

THE UNITED REPUBLIC OF TANZANIA



No. 12 OF 1969

I ASSENT,

Julius K. Nyerere
President

6th FEBRUARY, 1969

An Act to discharge the Tanzania Sisal Corporation from certain liabilities and to provide for matters connected therewith and incidental thereto

[7TH FEBRUARY, 1969]

ENACTED by the Parliament of the United Republic of Tanzania.

1. This Act may be cited as the Tanzania Sisal Corporation (Divestment of Interests) Act, 1969 and shall be read as one with the Tanzania Sisal Corporation (Establishment and Vesting of Interests) Act, 1967. Short title Acts 1967 No. 39

2. In this Act, unless the context otherwise requires— Interpretation
“the Act” means the Tanzania Sisal Corporation (Establishment and Vesting of Interests) Act, 1967;

“the company” means Nico Sisal Estate Limited;

“scheduled liabilities” means the liabilities subsisting against the company on the effective date which were vested in the Corporation by the operation of the Act as in force immediately before the commencement of this Act and which are specified in the Schedule hereto.

3.—(1) The scheduled liabilities shall be deemed not to be and never Scheduled liabilities not to be Tanganyika liabilities to have been Tanganyika liabilities and the provisions of subsection (3) of section 11 of the Act shall not apply and shall be deemed never to have applied to such liabilities.

(2) The Act is amended in subsection (1) of section 2 by deleting the full-stop at the end of the definition “Tanganyika liabilities” and substituting therefor the following:—

“but does not include the liabilities of Nico Sisal Estate Limited which are listed in the Schedule to the Tanzania Sisal Corporation (Divestment of Interests) Act, 1969.”.

(3) Subsection (2) shall be deemed to have come into operation on the date on which the Act is deemed to have come into operation.

Payments by the Corporation in respect of scheduled liabilities

4. Notwithstanding the provisions of section 3, where before the commencement of this Act the Corporation has made any payment towards the discharge of any scheduled liability or any interest which may have accrued thereon such payment shall be deemed to have been made by the Corporation in respect of a Tanganyika liability and shall operate as discharge of the scheduled liability or of the interest to the extent of such payment.

Discharge of incumbrance

5. Where the discharge of any scheduled liability is secured by a mortgage, charge, deposit of title deeds, chattels transfer instrument, debenture or other incumbrance whatsoever on or in respect of any Tanganyika asset of the company vested in the Corporation by virtue of the provisions of the Act, such mortgage, charge, deposit, instrument, debenture or other incumbrance shall cease to have effect and such asset shall be deemed to have vested in the Corporation free from any such mortgage, charge, deposit, instrument or other incumbrance.

Provided that nothing in this section shall be construed as discharging the company from liability in respect of any such scheduled liability.

Compensation to be applied towards discharge of scheduled liabilities

6.—(1) Notwithstanding the provisions of section 14 of the Act, the compensation payable to the company thereunder shall be paid to the Corporation and the Corporation shall, as soon as may be practicable after the receipt by it of such compensation or any instalment thereof, pay the same towards the discharge of such of the scheduled liabilities as may be lawfully outstanding on the date of such payment by the Corporation and the Corporation shall pay the balance, if any, to the company.

(2) Where the amount of compensation or any instalment thereof received by the Corporation pursuant to the provisions of subsection (1) is less than the value of the scheduled liabilities then outstanding, the Corporation shall rateably distribute the amount received by it among the persons entitled to payment in respect of such scheduled liabilities.

(3) Any payment made by the Corporation under this section towards the discharge of a scheduled liability shall discharge the company in respect of such liability to the extent of the payment made by the Corporation.

(4) Nothing in this section shall be construed as imposing on the Corporation liability to discharge any scheduled liability out of the financial resources of the Corporation.

(5) No act or thing done or omitted to be done by the Corporation or any member of the Board or officer of the Corporation in the discharge or purported discharge of the duties imposed on the Corporation by this section shall, if the act or omission was done or omitted *bona fide*, subject the Corporation or any member of the Board or officer of the Corporation to any liability, action, claim or demand whatsoever.

No. 12 *Tanzania Sisal Corporation (Divesting of Interests)* **1969** **3**

SCHEDULE

All sums of monies due from the company immediately before the effective date to Smith Arbuthnot (Kenya) Limited (now called East African Acceptances Limited) and Smith Arbuthnot (Tanganyika) Limited.

Passed in the National Assembly on the ninth day of January, 1969.


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Clerk of the National Assembly

