



**THE REPUBLIC OF KENYA**

LAWS OF KENYA

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**GUARANTEE (HIGH COMMISSION RAILWAYS  
AND HARBOURS LOAN) (NO. 1) ACT**

CHAPTER 455

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**CHAPTER 455**

**GUARANTEE (HIGH COMMISSION RAILWAYS  
AND HARBOURS LOAN) (NO. 1) ACT**

[Date of assent: 16th January, 1950.]

[Date of commencement: 16th January, 1950.]

**An Act to guarantee a loan of twenty-three million pounds sterling to be raised by the High Commission for certain purposes of the East African Railways and Harbours Administration to facilitate the investment of trust and other funds in the United Kingdom in High Commission securities issued for the purposes of such loan, and for other matters relating thereto and connected therewith**

[Act No. 1 of 1950, Act No. 60 of 1951, L.N. 2/1964, Act No. 21 of 1966.]

**WHEREAS the High Commission by an Act entitled the Loan (Railways and Harbours) (1949) Act (Cap. 13(1951)) of the High Commission made in accordance with the provisions of section 28(1)(a) of the East Africa (High Commission) Order in Council, 1947, is authorised to raise, either at one time or by instalments, a loan of twenty-three million pounds sterling for certain purposes of the East African Railways and Harbours Administration set out in the Schedule to such Act: AND WHEREAS the principal of and the interest on any such loan is by such Act charged upon and payable out of the Railways and Harbours Fund maintained for the East African Railways and Harbours Administration under section 41 of the said Order in Council: AND WHEREAS it is expedient that repayment of the principal of and interest on such loan should be guaranteed out of the general revenues and other funds of Kenya and that any sums necessary for fulfilling such guarantee should be charged on such general revenues and other funds: BE IT THEREFORE ENACTED by the Governor of the Colony of Kenya, with the advice and consent of the Legislative Council thereof, as follows—**

**1. Short title**

This Act may be cited as the Guarantee (High Commission Railways and Harbours Loan) (No. 1) Act.

[L.N. 2/1964.]

**2. Interpretation**

In this Act, except where the context otherwise requires—

“**final judgment, decree, rule or order**” means in case of appeal the final judgment, decree, rule or order of the ultimate court hearing the appeal;

“**High Commission (Railways and Harbours Loan) securities**” means all securities created or issued by the High Commission on behalf of the East African Railways and Harbours Administration for the purpose of raising a loan of twenty-three million pounds sterling authorised by the Loan (Railways and Harbours) (1949) Act (Cap. 13 (1951)) of the High Commission to which for the time being the Colonial Stock Acts, 1887 to 1948, (Act No. 12 and 13, Geo. 6,

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c. 1) of the United Kingdom, apply and which are for the time being registered in the United Kingdom in accordance with the provisions of those Acts.

[L.N. 2/1964.]

### **3. Guarantee of loan**

The payment of the principal of and interest on any loan raised by the High Commission under the authority of the Loan (Railways and Harbours) (1949) Act (Cap. 13 (1951)) of the High Commission, to the extent to which such principal and interest is not paid out of the Railways and Harbours Fund maintained for the East African Railways and Harbours Administration under section 41 of the East Africa (High Commission) Order in Council, 1947, is hereby guaranteed out of the general revenues and funds of Kenya:

Provided that in respect of payments the amount of the principal of the loan guaranteed under this Act shall not in the aggregate exceed twenty-four million pounds sterling.

### **4. Sums charged on general revenues**

Any sum required for fulfilling any guarantee under this Act shall be charged upon and paid out of the general revenues and other funds of Kenya, and the Governor shall appropriate out of the general revenues and funds of Kenya and remit to the Crown Agents any such sum, and any sum received by way of the repayment of any sum so paid shall form part of the general revenues.

[L.N. 2/1964.]

### **5. Provision for payment of money due to stockholders**

(1) Whenever by the final judgment, decree, rule or order of any court of competent jurisdiction in the United Kingdom any sum of money is adjudged or declared to be payable in respect of any of the High Commission (Railways and Harbours Loan) securities, then that sum, if not forthwith paid by the High Commission, shall forthwith be paid by the Governor out of the funds of Kenya in the hands of the Crown Agents without further appropriation than this Act.

(2) If the sum received by the Crown Agents under section 4 of this Act is insufficient for the payment of any sum adjudged or declared to be payable under subsection (1) of this section, any balance required to meet such deficit shall be charged upon and paid out of the general revenues and funds of Kenya, and the President shall forthwith appropriate out of such general revenues and funds and shall remit to the Crown Agents a sum equal to the amount of the said balance; and the said sum shall be applied by the Crown Agents in the satisfaction of any such final judgment, decree, rule or order.

[Act No. 60 of 1951, s. 2, L.N. 2/1964.]

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**6. Certificate by Crown Agents**

In order to enable every such payment to be duly made, a certificate under the hand of the Crown Agents, specifying the sums so paid under order of any court, shall be sufficient authority to the Controller and Auditor-General, or other officer having the auditing of their accounts, for passing such sum without further appropriation.

**7. Certain Acts may properly be disallowed**

If at any time hereafter an Act is passed which appears to Her Majesty's Government in the United Kingdom to alter any of the provisions affecting the High Commission (Railways and Harbours Loan) securities to the injury of the holder thereof, or to involve a departure from the original contract in regard to these securities, that Act may properly be disallowed.

[L.N. 2/1964.]

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