

By Proclamation No. 9 of 1954, this Ordinance came into operation on 21st June, 1954.

I assent,  
**ALFRED SAVAGE,**  
 Governor,  
 18th June, 1954.

ORDINANCE No. 13 OF 1954.

AN ORDINANCE to provide for the establishment, constitution, powers, duties and functions of the British Guiana Credit Corporation and for purposes connected with the matters aforesaid.

[19th June, 1954]

A.D. 1954.

ENACTED by the Legislature of British Guiana:—

Short  
 title and  
 commence-  
 ment.

1. This Ordinance may be cited as the British Guiana Credit Corporation Ordinance, 1954, and shall come into operation on a date to be appointed by the Governor by Proclamation published in the Gazette.

Interpre-  
 tation.

2. (1) In this Ordinance—

“agriculture” includes fisheries, forestry, horticulture and the use of land for any purpose of husbandry;

“Chairman” means Chairman of the Corporation;

“Deputy Chairman” means Deputy Chairman of the Corporation;

“General Manager” means the General Manager of the Corporation;

“husbandry” includes the keeping or breeding of live-stock, poultry or bees and the growing of fruit, vegetables and the like;

“land” means any estate or plantation usually or about to be, cultivated or cleared for purposes of cultivation for producing at least one annual crop, or some permanent crop, or land used otherwise in connection with agriculture;

“local credit banks” means the co-operative credit banks registered under the Co-operative Credit Banks Ordinance, 1944;

“member” includes Chairman and Deputy Chairman;

“official member” means a person who is the holder of an office of emolument under the Crown in British Guiana and is appointed a member of the Corporation under the provisions of subsection (2) of section 4 of this Ordinance:

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 1944.

Provided that no member of the Corporation shall be deemed by reason of that fact only to hold an office of emolument under the Crown;

“owner” includes guardians, executors and administrators who are, by the instrument appointing them or otherwise, legally charged with the cultivation of any land;

“statutory claims” has the same meaning as assigned to that expression by section 2 of the Deeds Registry Ordinance; Cap. 177.

“the Corporation” means the British Guiana Credit Corporation established in accordance with this Ordinance;

“the Secretary” means the Secretary appointed under this Ordinance.

(2) The powers conferred on the Governor by this Ordinance shall be exercised by him acting in his discretion.

## PART I

### CONSTITUTION AND ADMINISTRATION

3. (1) There shall be established for the purposes of this Ordinance a body to be called the British Guiana Credit Corporation. Establishment of the British Guiana Credit Corporation.

(2) The Corporation shall be a body corporate having perpetual succession and a common seal and shall have power to hold land and other property, of whatever kind.

(3) The Corporation may sue and be sued in the name of the British Guiana Credit Corporation and may for all purposes be described by such name, and service upon the Corporation of any notice, order, or other document shall be executed by delivering the same or by sending it by registered post addressed to the Secretary of the Corporation at the office of the Corporation.

4. (1) The Corporation shall consist of one official member and of such number of other members, not being less than seven, as the Governor may from time to time determine. Constitution of the Corporation.

(2) The official member and other members of the Corporation shall be appointed by the Governor by instrument in writing from amongst persons appearing to him to be qualified by reason of their experience of, and capacity in, matters relating to agriculture, industry, trade, finance, science, or administration to undertake the duties appertaining to members of the Corporation.

(3) A person shall be disqualified from being appointed or being a member of the Corporation so long as he is an unofficial member of the Legislature.

(4) The Governor shall appoint a Chairman and a Deputy Chairman of the Corporation from among the members of the Corporation neither of whom shall be the official member.

(5) A member of the Corporation shall, subject to the provisions of subsections (7) and (8) of this section, hold office

for such period, not exceeding three years, as the Governor may direct in the instrument appointing such member, but such member shall be eligible for re-appointment.

(6) The Governor may appoint any person appearing to him to have the qualifications necessary for appointment under the provisions of subsection (2) of this section as a member of the Corporation to act temporarily in the place of any member of the Corporation in the case of the absence or inability to act of such member:

Provided that only a person with the qualifications necessary for appointment in the place of a member of the Corporation if a vacancy occurred in the membership of the Corporation by reason of the termination of the appointment of such member shall be appointed to act temporarily in the place of such member.

(7) Any member of the Corporation other than the official member, may, by writing under his hand addressed to the Governor's Secretary, resign from the Corporation.

(8) The Governor may at any time revoke the appointment of any member of the Corporation if he thinks it expedient so to do.

(9) The Governor may grant leave of absence to any member of the Corporation.

(10) The appointment, removal, death, departure from the Colony or resignation of any member of the Corporation shall be notified in the Gazette.

5. The Corporation shall pay to each member of the Corporation, in respect of his office as such, such remuneration and allowances (if any) as the Governor in Council may determine and to the Chairman and to the Deputy Chairman in respect of his office as such, such remuneration and allowances, if any, (in addition to any remuneration or allowances to which he may be entitled in respect of his office as a member) as may be so determined.

6. (1) The Corporation shall appoint and employ at such remuneration and on such terms and conditions as they think fit a General Manager, a Secretary and such other officers and such servants as they deem necessary for the proper carrying out of the provisions of this Ordinance:

Provided that no salary in excess of the rate of four thousand eight hundred dollars per annum shall be assigned to any post under this subsection without the prior approval of the Governor in Council.

