

REPUBLIC OF KIRIBATI
(No. 6 of 1983)

I assent,

N. Tevai
Beretitenti. —
19th May 1983.

AN ACT TO AMEND THE NATIONAL LOANS
BOARD ORDINANCE (Cap. 59).

Commencement:
19th May 1983.

MADE by the Maneaba ni Maungatabu and assented to by the Beretitenti.

Short title.

1. This Act may be cited as the National Loans Board (Amendment) Act 1983.

Amends section
15 of Cap. 59.
Guarantees.

2. Section 15 of the National Loans Board Ordinance is amended by adding a new section 15(3) —

Section 15(3) Where a loan, advance or overdraft facility is made or provided for any of the purposes set out in Section 15(1) by any person or body other than the Board, the Board may guarantee such loan, advance or overdraft PROVIDED THAT any such guarantee shall not (or in the case of more than one guarantee, in the aggregate) be for a sum exceeding \$6000 without the prior consent of the Minister.

Amends section
10 of Cap. 59.

3. Section 10 of the National Loans Board Ordinance is amended by adding after section 10(e) the following new subsection 10(f) —

10(f) Monies borrowed by the Board with the approval of the Minister acting on the advice of Cabinet for general and specific purposes under this Ordinance PROVIDED ALWAYS THAT: The Board may borrow such monies from sources in Kiribati or elsewhere and may with the aforesaid approval give security,

This printed impression has been carefully examined by me with the Bill which passed the Maneaba ni Maungatabu on the 26th day of April 1983, and is found by me to be a true and correctly printed copy of the said Bill.

Aus

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Clerk to the Maneaba ni
Maungatabu.

I certify that the above Act was on the 26th April 1983 passed by the Maneaba ni Maungatabu on a certificate of urgency under Section 68(3)(a) of the Constitution.

[Signature]

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Speaker.

Published by exhibition -

- (a) at the Public Office of the Beretitenti on
19th May 1983.

[Signature]
.....
Secretary to Cabinet.

- (b) at the Maneaba ni Maungatabu on
19th May 1983.

[Signature]
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for Clerk to the Maneaba ni
Maungatabu.

NATIONAL LOANS BOARD (AMENDMENT) ACT 1983

EXPLANATORY MEMORANDUM

The National Loans Board Ordinance gives power for the N.L.B. to make loans, but not to guarantee a loan i.e. to give a guarantee where the loan has been made by someone else.

The amendment therefore to S.15(1) of Chapter 59 provides that there is power to give a guarantee. The effect is to widen the powers of the N.L.B. An example where this power may be used is where the Bank gives a loan to a person or Company and the amendment provides that the N.L.B. may guarantee such a loan.

Further, Chapter 59 does not give the N.L.B. power to borrow money e.g. for relending and the new S.10(f) provides that the N.L.B. may borrow from sources in Kiribati or abroad. There is an in-built safeguard in that the approval of the Minister acting on the advice of Cabinet must first be obtained.

R.L. Davey
Attorney General

LEGAL REPORT

I hereby certify my opinion that none of the provisions of the above Act conflict with the provisions of the Constitution and that the Beretitenti may properly assent to the Act.

R.L. Davey
Attorney General
7 March 1983