



No. 29 of 1997.

***Rural Development Bank (Amendment) Act 1997.***

Certified on : 14.01.98

INDEPENDENT STATE OF PAPUA NEW GUINEA.

No. of 1997.

*Rural Development Bank (Amendment) Act 1997.*

ARRANGEMENT OF SECTIONS.

1. New Part X.

**PART X. - TRANSFER OF UNDERTAKING OF THE RURAL  
DEVELOPMENT BANK, ETC.,**

- “74. MINISTER MAY APPOINT TRANSFER DATE AND NOMINATE COMPANY.”
- “75. SHARES IN SUCCESSOR COMPANY ON TRANSFER DATE.”
- “76. TRANSFER OF ASSETS, ETC., OF TRUST TO SUCCESSOR COMPANY ON TRANSFER DATE.”
- “77. FORMAL TRANSFER OF LAND, ETC., UNNECESSARY.”
- “78. MINISTER EMPOWERED TO SELL SHARES IN SUCCESSOR COMPANY.”
- “79. TAX AND DUTIES.”

2. Consequential Amendments.

**SCHEDULE.**

INDEPENDENT STATE OF PAPUA NEW GUINEA.

No. of 1997.

AN ACT

entitled

*Rural Development Bank (Amendment) Act 1997,*

Being an Act to amend the *Rural Development Bank Act* (Chapter 139),

MADE by the National Parliament.

1. **NEW PART X.**

The Principal Act is amended by adding the following new Part:-

**“PART X. - TRANSFER OF UNDERTAKING OF THE RURAL  
DEVELOPMENT BANK, ETC.,**

**“74. MINISTER MAY APPOINT TRANSFER DATE AND NOMINATE  
COMPANY.**

The Minister may, by notice in the National Gazette -

- (a) appoint a day (hereinafter referred to as “the transfer date”); and
- (b) nominate a company or companies incorporated under the *Companies Act* (Chapter 146) (hereinafter referred to as “the successor company”), for the purposes of this Part.

**“75. SHARES IN SUCCESSOR COMPANY ON TRANSFER DATE.**

(1) The successor company shall, on the transfer date, be wholly owned by the State.

“(2) The shares in the successor company shall be held by the Minister on behalf of the State.

**“76. TRANSFER OF ASSETS, ETC., OF TRUST TO SUCCESSOR  
COMPANY ON TRANSFER DATE.**

On the transfer date -

- (a) all assets held by, and all obligations and liabilities imposed on, the Rural Development Bank are transferred to the successor company; and

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- (b) all contracts and agreements (including contracts of employment) entered into, made with or addressed to the Rural Development Bank are, to the extent they were immediately before the transfer date binding on and enforceable against the Rural Development Bank binding on and of full force and effect against or in favour of the successor company as if the successor company had been a party to them or bound by them or entitled to the benefit of them; and
- (c) all licences held by the Rural Development Bank are transferred to, and deemed to be held by, the successor company for the unexpired period of such licences; and
- (d) any arbitration, action or proceeding pending or existing by, against or in favour of the Rural Development Bank does not abate or discontinue, but may be prosecuted, continued or enforced by, against or in favour of the successor company.

**“77. FORMAL TRANSFER OF LAND, ETC., UNNECESSARY.**

Where any asset falling to be transferred under Section 76 is land registered under the *Land Registration Act* (Chapter 191), the Registrar of Titles shall, without formal transfer and without fee, on application by the successor company, enter or register the successor company the register kept under the Act and, on entry and registration, grant a certificate of title, lease or other instrument evidencing title to the land within that Act.

**“78. MINISTER EMPOWERED TO SELL SHARES IN SUCCESSOR COMPANY.**

The Minister is, on and in accordance with the terms of the direction of the National Executive Council, empowered to sell the shares of the successor company.

**“79. TAX AND DUTIES.**

(1) For the purposes of the *Income Tax Act 1959*, the successor company shall be deemed to have acquired the assets, obligations and liabilities specified in at a value equal to their written down book value in the books of the Rural Development Bank as at the transfer date.

“(2) The successor company shall be entitled to tax depreciation and to any other applicable tax deduction in respect of assets, obligations and liabilities specified in Section 76 as if the successor company had owned such assets, rights and liabilities since such assets, rights and liabilities were first acquired by the Rural Development Bank.

“(3) Shares issued to the Minister responsible for finance matters on behalf of the State shall be deemed to have been fully paid and issued for valuable consideration other than cash.

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“(4) The transfer to the successor company of the assets, rights and liabilities specified in the allocation statement shall be exempt from any stamp duty, fee, tax, charges or other duty payable under any Act, including without limitation, the *Land Registration Act* (Chapter 191).

“(5) No registration fee shall be payable in respect of the authorized capital of the successor company, and no tax or duty shall be payable on the issue of shares, to the Minister responsible for finance matters on behalf of the State.”.

### 2. CONSEQUENTIAL AMENDMENTS.

On and from the transfer date the Principal Act is further amended in accordance with the Schedule.

### SCHEDULE.

Sec.2

#### Provision

#### Amendment

Long title

Repeal and replace with the following :-

“Being an Act relating to matters connected with the operations of the successor company to the Rural Development Bank.

Section 1

Insert after the definition of “the Rural Development Bank” the following:-

“successor company’ means the successor company nominated under Section 74;”

Part II

Repealed.

Part III

Repealed.

Part IV

Repealed.

Part V

Repealed.

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All references to "the Rural  
Development Bank"

To be amended to "the successor  
company"

I hereby certify that the above is a fair print of the *Rural Development Bank (Amendment) Act 1997* which has been made by the National Parliament.

Acting Clerk of the National Parliament.

I hereby certify that the *Rural Development Bank (Amendment) Act 1997* was made by the National Parliament on 11 December 1997.

Speaker of the National Parliament.