

1991—No. 541

**PUBLIC AUTHORITIES (FINANCIAL ARRANGEMENTS)
ACT 1987—REGULATION**

(Relating to inscribed stock issued by authorities)

NEW SOUTH WALES



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HIS Excellency the Governor, with the advice of the Executive Council, and in pursuance of the Public Authorities (Financial Arrangements) Act 1987, has been pleased to make the Regulation set forth hereunder.

NICK GREINER
Premier and Treasurer.

The Public Authorities (Financial Accommodation) Securities Regulation 1982 is amended:

- (a) by omitting from clause 1 the word “Accommodation” and by inserting instead the word “Arrangements”;
- (b) by omitting from clause 2 the definitions of “authority”, “Registrar” and “the Act” and by inserting instead, in alphabetical order, the following definitions:

“**authority**” has the same meaning as in section 6 of the Act;

“**owner**”, in relation to inscribed stock, means the person named as the owner of the stock in the Inscribed Stock Register of the authority which issued the stock;

“**Registrar**”, in relation to an authority, means a person (including a corporation) appointed by the authority to be the Registrar of Stock, Assistant Registrar of Stock, Deputy Registrar of Stock or Assistant Deputy Registrar of Stock at the Registry of the authority;

“**The Act**” means the Public Authorities (Financial Arrangements) Act 1987.

(c) by inserting after clause 2 the following clause:

Application of Regulation

2A. This Regulation applies to inscribed stock issued within Australia only.

(d) by omitting from clause 3 the words “The Treasurer or an officer of the Public Service authorised by him” and by inserting instead the words “An authority”;

(e) by omitting from clause 4 the words “and bear the signature of at least 2 members of the authority or 2 authorised officers thereof”;

(f) by omitting clauses 25–29 and by inserting instead the following clauses:

Transfer of stock—close of books etc.

25. (1) A transfer of inscribed stock of an authority must not be registered during any period in which the books of the authority are closed for transfers of the stock concerned.

(2) An authority may close its books for transfers of inscribed stock during such periods as it determines from time to time and may do so for different periods for different inscribed stock.

Striking of balance for payments

26. The balance for payments on inscribed stock is to be struck on a day determined by the authority which issued the stock.

Payments on stock etc.

27. (1) Payments on inscribed stock issued by an authority are to be made:

(a) to the owner of the stock or, if there is more than one owner registered in relation to the stock, to the owner whose name appears first on the Inscribed Stock Register; and

(b) in such manner as is determined from time to time by the authority.

(2) Interest on debentures issued by an authority is to be paid:

(a) in the case of debentures issued with coupons attached—on presentation of the coupons at a place designated on the coupons; or

(b) in the case of debentures issued without coupons attached—in accordance with the terms of the debentures.

Payments to order

28. Payments on inscribed stock may be made by the Registrar for the authority which issued the stock to and in favour of any person if a direction in an approved form is given for the purpose:

- (a) by the owner of the stock; or
- (b) if there is more than one owner registered in relation to the stock, by the owner whose name appears first on the Inscribed Stock Register.

Variation of instructions

29. Directions in relation to payments on inscribed stock (unless withdrawn in writing) remain in force even though the stock may have been added to, partly sold or withdrawn.

- (g) by omitting from clause 30 (1) the words “interest cheques are to be sent” and by inserting instead the words “payments are to be made”;
- (h) by omitting clause 30 (2);
- (i) by omitting from clause 31 the words “Interest” and “paid” and by inserting instead the words “Payments” and “made”, respectively;
- (j) by inserting in clause 31 after the word “Registrar” the words “for the authority which issued the stock”;
- (k) by omitting clause 32 and by inserting instead the following clause:

Minority of sole owner of stock

32. Payments on inscribed stock and debentures in the name of a minor otherwise than in a joint account may be made (at the discretion of the Registrar for the authority which issued the stock or debentures) to the guardian of the minor and the receipt of the guardian is to be a valid discharge.

- (l) by omitting clause 34.

EXPLANATORY NOTE

The object of this Regulation is to amend the Public Authorities (Financial Accommodation) Securities Regulation 1982 (which, pursuant to clause 7 of Schedule 6 to the Public Authorities (Financial Arrangements) Act 1987, is deemed to have been made under that Act) so as:

- (a) to update references in the Regulation to the 1987 Act (paragraphs (a) and (b)); and

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- (b) to make it clear that the provisions of the Regulation apply in respect of inscribed stock issued within Australia only (a security, for example, issued outside of Australia by an authority is covered by separate agreement between the issuing authority and the holder of the security) (paragraph (c)); and
 - (c) to allow an authority to approve the forms to be used in connection with the issuing of inscribed stock (at present, the forms are approved by the Treasurer or a person authorised by the Treasurer) (paragraph (d)); and
 - (d) to provide that a loan certificate issued by an authority does not need to bear any signature of a member of the authority (paragraph (e)); and
 - (e) to provide greater flexibility in relation to the time when a transfer of inscribed stock may be registered and to remove the requirement that such a transfer must be made only for an amount which is \$100 or a multiple of \$100 (paragraph (f)—proposed clause 25); and
 - (f) to provide that the balance for payments on inscribed stock is to be struck on a day determined by the authority instead of the balance for payments being struck 10 business days before the payments become due (paragraph (f)—proposed clause 26); and
 - (g) to extend the application of provisions relating to the payment of interest on inscribed stock to cover all payments on the stock (that is, to cover the repayment of principal amounts as well as interest) (paragraphs (f), (g) and (i)); and
 - (h) to provide that an authority may make payments to or in favour of any person (if directed by the owner of the inscribed stock to do so) (paragraph (f)—proposed clause 28); and
 - (i) to make other minor changes relating to payments on inscribed stock issued by an authority (particularly in relation to persons under the age of 18 years).
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