



**KING ISLAND DAIRY PRODUCTS CO-OPERATIVE
SOCIETY LIMITED LOAN GUARANTEE**

No. 22 of 1975

ANALYSIS

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AN ACT to authorize the Treasurer to guarantee the repayment of a loan proposed to be made to the King Island Dairy Products Co-operative Society Limited by the Board of Management of the Agricultural Bank of Tasmania and the payment of interest payable in respect of that loan, and to provide for matters incidental thereto.

[23 May 1975]

BE it enacted by His Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:—

1 This Act may be cited as the *King Island Dairy Products* Short title.
Co-operative Society Limited Loan Guarantee Act 1975.

Interpretation.

2 In this Act—

“ Board ” means the Board of Management of the Agricultural Bank of Tasmania;

“ society ” means the King Island Dairy Products Co-operative Society Limited being a society that is registered under the *Co-operative Industrial Societies Act 1928*.

Guarantee of repayment of principal moneys.

3—(1) Subject to this section, the Treasurer may on behalf of the State guarantee the repayment by the society to the Board of moneys lent whether before or after the commencement of this Act to the society by the Board that he is satisfied have been or will be applied for the purposes of—

- (a) providing the society with additional working capital; and
- (b) enabling the society to diversify into milk powder production.

(2) This section does not authorize the guarantee of the repayment of principal moneys in excess of \$150 000.

Guarantee of payment of interest.

4 The power of the Treasurer under this Act to guarantee the repayment of the principal moneys proposed to be lent to the society shall be deemed to include a power to guarantee the payment of the interest and other charges payable in respect of those moneys.

Society to give security to the Treasurer.

5 Before a guarantee is given by the Treasurer under this Act the society shall give to the Treasurer such security (if any) as the Treasurer may require and shall execute all such instruments as may be necessary for the purpose.

Payments to Board under guarantee.

6—(1) If the Treasurer is called on to make a payment to the Board in consequence of giving a guarantee under this Act, the Treasurer shall, on the demand of the Board and without any authority other than this section, make that payment to the Board out of the Consolidated Revenue (which to the necessary extent is appropriated accordingly).

(2) Where in pursuance of a guarantee given under this Act the Treasurer is required under subsection (1) to make a payment to the Board, the society shall, on demand being made on it by the Treasurer, pay to the Treasurer any amount so paid by him to the

Board, together with interest thereon at the same rate of interest as the rate payable by the society to the Board in respect of the principal moneys lent to the society by the Board.

(3) All moneys received by the Treasurer from the society under this section shall be paid by him into the Consolidated Revenue.