(2.) For the purposes of this Act, the promissory notes delivered by the Commonwealth under the Loan Agreement shall be deemed to form part of the Loan Agreement.

Approval of borrowing.

4. The borrowing by the Treasurer, on behalf of the Commonwealth, in accordance with the Loan Agreement, of moneys in the currency of the United States of America not exceeding in the whole Three million dollars is approved.

Application of moneys.

5.—(1.) For the purpose of making available to the Australian National Airlines Commission moneys required by the Commission in connexion with the purchase by the Commission of a Lockheed Electra aircraft and related spare parts and equipment, the Treasurer shall, on behalf of the Commonwealth, lend to the Commission, upon such terms and conditions as he determines, amounts equivalent to the moneys borrowed under the Loan Agreement.

(2.) The moneys required for the purpose of loans under the last preceding sub-section are payable out of the Loan Fund, which is to the necessary extent appropriated accordingly.

Expenses and charges.

6. The expenses of borrowing, and interest and other charges payable, under the Loan Agreement, shall be paid out of the Consolidated Revenue Fund.

Repayment of loan moneys.

7. Moneys borrowed under the Loan Agreement shall be repaid out of the Consolidated Revenue Fund in accordance with the provisions of the Loan Agreement.

Appropriation of Consolidated Revenue Fund.

8. The Consolidated Revenue Fund is appropriated to the extent necessary for the purposes of the last two preceding sections.

National Debt Sinking Fund Act not to apply.

9. The *National Debt Sinking Fund Act* 1923–1950 does not apply in relation to moneys borrowed under the Loan Agreement.

THE SCHEDULE.

Section 3.

LOAN AGREEMENT dated September 10, 1958 between Commonwealth of Australia (the " Commonwealth "), the banks named in Section 1 hereof (the " Banks ") and J. P. Morgan & Co. Incorporated, as Agent (the " Agent ").

The Commonwealth has requested the Banks to make loans to it for the purpose of enabling the Commonwealth to make available to The Australian National Airlines Commission trading as Trans-Australia Airlines (" Trans-Australia ") amounts in United States dollars (" dollars ") required by Trans-Australia to finance approximately 75% of the purchase price of one Lockheed Electra aircraft and related spare parts and equipment. Upon the terms hereof the Banks are prepared to make loans for such purpose. Accordingly, the parties agree as follows: