



Commonwealth Development Corporation Act 1982

1982 CHAPTER 54

2 New limit to apply to borrowing etc. of the Corporation and its subsidiaries

- (1) After section 9 of the Commonwealth Development Corporation Act 1978 (borrowing powers of the Corporation) there shall be inserted the following section: —

“9A Limit on borrowing etc.

- (1) The aggregate of—
- (a) the amounts outstanding in respect of sums borrowed (whether temporarily or by way of advance under section 10(1) below or otherwise) by the Corporation or any of its subsidiaries from sources other than the Corporation or any of its subsidiaries, and
 - (b) the amounts outstanding in respect of sums borrowed (whether temporarily or otherwise) by persons other than the Corporation or any of its subsidiaries, being amounts covered by guarantees given by the Corporation or any of its subsidiaries,
- shall not at any time exceed the limit specified in subsection (2) below.
- (2) That limit is £750 million or such larger sum, not exceeding £850 million, as the Secretary of State, with the consent of the Treasury, may from time to time by order specify.
- (3) Without prejudice to subsections (1) and (2) above, the amount outstanding in respect of sums borrowed temporarily by the Corporation shall not at any time exceed such limit as the Secretary of State, with the approval of the Treasury, may from time to time specify for the purposes of this subsection.
- (4) Where the equivalent in sterling of any amount falls to be determined for the purposes of any of the limits mentioned in the preceding provisions of this section, that equivalent shall be determined by reference to such time and in such manner as the Secretary of State may from time to time with the consent of the Treasury direct; and a direction under this subsection may relate to

a particular amount or to amounts of a particular description or to amounts generally.

(5) The power to make orders under subsection (2) above shall be exercisable by statutory instrument ; but no such order shall be made unless a draft of it has been laid before and approved by a resolution of the House of Commons.

(6) In this section—

- (a) references to sums borrowed temporarily include references to sums borrowed by way of overdraft; and
- (b) ' subsidiary' shall be construed in accordance with section 154 of the Companies Act 1948 or section 148 of the Companies Act (Northern Ireland) 1960.?"

(2) Accordingly, in section 9 of the said Act of 1978—

- (a) in subsection (1), after " Subject to the provisions of this section " there shall be inserted " and section 9A below " ; and
- (b) subsections (4) and (6) (which are superseded by the provisions inserted by subsection (1) above) and, in subsection (2), the words " (within the maximum specified in subsection (4) below) " are hereby repealed.