

The following Bills, which will in due course be presented to the House of Representatives for enactment, are published for general information.

## A BILL

FOR

AN ORDINANCE TO AUTHORIZE THE RAISING OUTSIDE NIGERIA OF A LOAN OR LOANS NOT EXCEEDING FORTY MILLION POUNDS FOR PURPOSES IN CONNECTION WITH THE ECONOMIC PROGRAMMES AND DEVELOPMENT PROGRAMMES OF THE GOVERNMENT OF THE FEDERATION AND OF OTHER GOVERNMENTS IN NIGERIA AND WITH CERTAIN STATUTORY CORPORATIONS, AND TO REPEAL THE LOAN ORDINANCE, 1954.

Title.

[

]

Commence-  
ment.  
Enactment.

BE IT ENACTED by the Legislature of the Federation of Nigeria as follows—

1. This Ordinance may be cited as the Loan Ordinance, 1960, and shall be of Federal application.

Short title  
and  
application.  
Interpreta-  
tion.

2. In this Ordinance—

“Federal statutory corporation” means a statutory corporation incorporated directly by a law enacted by the Federal Legislature or having effect as if it had been so enacted;

“Minister” means the Minister for the time being charged with responsibility for matters relating to finance.

Authority to  
raise loan.

3. (1) The Minister is hereby authorized to raise a loan or loans outside Nigeria not exceeding in the aggregate the sum of forty million pounds and such further sum or sums as may be necessary to defray expenses in connection with the raising thereof.

Cap. 78

(2) Such loan or loans shall be raised in any manner provided by—

(a) the General Loan and Inscribed Stock Ordinance; or

(b) the Government Promissory Notes Ordinance, 1960.

(3) References in any of the Ordinances referred to in subsection (2) to the general revenue and assets of Nigeria or the general revenue and assets of the Colony shall, for the purposes of this Ordinance, be construed as references to the general revenue and assets of the Federation.

Application  
of loan.

4. The sums raised under the provisions of this Ordinance shall, save in respect of the amount or amounts necessary to defray the expenses in connection with the raising thereof, be appropriated and applied in respect of the following purposes—

(a) for the Economic Programme of the Government of the Federation as set out in Sessional Paper No. 2 of 1956 and approved by resolution of the House of Representatives on the 15th March, 1956, as such may be amended from time to time;

(b) for lending, in accordance with such terms and conditions as may be approved by the Minister, to the Government of any Region or of the Southern Cameroons, if a law has been enacted by the Legislature of that Region or of the Southern Cameroons—

(i) empowering the Government of that Region or of the Southern Cameroons to borrow money from the Government of the Federation;

(ii) charging any such loan on the revenues of that Region or of the Southern Cameroons;

(iii) providing that the purposes to which any such loan may be applied shall be limited to meeting in whole or in part capital expenditure comprising part of a development programme approved by the legislature of that Region or of the Southern Cameroons;

(c) lending to any Federal statutory corporation, which is empowered under the provisions of any law enacted by the Federal Legislature or having effect as if it had been so enacted to borrow money.

Repeal.  
No. 19 of  
1954.

5. The Loan Ordinance, 1954, is repealed.

### *Objects and Reasons*

The Loan Ordinance, 1954 (No. 19 of 1954) authorized the raising of loans outside Nigeria to a maximum of fifteen million pounds for certain specific purposes connected with the development and welfare of Nigeria. The powers to raise loans under that Ordinance have never been used since the opportunity has not until the present time presented itself.

2. It is now desirable that there should be power to raise loans outside Nigeria to a maximum of forty million pounds for similar and other purposes. This Bill seeks to replace that Ordinance accordingly.

F. S. OKOTIE-EBOH,  
Minister of Finance,  
Federation of Nigeria

# A BILL

FOR

AN ORDINANCE TO AUTHORIZE THE BORROWING BY THE GOVERNMENT OF THE  
NORTHERN REGION OF A SUM NOT EXCEEDING TWO MILLION POUNDS AND  
BY THE GOVERNMENT OF THE EASTERN REGION OF A SUM NOT EXCEEDING  
ONE MILLION POUNDS FROM HER MAJESTY'S GOVERNMENT FOR PURPOSES  
IN CONNECTION WITH THE DEVELOPMENT PROGRAMMES OF REGIONAL  
GOVERNMENTS.

[

]

Commence-  
ment.  
Enactment.

