


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

Pursuant to Article 35 (3.) and 47 of the Constitution, I, IFUDWA ALFRED AHIRAH, Speaker of Parliament, HEREBY CERTIFY that the Phosphate Industry Finance Act 1968, a copy of which is attached, has been passed by Parliament.


Clerk of Parliament
10/12/1968


Speaker
10/12/1968

THE REPUBLIC OF NAURU

(NO. 16 OF 1968)

AN ACT

To provide finance for the acquisition of the capital assets of the phosphate industry at Nauru that are vested in the British Phosphate Commissioners, to meet the initial working capital requirements of the Nauru Phosphate Corporation, and for purposes connected therewith.

(Certified 10/12/1968)

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

Short title.

1. This Act may be cited as the Phosphate Industry Finance Act 1968.

Definitions.

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

"the Minister" means the member of the Cabinet responsible for the business of Finance;

"the Nauru Phosphate Corporation" means the Nauru Phosphate Corporation provided for in the Nauru Phosphate Agreement Ordinance 1968; and

"the Trust" means the Nauru Phosphate Royalties Trust.

Loan by the Trust.

3.-(1.) The Trust shall lend to the Republic sufficient moneys, not exceeding Twenty million dollars in aggregate, to enable the Republic -

(a) to acquire, directly or indirectly, the capital assets of the phosphate industry at Nauru which are vested in the British

Phosphate Commissioners; and

(b) to meet the initial working capital requirements of the Nauru Phosphate Corporation.

(2.) The loan funds shall be made available by the Trust to the Republic on such dates, within the period from the first day of December, 1968, to the thirtieth day of September, 1969, both days included, as are agreed upon between the Trust and the Minister.

(3.) Moneys lent by the Trust pursuant to this Act shall be deemed to have been invested by the Trust in accordance with the provisions of section 25 of the Nauru Phosphate Royalties Trust Ordinance 1968.

Interest.

4.-(1.) Loans made under this Act shall bear interest on the balance from time to time outstanding at the rate of seven and one half per centum per annum calculated on a 365 day year basis.

(2.) The first payment of interest shall be made on the thirtieth day of June, 1970, and interest shall thereafter be paid half-yearly in arrears.

Repayment of loan moneys by instalments.

5. The Republic shall repay the principal amount of the total loan debt by equal half-yearly instalments of One million dollars, the first instalment falling due for payment on the thirtieth day of June, 1970.

Additional repayments.

6.-(1.) The Republic may at any time after thirty days written notice to the Trust make additional payments, in multiples of One hundred thousand dollars, in reduction of the principal amount.

(2.) The additional repayments shall be without

interest penalty and shall be used to satisfy in part or in full, and in reverse chronological order, the half-yearly instalments falling due under the last preceding section.

Charge on
Treasury Fund.

7. Repayments of the principal amount of the total loan debt, together with interest thereon, shall constitute a charge on the Treasury Fund.

Taxation.

8. All payments and repayments provided for in this Act shall be made free of tax.

Application
of loan moneys.

9. The Minister may withdraw from the Treasury Fund and apply to the purposes specified in section 3 of this Act amounts equivalent to the moneys borrowed under this Act, and the Treasury Fund is hereby charged accordingly.