated Fund of the said United Kingdom by virtue of this Act towards making good any such deficiency as aforesaid, and also an account of all sums repaid by or recovered from New Zealand by reason of such advance, with interest paid or recovered thereon.

7. And whereas by an Act of the General Assembly of New Zealand passed in the twenty-seventh year of Her Majesty, intituled "An Act to enable the Governor to establish Settlements for Colonization in the Northern Island of New Zealand," provision was made for the proclamation of certain districts within the said Colony, and for setting apart within such districts eligible sites for settlements for colonization, and for other matters therein mentioned: and whereas doubts are entertained whether the provisions of the said Act, or some of them, may not be void by reason of their repugnancy to the third section of an Act of Parliament of the twentieth and twenty-first years of Her Majesty, intituled An Act to guarantee a Loan for the service of New Zealand: be it enacted as follows:

Nothing in the said Act to enable the Governor to establish settlements for colonisation in the Northern Island of New Zealand shall be or be deemed to have been void or inoperative on account of any repugnancy to any of the provisions of the last-mentioned Act of Parliament or of this Act.