BE IT ENACTED by the Legislature of the Federation of Nigeria as  
follows—

1. This Ordinance may be cited as the Loan (Regional Development)  
Ordinance, 1960, and shall be of Federal application.

Citation and  
application.

Power of  
Regional  
Govern-  
ments to  
raise a loan  
for develop-  
ment  
purposes.

2. The Government of the Northern Region or the Government of the Eastern Region may, if a law has been enacted by the Legislature of the Region—

(a) empowering the Government of that Region to borrow money from the Secretary of State in the manner hereinafter specified,

(b) charging any such loan and the interest thereon on the general revenues and assets of that Region,

(c) providing for repayment by equal annual instalments of principal and interest combined to extinguish the loan within an appropriate period, and

(d) providing that the purposes to which any such loans may be applied shall be limited to meeting in whole or part capital expenditure comprising part of a development programme set out in the Capital Estimates and approved by the Legislature of that Region and Secretary of State,

from time to time in accordance with that law raise a sum or sums of money not exceeding in the whole, in the case of the Northern Region the sum of two million pounds sterling, or, in the case of the Eastern Region the sum of one million pounds sterling, by means of loans made by the Secretary of State with the approval of Her Majesty's Treasury in accordance with section 2 of the Colonial Development and Welfare Act, 1959.

3. If any principal or interest or any part thereof in respect of any sum or sums raised under the provisions of this Ordinance remains unpaid after the time when such principal or interest is due to be repaid, the Government of the Federation shall repay the amount of such principal or interest or part thereof in the same manner and according to the same terms as may have been agreed between that Region and the Secretary of State, and such amount shall be charged on the general revenue and assets of the Federation.

#### *Objects and Reasons*

The object of this Bill is to authorize the Northern Region and the Eastern Region Governments to borrow direct from the Secretary of State a sum or sums, in the case of the Northern Region not exceeding two million pounds sterling, and in the case of the Eastern Region, not exceeding one million pounds sterling. In each case repayment is to be made direct to the Secretary of State. The loans are to be charged upon and payable out of the general revenues of the Regions and in default of repayment of any principal and interest by any Region the Government of the Federation, the Bill provides, is to make good such repayment of principal and interest on the same terms as the defaulting Region would have done.

F. S. OKOTIE-EBOH,  
Minister of Finance,  
Federation of Nigeria

# A BILL

## FOR

AN ORDINANCE TO AMEND THE LOAN (INTERNAL BORROWING) ORDINANCE, 1958.

Title.

[ ]

Commence-  
ment.

Enactment.

BE IT ENACTED by the Legislature of the Federation of Nigeria as follows—

Short title  
and  
application.

1. This Ordinance may be cited as the Loan (Internal Borrowing) (Amendment) Ordinance, 1960, and shall be of Federal application.

Amendment  
of long title  
No. 18 of  
1958.

2. The long title of the Loan (Internal Borrowing) Ordinance, 1958 (hereinafter referred to as the principal Ordinance) is amended by the deletion of the word "TWENTY" and the substitution therefor of the following—

"THIRTY".

Amendment  
of section 2.

3. Section 2 of the principal Ordinance is amended—

(a) by the deletion from subsection (1) of the word "Twenty" and the substitution therefor of the following—

"Thirty";

(b) by the insertion in subsection (2) after the word "provided" of the following—

"by the Government Promissory Notes Ordinance, 1960, or";

(c) by the deletion from subsection (2) of the word "that" and the substitution therefor of the following—

"the latter".

### *Objects and Reasons*

The purpose of this Bill is to amend the Loan (Internal Borrowing) Ordinance, 1958, so as to allow loans to be raised under that Ordinance by the issue of Government promissory notes, as well as by registered stock and bearer bonds in accordance with the Local Loans (Registered Stock and Securities) Ordinance, and also so as to raise the amount which may be raised under the former Ordinance from twenty to thirty million pounds.

F. S. OKOTIE-BOH,  
*Minister of Finance,  
Federation of Nigeria*

# A BILL

FOR

AN ORDINANCE FURTHER TO AMEND THE EVIDENCE ORDINANCE (CHAPTER 63).

Commence-  
ment.

[ ]

Enactment.

BE IT ENACTED by the Legislature of the Federation of Nigeria as follows—

Short title  
and  
application.

