

**GOVERNMENT GUARANTEES (CO-OPERATION)
AMENDMENT ACT, 1981, No. 6**

New South Wales



ANNO TRICESIMO

ELIZABETHÆ II REGINÆ

Act No. 6, 1981.

An Act to amend the Government Guarantees Act, 1934, as a
consequence of the enactment of the Co-operation
(Amendment) Act, 1981. [Assented to, 6th April, 1981.]

Government Guarantees (Co-operation) Amendment.

BE it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of the same, as follows :—

Short title.

1. This Act may be cited as the "Government Guarantees (Co-operation) Amendment Act, 1981".

Commencement.

2. (1) This section and section 1 shall commence on the date of assent to this Act.

(2) Except as provided in subsection (1), this Act shall commence on the day appointed and notified under section 2 (2) of the Co-operation (Amendment) Act, 1981.

Amendment of Act No. 57, 1934.

3. The Government Guarantees Act, 1934, is amended—

Sec. 3.

(Authority for Treasurer to guarantee certain overdraft accounts.)

- (a) (i) by omitting from section 3 (2) and (2A) the words "terminating building society" wherever occurring and by inserting instead the words "co-operative housing society";
- (ii) by omitting from section 3 (2) and (2A) the words "Co-operative Building" wherever occurring and by inserting instead the words "Co-operative Housing Societies";

Government Guarantees (Co-operation) Amendment.

Sec. 3AA.

(Execution of certain guarantees on behalf of Treasurer.)

- (b) by omitting from section 3AA (1) the words “terminating building society within the meaning of the Co-operation Act, 1923, may, upon the recommendation of the Co-operative Building Advisory Committee” and by inserting instead the words “co-operative housing society within the meaning of the Co-operation Act, 1923, may, upon the recommendation of the Co-operative Housing Societies Advisory Committee”;

Sec. 4A.

- (c) by inserting after section 4 the following section :—

Special provisions relating to guarantees given with respect to advances to co-operative housing societies.

4A. Without affecting the generality of section 4, but notwithstanding anything to the contrary in that section, the following provisions shall apply to and in respect of any guarantee authorised by this Act to be given for the repayment of any advance made to a co-operative housing society within the meaning of the Co-operation Act, 1923 :—

- (a) The guarantee shall be part of a three-party loan and guarantee agreement between the Government Insurance Office of New South Wales, bank, friendly society or approved body, as the case may be (in this section referred to as the “lender”), the Treasurer and the society whereby, in consideration of the advance to be made by the lender to the society and the guarantee to be given by the Treasurer—
- (i) the society and the lender undertake to observe the covenants, stipulations and conditions specified in the agreement; and

Government Guarantees (Co-operation) Amendment.

- (ii) the society creates a charge in favour of the Treasurer over the securities given to the society by its members in respect of loans to be made from the advance.

 - (b) The guarantee shall be enforceable against the Treasurer and the Consolidated Revenue Fund notwithstanding that the lender is not authorised to hold any security in respect of the debt guaranteed (other than the guarantee) or to appoint a receiver or manager of the property of the society.
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