New Zealand.

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1937, No. 4.—*Private.*

Title.

AN ACT to extend the Powers of the Wellington Diocesan Board of Trustees so as to enable such Board to amalgamate Investments of Trust Funds now or hereafter to be held by or vested in it.

[*30th November, 1937.*

Preamble.

WHEREAS it is expedient to extend the powers of the Wellington Diocesan Board of Trustees with reference to the investment of trust funds now or hereafter to be held by or vested in it so as to empower such Board to amalgamate as one investment fund in one Amalgamated Mortgages and Investment Fund certain descriptions of securities, and also to deal with the income derived from the securities so amalgamated in one Amalgamated Mortgages and Securities Investment Fund Income Account in manner hereinafter set forth: And whereas it is expedient that all costs, charges, and expenses of and incidental to the preparing, obtaining, and passing of this Act should in the first instance be paid out of the income of the General Church Fund administered by such Board, and that provision

should be made in this Act for the reimbursing of the General Church Fund the amount of costs, charges, and expenses so paid out of the Amalgamated Mortgages and Securities Investment Fund Income Account proposed to be set up under this Act:

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

1. This Act may be cited as the Wellington Diocesan Board of Trustees (Church of England) Empowering Act, 1937. Short Title.

2. In this Act, unless a different intention appears,— Interpretation.

"Diocese of Wellington" means the Diocese of Wellington as constituted by the Constitution and Canons of the Church of the Province of New Zealand commonly called the Church of England:

"Standing Committee" means the Standing Committee of the Diocese of Wellington:

"Synod" means the Synod of the Diocese of Wellington:

"The Wellington Diocesan Board of Trustees" means the Wellington Diocesan Board of Trustees incorporated under the Religious, Charitable, and Educational Trust Boards Incorporation Act, 1884.

3. The Wellington Diocesan Board of Trustees (Church of England), hereinafter called "the said Board", is hereby empowered in its discretion to amalgamate investments as hereinafter defined of trust funds now and from time to time hereafter held by or vested in it for diocesan, local, or other church purposes in the Diocese of Wellington in one Investment Fund as hereinafter defined: Amalgamation of investments.

Provided always that such amalgamation shall be carried out upon and subject to the provisions hereinafter set forth, that is to say—

(1) (*a*) The investments which may be so amalgamated shall consist of—

(i) Mortgages of land;

(ii) Government securities and bonds;

(iii) Local-body securities; and

(iv) Future investments of the same nature.

(*b*) No land shall be affected by such amalgamation excepting any land which may, after amalgamation by reason of default under any mortgage which is included in the amalgamation, become vested in the said Board, which land shall, with the revenue to be derived therefrom, be included in the amalgamation.

(2) The investments which are hereinbefore authorized to be amalgamated shall be amalgamated in one investment fund, to be called in the books of the said Board "Amalgamated Mortgages and Securities Investment Fund".

(3) Upon amalgamation the capital share of each trust in the investments amalgamated shall be the amount at which in the books of the said Board as on the thirty-first day of March immediately preceding the passing of this Act the capital share of each such trust in the investments included in the amalgamation was shown; and, in the case of future investments, shall be the amount of capital invested for each such trust; or, in the case of any trust coming into the amalgamation at a later date (as hereinafter authorized), shall be the amount of capital brought into the amalgamation at such amount as may be agreed with the said Board with the concurrence of the Standing Committee.

(4) All income derived from the said amalgamated fund and the investments included therein shall be brought into one income account under the name of "Amalgamated Mortgages and Securities Investment Fund Income Account".

(5) In each year there shall be credited out of the Amalgamated Mortgages and Securities Investment Fund Income Account to each trust represented in the Amalgamated Mortgages and Securities Investment Fund, in proportion to such trust's share of capital in such fund, interest at such uniform rate as may from time to time be determined by the said Board with the concurrence of the Standing Committee:

Provided that in no case shall the rate determined be lower than one-half per centum below the average rate of interest from the whole of the investments comprised in the Amalgamated Mortgages and Securities Investment Fund taken together.

(6) The said Board shall also, after amalgamation of the investments, establish and maintain a Reserve Fund for the purposes hereinafter mentioned.

(7) The said Board shall at the end of each year after amalgamation pay or transfer from the Amalgamated Mortgages and Securities Investment Fund Income Account into such Reserve Fund all moneys which shall not have been paid or credited to the several trusts under subsection five hereof.

(8) The Reserve Fund shall be kept separate from all other trust funds, and shall be invested by the said Board in New Zealand Government securities and in such local-body debentures or securities as are trustee investments.

(9) The annual income derived from the investments of the moneys comprised in the Reserve Fund shall be applied at the discretion of the said Board with the concurrence of the Standing Committee in any one or more of the ways following, that is to say—

(*a*) Towards augmenting the Reserve Fund:

(*b*) Towards stabilizing or increasing the income of the Amalgamated Mortgages and Securities Investment Fund:

(*c*) Towards reinstating any losses of capital in the Amalgamated Mortgages and Securities Investment Fund.

(10) The capital of the Reserve Fund or any part thereof may, at the discretion of the said Board, with the concurrence of the Standing Committee, be applied in reinstating any losses of capital in the Amalgamated Mortgages and Securities Investment Fund.

(11) The amalgamation of investments hereby authorized shall without further consent extend to and include the amalgamation of the investments (hereinbefore specified) of all trust funds which now are or hereafter shall be held by the said Board for the benefit of the diocese or any part thereof, or of any church or church institution therein, or any diocesan or local church purpose, unless within the time and in the manner set out in subsection twelve hereof request shall be made that the investments of any specific trust fund

mentioned in such request shall not be included in the Amalgamated Mortgages and Securities Investment Fund.

(12) If the vicar and churchwardens of any parish or parochial or other district, acting on a motion duly passed at a general meeting of parishioners specially convened for that purpose, shall, by notice in writing signed by them and received by the said Board not later than the thirty-first day of May next following the passing of this Act, request that the investments of the trust fund in which their parish or district is beneficially interested under a specific trust shall not be included in the amalgamation, then and in such case such investments shall not be so included:

Provided always that, subject to and in accordance with any regulations which may hereafter be made by the Synod in that behalf, the investments of any trust funds so excluded may at any future time, with the approval of the Standing Committee and the said Board and upon the request in writing of the vicar and churchwardens of any such parish or district, acting on a motion duly passed at a general meeting of parishioners specially convened for that purpose, be permitted to be brought into the amalgamation upon such terms as may then be arranged.

(13) The said Board shall furnish each year to the Standing Committee for submission to Synod a comprehensive schedule of all mortgages and other investments comprised in the Amalgamated Mortgages and Securities Investment Fund, together with a brief report on each.

(14) Nothing in this Act shall prevent any donor or testator from expressly providing in his gift or trust that the funds given or bequeathed by him shall not be included in the amalgamated fund or shall compel the said Board to include in such fund any mortgage security or investment given or bequeathed to them by any donor or testator which they do not wish to include therein:

Provided always that unless expressly forbidden by any donor or testator as aforesaid the said Board shall include in the amalgamated fund all capital moneys received from the payment or other realization of the mortgage security or other investment which the said Board may have declined to include in the fund.

4. All costs, charges, disbursements, and expenses of and incidental to the preparing for, obtaining, and passing of this Act shall be charged against and be paid out of the income of the General Church Fund, which shall be reimbursed from the income of the Amalgamated Mortgages and Securities Investment Fund when it is set up. Costs and disbursements; how to be paid.

5. This Act is hereby declared to be a private Act. Private Act.