1. This Ordinance may be cited as the Evidence (Amendment) Ordinance, 1960, and shall apply throughout the Federation.

Amendment  
of section 41  
of Cap. 63.  
L.N. 131 of  
1954.

2. Section 41 of the Evidence Ordinance (as amended by the Adaptation of Laws Order, 1954) is hereby amended by the insertion, immediately after the expression "Accountant-General of the Federation", of the following words—

"or the Governor, the Deputy Governor or the General Manager of the Central Bank of Nigeria".

## *Objects and Reasons*

The proposed amendment will enable any of the specified officers of the Central Bank of Nigeria to issue, for purposes of the Criminal Law, a certificate which will be *prima facie* evidence of its contents. Thus the new provision will save public time and revenue as well as prevent delays in criminal proceedings.

F. S. OKOTIE-BOH,  
Minister of Finance,  
Federation of Nigeria

# A BILL

FOR

AN ORDINANCE TO MAKE ADAPTATIONS AND MODIFICATIONS TO CERTAIN ORDINANCES IN THEIR APPLICATION IN THE NORTHERN REGION CONSEQUENT UPON THE ENACTMENT OR IMPENDING ENACTMENT BY THE LEGISLATURE OF THAT REGION OF LAWS RELATING TO A NEW PENAL CODE, A NEW CRIMINAL PROCEDURE CODE AND THE CREATION OF DISTRICT COURTS.

Title.

[By notice, see section 1]

Commence-  
ment.

Enactment.

BE IT ENACTED by the Legislature of the Federation of Nigeria as follows—

1. (1) This Ordinance may be cited as the Adaptation of Federal Provisions (Northern Region) Ordinance, 1960, and shall be of Federal application.

Short title,  
application  
and  
commence-  
ment.

(2) This Ordinance shall come into operation on a day to be appointed by the Minister by notice in the Gazette and such notice may appoint different dates for the coming into operation of different items of adaptation or modification specified in the Schedule or may provide that particular items as aforesaid shall come into operation on such later date as may be appointed in a similar manner.

2. The Ordinances mentioned in the Schedule shall, in their application in relation to the Northern Region, be read and construed with the adaptations and modifications specified in the Schedule.

Adaptations  
and  
modifica-  
tions.  
Schedule.

3. Any adaptations or modification of an enactment effected by this Ordinance shall not—

Saving of  
rights and  
liabilities,  
etc.

(a) affect the previous operation of the enactment or anything duly done or suffered under the enactment ; or

(b) affect any right acquired or any obligation, liability, penalty, forfeiture or punishment incurred under the enactment ; or

(c) affect any legal proceeding or remedy in respect of any such right, obligation, liability, penalty, forfeiture or punishment as aforesaid ; and, subject to the provisions of Part X of the District Courts Law, 1960, of the Northern Region, any such legal proceeding or remedy may be instituted, continued or enforced as if the adaptation or modification had not been effected.

## SCHEDULE

(s. 2)

## EVIDENCE ORDINANCE (CHAPTER 63)

*Section 227*

In the definition of "court" after "High Court" insert—  
"a District Court".

## INCOME TAX ORDINANCE (CHAPTER 92)

*Section 67*

In subsection (2)—

(a) delete "magistrate's court" and substitute—

"District Court";

(b) delete "magistrate" and substitute—

"District Judge".

## LABOUR CODE ORDINANCE (CHAPTER 99)

*Section 5*

In subsection (2) (h) before "magistrate's court" insert—

"District Court or".

*Section 41*

In subsection (4) delete "magistrate's court" and substitute—

"District Court".

*Section 51*

In subsection (4) delete "magistrate's court" and substitute—

"District Court".

*Section 142*

Delete "magistrate" and substitute—

"District Judge".

*Section 235*

In subsection (1) delete "magistrate's court" and substitute—

"District Court".

## LOCAL FORCES ORDINANCE (CHAPTER 119)

*Section 22*

In subsection (2) delete "section 398 of the Criminal Procedure Ordinance" and substitute—

"section 304 of the Criminal Procedure Code of the Northern Region".

## MAINTENANCE ORDERS ORDINANCE (CHAPTER 125)

*Section 3*

In subsection (2) delete "magistrate" and substitute—

"District Judge".

*Section 6*

Delete "magistrate" wherever it occurs and substitute—

"District Judge".

*Section 7*

In subsection (1) delete "magistrate" and substitute—

"District Judge".



