

SAORSTÁT EIREANN.

BILLE UM SHUNCAIL CHEADUITHE, 1933. APPROVED INVESTMENTS BILL, 1933.

*Mar do ritheadh ag dhá Thigh an Oireachtais.
'As passed by both Houses of the Oireachtas.*

ARRANGEMENT OF SECTIONS.

Section.

1. Definitions.
2. Establishment and membership of the Investments Advisory Committee.
3. Procedure of the Committee.
4. Staff and accommodation for Committee.
5. Appointment of Deputy-Chairman of the Committee.
6. Consultation of the Committee by the Minister.
7. Application by promoter for approval of security.
8. Matters to be regarded by Committee.
9. Approval of securities by the Minister.
10. Withdrawal of approval of securities.
11. Investment of government funds and moneys in approved investments.
12. Investment of moneys in Court.
13. Investments of trust funds.
14. Publication in *Iris Oifigiúil* of approved investments.
15. Regulations.
16. Expenses.
17. Short title.

SAORSTAT EIREANN.

BILLE UM SHUNCAIL CHEADUITHE, 1933.

APPROVED INVESTMENTS BILL, 1933.

BILL

entitled

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AN ACT TO AMEND THE LAW RELATING TO THE INVESTMENT OF GOVERNMENT FUNDS, GOVERNMENT MONEYS, MONEYS IN COURT, AND TRUST FUNDS, AND TO PROVIDE FOR THE ESTABLISHMENT OF A COMMITTEE TO ADVISE THE MINISTER FOR FINANCE IN RELATION TO SUCH INVESTMENT. 10

BE IT ENACTED BY THE OIREACHTAS OF SAORSTAT EIREANN AS FOLLOWS:—

Definitions.

1.—In this Act—

the expression “ the Minister ” means the Minister for Finance; 15

the expressions “ government fund ” and “ government money ” mean respectively a fund and money which is under the control of a Minister who is head of a Department of State and may lawfully be invested but do not include the sinking fund in connection with any National Loan, nor the Land Bond Fund, nor the Costs Fund established by section 5 of the Land Act, 1923 (No. 42 of 1923), nor moneys for the time being standing to the credit of the Exchequer Account; 20

the word “ security ” means the stocks, shares, debentures, bonds, and obligations of any government, municipal corporation, company, or other corporate body; 25

the expression “ approved investment ” means a security which is for the time being approved under this Act for the investment of government funds or government moneys;

the expression “ Shareholding Bank ” means a bank which is for the time being a shareholding bank within the meaning of the Currency Act, 1927 (No. 32 of 1927); 30

the word “ prescribed ” means prescribed by regulations made by the Minister under this Act.

Establishment and membership of the Investments Advisory Committee.

2.—(1) As soon as conveniently may be after the passing of this Act, the Minister shall establish a Committee (in this Act referred to as the Committee) which shall be styled and known as the Investments Advisory Committee and shall fulfil the functions assigned to it by this Act or any Act amending or extending this Act. 40

(2) The Committee shall consist of the following five persons, that is to say:—

(a) The Chairman of the Currency Commission;

(b) a Judge of the High Court nominated by the Chief Justice; 45

(c) a person nominated by the Minister after consultation with the Committee of the Dublin Stock Exchange;

(d) a person nominated in the prescribed manner by or on behalf of the Shareholding Banks;

(e) a person nominated by the Minister

(3) The Chairman of the Currency Commission shall be the
5 Chairman of the Committee.

(4) Every member of the Committee (other than the Chairman of the Currency Commission) shall, unless he sooner dies or resigns or, in the case of the member nominated by the Chief Justice, ceases to be a Judge of the High Court, hold office as a
10 member of the Committee for two years from the date of his nomination and shall be eligible for renomination at or in anticipation of the expiration of his term of office.

3.—(1) The Committee may regulate its own procedure.

Procedure of the Committee.

(2) Three members of the Committee personally present shall
15 form a quorum at a meeting of the Committee.

(3) Save as is otherwise provided by this Act, the Committee may act notwithstanding one or two, but not more, vacancies in its membership.

(4) At any meeting of the Committee the Chairman may, in
20 the event of an equality of votes, exercise a casting vote.

