
STATUTORY INSTRUMENTS

1993 No. 2807

The Libya (United Nations Sanctions) Order 1993

Bonds and Indemnities

13.—(1) Except under the authority of a licence granted by the Secretary of State under this article or the 1992 Order—

- (a) no person shall make any payment to or to the order of any person to whom this article applies under or in respect of a bond to which this article applies;
- (b) no person shall do any act for the purpose of obtaining payment, or make any payment, in respect of any right to indemnity in respect of any bond to which this article applies where payment under the bond is, or if payment were to be made by a person referred to in Article 14(1) of this Order would be, unlawful by virtue of sub-paragraph (a) of this paragraph.

(2) The persons to whom this article applies are

- (a) the Government of Libya;
- (b) any persons or bodies exercising for the time being public functions in Libya;
- (c) any entity, wherever incorporated or constituted, which is controlled by—
 - (i) the Government of Libya; or
 - (ii) any person or body exercising for the time being public functions in Libya;
- (d) any Libyan national; or
- (e) any person acting on behalf of any of the persons mentioned in sub-paragraphs (a) to (d) of this paragraph.

(3) A bond to which this article applies is a bond given in respect of a contract the performance of which is unlawful, wholly or in part, by virtue of this Order.

(4) In this article—

- (a) “bond” means an agreement under which a person (“the obligor”) agrees that, if called upon to do so, or if a third party fails to fulfil contractual obligations owed to another, the obligor will make payment to or to the order of the other party to the agreement; and
- (b) “make any payment” means make payment by any method, including but not restricted to the grant, or any agreement to the exercise, of any right to set off, accord and satisfaction and adjustment of any account, or any similar means.