Section 9

Delete "magistrates" and substitute—

"District Judges".

MARRIAGE ORDINANCE (CHAPTER 128)

Section 19

In subsection (1) after "justice of the peace," insert—

"District Judge",

MINERALS ORDINANCE (CHAPTER 134)

Section 87

Before "magistrate" wherever it occurs insert—

"District Judge or".

NOTARIES PUBLIC ORDINANCE (CHAPTER 161)

Section 17

In subsection (1) delete "magistrates" and substitute—

"District Judges".

POLICE ORDINANCE (CHAPTER 172)

Section 29

In subsection (1) delete "section 10 of the Criminal Procedure Ordinance" and substitute—

"section 29 of the Criminal Procedure Code of the Northern Region".

Delete subsection (3) and substitute—

"(3) For the purposes of this section—

(a) "felony" means an offence punishable under the Penal Code of the Northern Region with death or with imprisonment for three years or more;

(b) "Misdemeanour" means an offence punishable under the Penal Code of the Northern Region with imprisonment for less than three years but not less than six months;

(c) "simple offence" means any other offence punishable under the Penal Code of the Northern Region."

ROYAL NIGERIAN MILITARY FORCES ORDINANCE (CHAPTER 200)

Section 100

Delete "Criminal Procedure Ordinance" and substitute—

"Criminal Procedure Code of the Northern Region".

TELEGRAPHS ORDINANCE (CHAPTER 213)

Section 10

Delete "magistrate" wherever it occurs and substitute—

"District Judge".

WORKMEN'S COMPENSATION ORDINANCE (CHAPTER 234)

Section 3

In the definition of "court" delete "magistrate's court" and substitute—

"District Court".

Section 20

In subsection (1) delete "magistrate's court" and substitute—

"District Court".

In subsections (3) and (4) delete "magistrate" and substitute—

"District Judge".

## WRECKS AND SALVAGE ORDINANCE (CHAPTER 235)

*Sections 42, 43, 44 and 48*

*Delete* "magistrate" wherever it occurs and *substitute*—  
"District Judge"

ELECTRICITY CORPORATION OF NIGERIA ORDINANCE, 1950  
(No. 15 OF 1950)

*Section 48*

In subsection (3) *delete* "magistrate" and *substitute*—  
"District Judge".

TOBACCO (LICENCES AND RETURNS) ORDINANCE, 1952  
(No. 1 OF 1952)

*Section 13*

*Delete* "magistrate's court" and *substitute*—  
"District Court".

PORTS ORDINANCE, 1954 (No. 27 OF 1954)

*Section 39*

In subsection (2) *delete* "magistrate" and *substitute*—  
"District Judge".

*Section 114*

After "Criminal Code" *insert*—

"and public servants within the meaning of section 10 of the Penal Code of the Northern Region".

NIGERIAN RAILWAY CORPORATION ORDINANCE, 1955  
(No. 20 OF 1955)

*Section 32*

In subsection (3) *delete* "magistrate" and *substitute*—  
"District Judge".

*Section 95*

After "public service" *insert*—

"and shall be deemed to be public servants within the meaning of section 10 of the Penal Code of the Northern Region".

OIL PIPELINES ORDINANCES, 1956 (No. 31 OF 1956)

*Section 18*

*Delete* "magistrate" wherever it occurs and *substitute*—  
"District Judge".

NIGERIAN BROADCASTING CORPORATION ORDINANCE, 1956  
(No. 39 OF 1956)

*Section 37*

In subsection (2) *delete* "magistrate" and *substitute*—  
"District Judge".

FIREARMS ORDINANCE, 1958 (No. 7 OF 1958)

*Section 31*

After "Criminal Procedure Ordinance" *insert*—

"or the Criminal Procedure Code of the Northern Region".