4.—The Minister shall provide such office accommodation and staff for the Committee as may in his opinion be necessary to enable the Committee to fulfil the functions for the time being assigned to it.

Staff and accommodation for Committee.

25 5.—(1) Whenever the Chairman of the Committee is temporarily absent from Dublin or is temporarily incapable through ill-health of performing his duties as such Chairman he may, before and in anticipation of or at any time during such absence or incapacity, appoint another member of the Committee to be
30 Deputy-Chairman during such absence or incapacity.

Appointment of deputy-chairman of the Committee.

(2) Every Deputy-Chairman appointed under this section shall, during the absence or incapacity in respect of which he is appointed but subject to his continuing to be a member of the Committee, have all the powers and perform all the duties of the
35 Chairman of the Committee.

6.—(1) The Minister may, whenever he thinks proper within two years after the passing of this Act, request the Committee to prepare and submit to him a list of securities suitable for the investment of a specified government fund or specified govern-
40 ment money.

Consultation of the Committee by the Minister.

(2) The Minister may, whenever he thinks proper within two years after the passing of this Act, request the Committee to advise him as to the suitability of a specified security for the investment of any specified government fund or any specified
45 government money.

(3) Whenever the Minister requests the Committee under this section to prepare a list of securities or to advise him as to the suitability of a specified security, the Committee shall with all convenient speed prepare and submit to the Minister such list
50 or such advice as is mentioned in such request.

7.—(1) Any person responsible for the issue of any security may, at any time within two years after the passing of this Act, apply to the Minister in the prescribed form and manner for

Application by promoter for approval of security.

his approval of such security as a security suitable for the investment of government funds and government moneys.

(2) Whenever the Minister receives an application under this section he may, as he shall think proper, either refuse such application or refer such application to the Committee for their advice thereon. 5

(3) Whenever the Minister refers an application under this section to the Committee, the Committee shall with all convenient speed consider such application and submit to the Minister their advice as to whether the security which is the subject of such application is suitable for the investment of any particular government fund or government money specified in that behalf by the Minister. 10

(4) Every person who makes an application to the Minister under this section shall, when required so to do by the Minister or the Committee, furnish to the Minister or the Committee (as the case may be) such information in his possession or procurement in relation to such security as the Minister or the Committee may require for the consideration of such application. 15

Matters to be regarded by Committee.

8.—When preparing a list of securities in pursuance of this Act and considering whether any particular security should or should not be included in such list and when considering the advice to be given in pursuance of this Act in regard to a particular security, the Committee shall have regard to all the circumstances of such security and all such matters in relation thereto as appear to the Committee to be relevant and, in particular, the Committee shall have regard to the following matters, that is to say:— 20 25

(a) whether and how far the safety of the capital and the income of money to be invested in such security is assured; 30

(b) whether, having regard to the normal price of such security in the market, such security provides an adequate return on money invested therein;

(c) whether a free and convenient market exists for such security and whether such security is readily purchasable and realisable in such market; 35

(d) whether such security is redeemable or otherwise liable to compulsory repayment of capital at an early or a distant date or not at all; 40

(e) whether the market price of such security is and is likely to continue free from frequent or violent fluctuation.

Approval of securities by the Minister.

9.—(1) Whenever the Committee furnishes to the Minister in pursuance of this Act a list of securities suitable for the investment of a particular government fund or particular government money, the Minister may, if and as he thinks proper, approve of all or any one or more of such securities as securities suitable for such investment as aforesaid. 45

(2) Whenever the Committee advises the Minister in pursuance of this Act that a particular security is suitable for the investment of a particular government fund or particular government money, the Minister may, if he so thinks fit, approve of such security as a security suitable for such investment as aforesaid. 50

(3) No approval under this section of the whole or any part of a list of securities nor any approval under this section of a particular security shall be given after the expiration of two years and six months from the passing of this Act. 55

10.—(1) The Minister may, whenever he thinks fit, either on his own motion or in consequence of advice given to him under this section by the Committee withdraw an approval previously given by him under this Act in respect of any security. Withdrawal of approval of securities.

