

35/13

(2)

REPUBLIC OF KIRIBATI
(No. 6 of 1993)

I assent,


Beretitenti-
1993

AN ACT TO AMEND THE PROVIDENT FUND ORDINANCE (CAP. 78A)

Commencement:
1993

MADE by the Maneaba ni Maungatabu and assented to by the Beretitenti.

Short title

1. This Act may be cited as the Provident Fund (Amendment) Act 1993.

Amendment of Part VI

2. Part VI of the Provident Fund Ordinance (Cap. 78A) is amended by inserting a new Part VIA between Part VI and Part VII as follows -

"PART VIA

MEMBER PERMITTED TO USE FUND AS SECURITY FOR A LOAN

Application

1.(1) In this Part -

"dwelling house" means a dwelling house constructed with permanent materials or other materials as the Board may approve;

"lender" means the -

- (a) Bank of Kiribati Ltd;
- (b) Housing Corporation; or
- (c) Development Bank of Kiribati Ltd.

(2) The provisions of this Part shall apply only to a member of the Fund who may be able to secure a loan from a lender, for the purposes set out in the succeeding section.

Member may use Fund as security for the purchase of a dwelling house, etc.

2.(1) Notwithstanding any other provisions of this Act (Provident Fund Ordinance) or any other Act, the Board may, on the application of a lender and a member, permit such member to use as security for a loan from such lender not more than seventy percent of the amount standing to such member's credit in the Fund only for the purpose of -

(a) purchasing a dwelling house and/or site for a dwelling house; or

(b) payment of the construction of a dwelling house.

(2) A security given under subsection (1) is given subject to any conditions which the Board may think fit to impose."

This printed impression has been examined by me with the Bill which passed the Maneaba ni Maungatabu on the 26th day of August 1993 and is found by me to be a true and correctly printed copy of the said Bill.

J. Arakawa
Clerk to the Maneaba
ni Maungatabu

Published by exhibition at the Maneaba ni Maungatabu this 9th day of September 1993.

J. Arakawa
Clerk to the Maneaba
ni Maungatabu

PROVIDENT FUND (AMENDMENT) ACT 1993

EXPLANATORY MEMORANDUM

This short Act seeks to amend the Provident Fund Ordinance in order to enable a member of the Fund to use as security for a loan from a lender **not more than seventy percent (70%)** of the amount standing to the member 's credit in the Fund **only for the purpose of -**

- (a) purchasing a dwelling house and/or site for a dwelling house; or
- (b) payment of the construction of a dwelling house.

A "dwelling house" as referred to in the Act means a dwelling house constructed with permanent materials or other materials as the Board may approve and a "lender" means the Bank of Kiribati, Housing Corporation or Development Bank of Kiribati.

In order for a member of the Provident Fund to secure such security the **lender and member** must apply to the Provident Fund Board to get the Board's permission and approval.

If the Board gives its permission it may also impose certain conditions as it think fit to impose in each given case.

All the aforesaid is achieved in Sections 1 and 2 of the Act.

Michael N. Takabwebwe
The Attorney General
26 March 1993

LEGAL REPORT

I hereby certify that none of the provisions of the above Act conflict with the Consitution and that the Beretitenti may properly assent to the Act.

Michael N. Takabwebwe
The Attorney General
31 August 1993