REGIONAL COURTS (FEDERAL JURISDICTION) ORDINANCE, 1958 (No. 12 OF 1958)

*Section 3*

*Delete "magistrate's court" and substitute—  
"District Court".*

CIVIL AVIATION (FIRE AND SECURITY MEASURES) ORDINANCE, 1958  
(No. 31 OF 1958)

*Section 14*

In subsection (3) after "Criminal Procedure Ordinance" *insert—  
"or section 44 of the Criminal Procedure Code of the Northern  
Region".*

\ PETROLEUM PROFITS TAX ORDINANCE, 1959 (No. 15 OF 1959)

*Section 41*

In subsection (2)—

(a) *delete "magistrate's court" and substitute—  
"District Court";*

(b) *delete "magistrate" and substitute—  
"District Judge".*

*Objects and Reasons*

The enactment by the Northern Region Legislature of a new Penal Code and Criminal Procedure Code replacing Chapters 42 and 43 of the Revised Edition of the Laws respectively, and of the District Courts Law, 1960, establishing district courts necessitates the adaptation of certain Federal provisions in their application in relation to that Region. These adaptations are set out in the Schedule to this Bill and are purely consequential in nature.

R. A. NJOKU,  
*Minister of Transport and Aviation,  
Federation of Nigeria*

## GOVERNMENT PROMISSORY NOTES ORDINANCE, 1960

## ARRANGEMENT OF SECTIONS

## PART I.—PRELIMINARY

1. Short title and application.
2. Interpretation.

## PART II.—ISSUE

3. Issue of promissory notes for the purpose of raising authorized loans.
4. Loans to be charged upon revenue.
5. Particulars to be published in the Gazette.
6. Issue and effect of promissory notes.
7. Negotiability.
8. Appropriation of revenue for payment of principal sum and interest.
9. Payment of principal sum and interest.
10. Cessation of liability to pay interest.
11. Place of payment.

## PART III.—SINKING FUNDS

12. Establishment of sinking funds.
13. Appropriation of revenue for sinking fund.
14. Investment of sinking fund.
15. Cessation of contributions to sinking fund.
16. Expenses to be paid out of sinking fund.
17. Deficiency in sinking fund to be a charge upon revenue.

## PART IV.—GENERAL

18. Issue of duplicates and renewals.
19. Right of Accountant-General to compel renewal.
20. Liability after renewal.
21. Discharge of liability.
22. Minister's signature may be printed on promissory notes.
23. Exemption from stamp duties.
24. Power to make regulations.
25. Saving.

# A BILL

FOR

AN ORDINANCE TO MAKE PROVISION FOR THE CREATION AND ISSUE OF  
GOVERNMENT PROMISSORY NOTES FOR THE PURPOSE OF RAISING LOANS.

Title.

[ ]

Commence-  
ment.

BE IT ENACTED by the Legislature of the Federation of Nigeria as follows—

Enactment.

## PART I—PRELIMINARY

1. This Ordinance may be cited as the Government Promissory Notes Ordinance, 1960, and shall be of Federal application.

Short title  
and  
application.

2. In this Ordinance—

Interpreta-  
tion.

“Central Bank” means the Central Bank of Nigeria ;

“Government promissory note” means a promissory note issued under section 3 ;

“Minister” means the Minister for the time being charged with responsibility for matters relating to finance.

## PART II.—ISSUE

3. Whenever by any Ordinance, whether enacted before or after the coming into operation of this Ordinance, authority has been or is given to raise any sum of money by way of loan for any purpose mentioned in that Ordinance, or whenever it is necessary to raise any sum of money for the purpose of repaying any loan raised by the Government of the Federation under this or any other Ordinance the Minister may, from time to time, raise such sum or part thereof under the provisions of this Ordinance from Governments of other countries and bodies corporate by the issue of securities in the form of Government promissory notes.

Issue of  
promissory  
notes for the  
purpose of  
raising  
authorized  
loans.

Loans to be charged upon revenue.

Particulars to be published in the Gazette.

Issue and effect of promissory notes.

Negotiability.

Appropriation of revenue for payment of principal sum and interest.

Payment of principal sum and interest.

Cessation of liability to pay interest.

Place of payment.

4. The principal sums and interest represented or secured by any Government promissory notes are hereby charged upon and shall be payable out of the general revenue and assets of the Federation.

5. The Minister shall, in respect of each loan raised by the issue of Government promissory notes, cause the following particulars to be published in the Gazette—

- (a) the face value of the notes ;
- (b) the rate of interest payable on the loan ;
- (c) the date of redemption of the notes and, if the Minister has reserved an option to redeem the notes at an earlier date, the fact that he has reserved such an option and the terms and conditions on which the option may be exercised.

6. (1) Every Government promissory note shall bear the signature of the Minister and of the Accountant-General of the Federation for and on behalf of the Government of the Federation and shall, when issued, bind the Government of the Federation to pay the principal sum mentioned in that note and the interest thereon in accordance with the provisions of this Ordinance or in pursuance of an option to redeem that note reserved by the Minister.

