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STATUTORY INSTRUMENTS

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**1963 No. 2085**

**The Federation of Rhodesia and Nyasaland  
(Dissolution) Order in Council 1963**

**PART I**

**DISSOLUTION OF THE FEDERATION**

**Outstanding external public debt of the Federation**

**16.**—(1) The liabilities of the Federation in respect of each of the loans raised outside the Federation and specified in Parts D, E, F and G of Schedule I are hereby apportioned amongst the Territories as follows—

- (a) those in Parts D and E as to 52.120 per cent. to Southern Rhodesia, 37.127 per cent. to Northern Rhodesia, and 10.753 per cent. to Nyasaland;
- (b) those in Part F as to 50.000 per cent. to Southern Rhodesia and 50.000 per cent. to Northern Rhodesia; and
- (c) those in Part G, in the manner set out in that Part.

(2) The liabilities of the Federation as apportioned by sub-section (1) are hereby transferred to the respective Territories.

(3) In respect of any of the said loans—

- (a) any bonds or stock issued under any Act of the Federal Legislature shall continue to be valid and, subject to the provisions of subsection (1) and of any agreement entered into by the respective Territories with the lenders in relation to the loans specified in Part H of Schedule I, continue to confer on the holders thereof the same rights as those enjoyed by the holders immediately before the dissolution of the Federation; and
- (b) in relation to which no bonds or stock have been issued the lenders shall, subject to the provisions of subsection (1) and of any agreement entered into by the respective Territories with the lenders in relation to the loans so specified, continue to enjoy the same rights as they enjoyed immediately before the dissolution of the Federation.

(4) The sinking funds established by the Federal Government in respect of the loans specified in Part D of Schedule I shall continue in existence and the Territories shall, to the extent of the liabilities apportioned to them in respect of those loans by subsection (1), discharge the liabilities of the Federal Government in relation to the said sinking funds.

(5) The existing trustees of the sinking funds referred to in subsection (4) shall continue as trustees on the existing terms and conditions and shall administer each sinking fund until the stock for which it is established is redeemed or repaid.

(6) If before the dissolution of the Federation the Governments of the United Kingdom, the Federation and the Territories agree that the liability in respect of any loan apportioned amongst the Territories by subsection (1) should be transferred to the Territories in accordance with the provisions of section 12 instead of this section, then the provisions of section 12 (except subsection (1)) shall

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apply to that loan in substitution for the provisions of subsections (2) to (5) of this section but subject to the following modifications—

- (a) the references to subsection (1) of section 12 shall be construed as references to subsection (1) of this section;
  - (b) the references in subsection (5) to the Territory of issue shall be construed as references to the place of issue;
  - (c) in subsection (6) the words “except that interest on the loans shall be paid, and the loans shall be redeemed or repaid both in, and in the currency of, the respective Territories” shall be omitted;
  - (d) in subsection (8) the reference to any loan referred to in subsection (1) shall be construed as a reference to the loan which is the subject of the agreement under this subsection; and
  - (e) in subsection (10) for the words “be expressed in units of one pound nominal or multiples thereof, so however that” there shall be substituted the words “issued so that”.
- (7) The Governments of the Territories shall cause notice of any agreement under subsection (6) in respect of a loan to be given to the lenders in such manner as they consider appropriate.
- (8) Notwithstanding anything to the contrary contained in the Colonial Stock Acts 1877 to 1948, the Trustee Investments Act 1961 or any other law, the registration under the said Colonial Stock Acts of the stock relating to loans specified in Part D of Schedule I shall have the same effect as if the stock had been issued by the Territories and any stock issued by virtue of subsection (6) in substitution therefore shall be deemed to be registered under those Acts, and the stock shall continue to be, or as the case may be, shall be investments in which a trustee may invest.