5 (2) Whenever the Minister proposes on his own motion to withdraw under this section an approval of a security, he may request the Committee to advise him as to such withdrawal and thereupon the Committee shall with all convenient speed prepare and submit to the Minister their advice in regard to such withdrawal. 10

(3) The Committee may at any time on their own motion consider whether an approval previously given by the Minister under this Act in respect of any security should be withdrawn and may, if on such consideration they so think proper, advise 15 the Minister to withdraw under this section the said approval.

(4) When an approval of a security is withdrawn under this section, such security shall forthwith cease to be an investment suitable for the investment of government funds or government moneys and all holdings of such security representing any government fund or government money shall, unless the Minister otherwise directs, be sold forthwith. 20

11.—Notwithstanding anything to the contrary contained in any Act, order, rule, or other enactment, any particular government fund or particular government money may be invested in any security which is for the time being approved of under this Act for the investment of that particular government fund or particular government money. Investment of government funds and moneys in approved investments.

12.—(1) The Minister on the request of the Minister for Justice, made with the concurrence of a majority of the committee mentioned in section 36 of the Courts of Justice Act, 1924 (No. 10 of 1924), and after consultation with the Investments Advisory Committee, may by order sanction for the investment of any money for the time being under the control or subject to the order of any Court any investment which is for the time being an approved investment, and may from time to time by order revoke, amend, or vary any such first mentioned order. Investment of moneys in Court.

(2) Without prejudice to the validity of any other mode of investment for the time being authorised by law for the investment of money under the control or subject to the order of any Court, any such money may, notwithstanding any rule of court to the contrary, be invested and kept invested in any security which is for the time being an approved investment within the meaning of this Act and sanctioned by the Minister under the foregoing sub-section. 40

(3) In this section the word "Court" includes the Chief Justice when exercising the jurisdiction vested in him in relation to persons of unsound mind or in relation to minors. 45

13.—No mode of investment which is authorised by a rule of court made after the passing of this Act for the investment of moneys under the control or subject to the order of the High Court shall be a mode of investment authorised by virtue of paragraph (o) of section 1 of the Trustees Act, 1893, for the investment of trust funds. Investments of trust funds.

14.—(1) Whenever the Minister approves under this Act of the whole or any part of a list of securities or of a particular security for the investment of government funds or government moneys, the Minister shall cause notice of such approval to be published in the *Iris Oifigiúil*. Publication in Iris Oifigiúil of approved investments.

(2) Whenever the Minister withdraws an approval given by him under this Act in respect of any security, he shall cause notice of such withdrawal to be published in the *Iris Oifigiúil*. 60

(3) The Minister shall from time to time, as and when he shall think necessary or expedient, cause a list of the securities which are for the time being approved investments within the meaning of this Act to be published in the *Iris Oifigiúil*, and the Minister may, in any list so published, indicate in respect of every or any security included in such list the date on which such security was approved under this Act. 5

Regulations.

15.—The Minister may by regulations prescribe any matter or thing referred to in this Act as prescribed or to be prescribed.

Expenses.

16.—All expenses incurred in the execution of this Act shall, to such extent as shall be sanctioned by the Minister, be paid out of moneys provided by the Oireachtas. 20

Short title.

17.—This Act may be cited as the Approved Investments Act, 1933.

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Register

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BILLE UM SHUNCAIL CHEADUITHE,
1933.

APPROVED INVESTMENTS BILL, 1933.

BILLE

dá ngairmtear

Acht chun leasuithe do dhéanamh ar an dlí bhaineas le cistí rialtais, airgead rialtais, airgead i gCúirt, agus cistí iontaobhais do shuncaíl agus chun soeruithe do dhéanamh chun Coiste do bhunú chun comhairle do thabhairt don Aire Airgid i dtaobh na suncaíla san.

BILL

entitled

An Act to amend the law relating to the investment of government funds, government moneys, moneys in Court, and trust funds and to provide for the establishment of a Committee to advise the Minister for Finance in relation to such investment.

*Rithte ag dhá Thigh an Oireachtais,
27adh Meán Fómhair, 1933.*

*Passed by both Houses of the Oireachtas,
27th September, 1933.*

BAILE ATHA CLIATH:
FOILLSITHE AG OIFIG AN tSOLATHAIR.

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