(2) Government promissory notes shall be in such denominations as the Minister may direct, and shall be in terms of Nigerian currency unless the Minister otherwise directs.

7. (1) Every Government promissory note shall specify whether or not it is negotiable, and, if negotiable, the extent to which and the manner in which it may be negotiated.

(2) Notwithstanding anything contained in the Bills of Exchange Ordinance a Government promissory note shall not be negotiable except to the extent and in the manner specified in the note.

8. So long as any principal sum or interest is payable under this Ordinance in respect of any Government promissory notes, the Minister shall appropriate out of the general revenue and assets of Nigeria a sum sufficient to meet all principal sums and interest so payable, and the Central Bank shall thereupon pay such principal sum or interest out of the sum so appropriated.

9. (1) The principal sum and interest due on any Government promissory note shall be payable on such dates and, in the case of interest, at such rate as shall be specified in the note.

(2) Where any amount has become payable on any date as interest due on any Government promissory note, no interest on that amount shall, after that date, be paid or payable by or on behalf of the Government of the Federation to any person in any circumstances.

10. No person shall be entitled to claim interest on any Government promissory note in respect of any period which has elapsed after the earliest date on which demand could lawfully have been made for the payment of the principal sum due on the note.

11. All payments of interest and all payments of the principal sum due on any Government promissory note shall be made at the Central Bank in Lagos :

Provided that the Central Bank or any person authorized in writing by the Central Bank in that behalf may pay any such interest or principal sum at any other place, whether within or without Nigeria, in pursuance of any arrangement which the Central Bank may make for that purpose.

PART III.—SINKING FUNDS

12. (1) The Minister may, after consultation with the Governor of the Central Bank, establish sinking funds for the purpose of redeeming loans raised by the issue of Government promissory notes :

Establishment of sinking funds.

Provided that no sinking fund so established shall be in respect of more than one such loan.

(2) The Minister shall, in respect of any sinking fund established under subsection (1), direct by notice in the Gazette the rate and intervals at which appropriation out of the general revenue and assets of the Federation shall be made as a contribution to the sinking fund and the date from which such contributions shall commence.

13. After the date directed by the Minister under section 12 as the date from which contributions to a sinking fund established under that section shall commence, the Minister shall, at the intervals so directed for the payment of contributions to the fund, appropriate out of the general revenue and assets of the Federation a sum determined in accordance with the rate so directed.

Appropriation of revenue for sinking fund.

14. (1) All moneys appropriated under section 13 as contributions to a sinking fund established under section 12 shall be paid to the Central Bank and may then be invested in such stock or securities or in such other investments or classes of investments as may be approved by the Minister.

Investment of sinking fund.

(2) The Central Bank may from time to time, with the approval of the Minister, vary any investment made under subsection (1) or may realize and reinvest any moneys invested under that subsection.

(3) The dividends, interest, bonus and other profits of any investment of any part of any such sinking fund shall be invested by the Central Bank so as to form part of that sinking fund in like manner as moneys appropriated under section 13 as contributions to that sinking fund.

15. Notwithstanding anything to the contrary contained in this Ordinance, if at any time the Governor of the Central Bank is satisfied that a sinking fund established under section 12 will be sufficient with further accumulations of interest, but without further payments of contributions, to enable the loan in respect of which it was established to be redeemed at the time fixed for its redemption, he shall inform the Minister accordingly, and the Minister may thereupon suspend further payments of contributions to that sinking fund :

Cessation of contributions to sinking fund.

Provided, however, that the contributions to that sinking fund shall be recommenced if the Governor of the Central Bank at any time thereafter informs the Minister that he is no longer satisfied that the sinking fund with further accumulations of interest will be sufficient for the redemption of that loan.

16. There shall be paid out of any sinking fund established under section 12 expenses specifically incurred in, or incidental to, the investment and management of that fund and the repayment of the loan in respect of which it was established.

Expenses to be paid out of sinking fund.

17. In the event of a sinking fund established under section 12 being found, at the time fixed for the repayment of the loan in respect of which it was established, to be insufficient for such redemption, the deficiency shall be made good out of the general revenue and assets of the Federation.

Deficiency in sinking fund to be a charge upon revenue.



## PART IV.—GENERAL

Issue of  
duplicates  
and  
renewals.

