

THE REPUBLIC OF NAURU

(NO 14 of 1968)

AN ACT

To authorise the President to execute a guarantee and warranty relating to the Nauru Local Government Council.

Certified: 8/11/1968

I HEREBY CERTIFY that the attached document is a fair print of an Act entitled the "Nauru Local Government Council Guarantee Act 1968" that has been made by Parliament and is now presented to the Speaker for his Certificate, under Article 47 of the Constitution.



Aching Clerk of Parliament

8/11/1968

Pursuant to Articles 35 (3.) and 47 of the Constitution, I, ITUBWA ALFRED AMRAM, Speaker of Parliament, HEREBY CERTIFY that the Nauru Local Government Council Guarantee Act 1968, a copy of which is attached, has been passed by Parliament.



Speaker

8/11/1968

THE REPUBLIC OF NAURU

(NO. 14 of 1968)

AN ACT

To authorise the President to execute a guarantee and warranty relating to the Nauru Local Government Council.

(Certified: 8/11/1968)

Be it enacted by the Parliament of Nauru as follows:-

Short title. 1. This Act may be cited as the Nauru Local Government Council Guarantee Act 1968.

Definitions. 2. In this Act, unless the contrary intention appears -

"the Bank" means Clydesdale Bank Limited of the United Kingdom;

"the financial agreement" means an agreement to be entered into by the Nauru Local Government Council with the Bank under which the Bank will lend to the Council moneys not exceeding £688,200.0.0. (British Sterling) in total towards the cost of constructing the vessel;

"the promissory notes" means the series of promissory notes to be drawn in accordance with the financial agreement, by the Council in favour of the Bank as a means of providing for the repayment by instalments of the moneys lent under the financial agreement and the interest thereon;

"the vessel" means a vessel of approximately 5,700 tons at present under construction for the Nauru Local Government Council by Henry Robb Limited of the United Kingdom.

Guarantee.

3.-(1.) The President may, on behalf of the Republic, guarantee to the Bank due payment by the Nauru Local Government Council of all moneys payable to the Bank under the financial agreement and upon the promissory notes.

(2.) The terms and conditions of the guarantee shall be as agreed between the President and the Bank, and the Republic shall so be bound.

Warranty.

4.-(1.) The President may, on behalf of the Republic, give to the Bank a warranty undertaking that if at any time it should be established that the Nauru Local Government Council lacks sufficient power to enter into or carry out any of its obligations under the financial agreement, or that if the Council ceases to exist, the Republic shall pay to the Bank all sums expressed to be payable to it under the financial agreement and the promissory notes which remain unpaid by the Council as and when they are expressed to become due and payable thereunder.

(2.) The terms and conditions of the warranty shall be as agreed between the President and the Bank, and the Republic shall so be bound.