

Small Businesses' Loans Guarantee Act 1977 No 34

[1977-34]



New South Wales

Status Information

Currency of version

Repealed version for 3 March 1997 to 26 November 2003 (accessed 23 December 2024 at 8:05)

Legislation on this site is usually updated within 3 working days after a change to the legislation.

Provisions in force

The provisions displayed in this version of the legislation have all commenced.

Notes—

- **Repeal**

The Act was repealed by the [Statute Law \(Miscellaneous Provisions\) Act \(No 2\) 2003 No 82](#), Sch 3 with effect from 27.11.2003.

Authorisation

This version of the legislation is compiled and maintained in a database of legislation by the Parliamentary Counsel's Office and published on the NSW legislation website, and is certified as the form of that legislation that is correct under section 45C of the [Interpretation Act 1987](#).

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Small Businesses' Loans Guarantee Act 1977 No 34



New South Wales

An Act to authorise the execution of guarantees for the repayment of loans made to certain small businesses.

1 Name of Act

This Act may be cited as the *Small Businesses' Loans Guarantee Act 1977*.

2 Definitions

In this Act, **small business** means any business enterprise:

- (a) which is carried on for the purpose of manufacturing or processing goods or for any other prescribed purpose, and
- (b) which, in the opinion of the Minister:
 - (i) is a small business enterprise,
 - (ii) does not form part of a large business enterprise, and
 - (iii) is managed personally by at least one of the persons entitled to a share of any profits of the business enterprise.

3 Guarantees

- (1) The Minister may execute a guarantee, either alone or jointly with some other person, in favour of a bank, building society or credit union, or another person or a body of persons, whether corporate or unincorporate, for the repayment of the whole or any part of money expended or to be expended in the conduct of a small business.
- (2) The Minister shall not execute a guarantee under subsection (1) if the amount of the guarantee, together with the amounts of all other guarantees executed under subsection (1) (excluding guarantees no longer in force) exceed such amount as may, from time to time, be fixed by the Treasurer.
- (3) The execution by the Minister, either alone or jointly with some other person, of a guarantee under subsection (1) shall, in favour of the creditor, be conclusive evidence

that the requirements of this Act with respect to the guarantee have been complied with.

4 Provisions relating to guarantees

- (1) Subject to subsection (2), a guarantee executed under section 3 (1) may be subject to such terms and conditions as the Minister thinks fit.
- (2) The following provisions shall apply to and in respect of a guarantee executed under section 3 (1):
 - (a) The guarantee may include any interest charges and expenses chargeable by the creditor against the principal debtor and the expenses of enforcing or obtaining or endeavouring to enforce or obtain payment of the debt guaranteed and those interest charges and expenses.
 - (b) The guarantee may be expressed to include compound interest.
 - (c) The creditor shall, if required to do so by the Minister, obtain, take and hold or retain and hold securities for the payment of the principal debt of such nature as the Minister may require.
 - (d) The guarantee shall not be enforceable against the Minister unless and until the creditor has exercised the creditor's rights and remedies under all securities held by or for the creditor in respect of the debt guaranteed, other than the guarantee.
 - (e) The creditor shall not, without the consent in writing of the Minister, assign or encumber the benefit of the guarantee.

5 Payments under guarantees

Any amount payable under a guarantee executed under this Act shall be paid by the Treasurer, without further appropriation than this Act, out of the Consolidated Revenue Fund.

6 Regulations

The Governor may make regulations, not inconsistent with this Act, for or with respect to any matter that by this Act is required or permitted to be prescribed or that is necessary or convenient to be prescribed for carrying out or giving effect to this Act.