18. (1) The Accountant-General of the Federation may issue duplicate Government promissory notes in such circumstances as may be prescribed.

(2) The Accountant-General of the Federation may issue renewals of Government promissory notes in such circumstances as may be prescribed.

Right of  
Accountant-  
General to  
compel  
renewal.

19. The Accountant-General of the Federation, may, in such circumstances as may be prescribed—

(a) issue a notice to the holder of any Government promissory note directing the holder to apply for a renewal of that note ; and

(b) withhold payment of the principal sum or interest due in respect of that note until the application for renewal has been made and determined.

Liability  
after  
renewal.

20. (1) Where a renewed Government promissory note has been issued under section 18 the note so issued shall be deemed to constitute a new contract between the Government of the Federation and the holder and any other Government or body corporate deriving title thereafter through the holder.

(2) No such renewal shall affect the rights as against the Government of the Federation of any other Government or body corporate to the promissory note so renewed.

Discharge of  
liability.

21. The liability of the Government of the Federation shall—

(a) in respect of any Government promissory note redeemed on or after the date on which payment of the principal sum becomes due, be discharged after the lapse of six years from that date ;

(b) in respect of any Government promissory note in place of which a duplicate is issued under section 18, be discharged after the lapse of six years from the date of the issue of such duplicate or from the date of the last payment of interest on such note, whichever date is the later ;

(c) in respect of any Government promissory note for which a renewed note is issued under section 18, be discharged after the lapse of six years from the date of the issue of the renewed note.

Minister's  
signature  
may be  
printed on  
promissory  
notes.

22. The signature of the Minister (but not of the Accountant-General of the Federation) may be printed, stamped, engraved, or impressed by any mechanical process on any Government promissory note and a signature so printed, stamped, engraved or impressed shall be as valid as if it had been inscribed in the proper handwriting of the Minister.

Exemption  
from stamp  
duties.

23. All Government promissory notes and all renewals and duplicates thereof shall be in such form as may be prescribed and shall be free from stamp duty, anything in any other Ordinance to the contrary notwithstanding.

Power  
to make  
regulations.

24. (1) The Minister may, after consultation with the Governor of the Central Bank, make regulations for the purpose of giving effect to the provisions of this Ordinance.

(2) In particular and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters—

(a) the manner in which payment of interest in respect of Government promissory notes is to be made and acknowledged ;

(b) the circumstances in which Government promissory notes must be renewed before further payment of interest thereon may be claimed ;



- (c) the issue of duplicate Government promissory notes ;
- (d) the renewal of Government promissory notes ;
- (e) the manner of payment of interest to joint holders of Government promissory notes ;
- (f) the disposal of unclaimed interest ;
- (g) the payment of principal sums and interest and transfer of Government promissory notes in the case of bodies corporate under a legal disability ;
- (h) all matters required or permitted by this Ordinance to be prescribed and all matters incidental to or connected with the matters hereinbefore enumerated.

25. Nothing contained in this Ordinance shall affect the provisions of any other enactment relating to the manner in which or the terms and conditions on which loans may be raised by the Government of the Federation. Saving.

#### *Objects and Reasons*

The object of this Bill is to make provision in respect of the raising of loans, from Governments abroad and bodies corporate whether abroad or in Nigeria, by the issue of Government promissory notes. The provisions of the Bill follow with some modifications the relevant provisions of the Local Loans (Registered Stock and Securities) Ordinance (Chapter 120) which extended to the issue of Government promissory notes within Nigeria until those provisions were repealed by Ordinance No. 8 of 1959.

2. The major modifications are as follows—

*Clause 3.*—The issue of promissory notes under the Bill is not restricted to local loans, but may only be to Governments abroad and bodies corporate.

*Clause 5.*—Since the Bill does not apply to loans from the public, publication of directions as to the loan is not required before the issue of the promissory notes, but particulars must be published for information after the issue.

*Clause 7.*—Provides that the promissory notes would be negotiable only when expressed to be so and then only in the manner specified in the note.

*Clauses 12 to 17.*—Provide for the establishment and other matters relating to sinking funds as previously contained in Chapter 120, but the establishment of these funds will be in the discretion of the Minister after consultation with the Governor of the Central Bank.

F. S. OKOTIE-EBOH,  
Minister of Finance,  
Federation of Nigeria

(Bills 665)