(2) No provision shall be made for the payment of any pensions, gratuities or other like benefits to the General Manager, the Secretary, other officers, servants or to other persons by reference to their service without the prior approval of the Governor in Council.

(3) Where leave of absence has been granted to the General Manager or the Secretary or any other officer of the Corporation or where the General Manager, the Secretary or any other officer of the Corporation is for any reason temporarily unable to perform his functions, the Corporation may appoint another person to act in his place.

Remuneration of members.

Appointment of General Manager, Secretary, officers and servants.

(4) A person shall be disqualified from being appointed or being the General Manager, the Secretary or any other officer or a servant of the Corporation so long as he is a member of the Legislature.

7. (1) The seal of the Corporation shall be kept in the custody of the Chairman or the Deputy Chairman or the Secretary of the Corporation and may be affixed to instruments pursuant to a resolution of the Corporation in the presence of the Chairman or Deputy Chairman and the Secretary.

Seal of Corporation.

(2) The seal of the Corporation shall be authenticated by the signature of the Chairman, or Deputy Chairman and the Secretary.

(3) All documents, other than those required by law to be under seal made by, and all decisions of, the Corporation may be signified under the hand of the Chairman or Deputy Chairman or General Manager and the Secretary.

8. (1) The Corporation shall meet at such times as may be necessary or expedient for the transaction of business, and such meetings shall be held at such place and time and on such days as the Corporation may determine.

Procedure and meetings of the Corporation.

(2) The Chairman may at any time call a special meeting of the Corporation and shall call a special meeting within seven days of a requisition for that purpose addressed to him by any three members of the Corporation.

(3) The Chairman, or in his absence the Deputy Chairman, shall preside at all meetings of the Corporation.

(4) The Chairman, or in his absence the Deputy Chairman, and three other members of the Corporation shall form a quorum for the transaction of business at a meeting.

(5) The decisions of the Corporation shall be by a majority of votes. In any case in which the voting is equal the Chairman or the Deputy Chairman presiding shall have an original and a casting vote.

(6) The Corporation may act notwithstanding any vacancy among the members thereof.

(7) The General Manager may attend meetings but shall not be entitled to vote.

(8) Proper minutes of each meeting shall be kept by the Secretary and shall be confirmed by the Chairman or the Deputy Chairman (as the case may be) as soon as practicable thereafter at a subsequent meeting.

(9) The Corporation may co-opt any one or more persons to attend any particular meeting of the Corporation on any matter for the purpose of assisting or advising the Corporation, but such co-opted person shall not have the right to vote.

(10) Subject to the foregoing provisions of this section the Corporation shall have power to regulate its own proceedings.

9. (1) Every member of the Corporation, every Manager, every Secretary, and every other officer of the Corporation—

Information obtained as a

(a) shall regard and deal with as secret and confi-

member or officer of the Corporation to be secret and confidential

dential all information, documents and matters which or knowledge of which he may obtain as a member, the General Manager, Secretary or other officer of the Corporation, as the case may be, which relates to any of the proceedings of the Corporation; and

- (b) shall not make use of any documents, matters or information which or knowledge of which he may obtain as a member, General Manager, Secretary or other officer of the Corporation, as the case may be, for the benefit of himself or any other person, or otherwise than for the purposes of his duties as a member, General Manager, Secretary or other officer of the Corporation—

and shall make and subscribe before a commissioner of oaths or a justice of the peace a statutory declaration to such effect.

(2) No fee or stamp duty shall be payable or chargeable in respect of any declaration made under subsection (1) of this section.

(3) Where any member, the General Manager, Secretary or any other officer of the Corporation contravenes any of the provisions of paragraph (a) or (b) of subsection (1) of this section, he shall be guilty of an offence, and shall, on summary conviction thereof, be liable to a fine not exceeding one thousand dollars or to imprisonment for a term not exceeding six months or to both such fine and imprisonment.

(4) Nothing contained in this section shall be deemed to preclude the Corporation from making with the consent of an applicant such enquiries as the Corporation may deem fit in connection with an application made to it by that applicant.

Disclosure by member of Corporation of interest in transaction with Corporation, and disqualification.

10. (1) Subject to the provisions of this section, it shall be the duty of a member of the Corporation who is in any way, whether directly or indirectly, interested in an application to the Corporation for a loan under the provisions of this Ordinance or in a company or firm in receipt of such a loan, or in a contract or proposed contract with the Corporation, to declare the nature of his interest at a meeting of the Corporation.

(2) In the case of such application or proposed contract the declaration required by this section to be made by a member of the Corporation shall be made at the meeting of the Corporation at which the question of granting or refusing the application or entering into the contract is first taken into consideration, or if such member was not at the date of that meeting interested in the application or proposed contract at the next meeting of the Corporation held after he became so interested and in a case where such member acquires an interest in any company or firm in receipt of a loan from the Corporation or becomes interested in a contract with the Corporation after it is made, the said declaration shall be made at the first meeting of the Corporation held after such member acquires such interest or becomes so interested.

(3) For the purpose of this section, a general notice given to the other members of the Corporation by a member to the effect that he is also a member of a specified company or firm and is to be regarded as interested in any application for a loan from the Corporation or in any contract which may, after the date of the notice, be made by or with that company or firm, shall be deemed to be a sufficient declaration of interest in relation to any application or contract so made:

Provided that no such notice shall be of effect unless either it is given at a meeting of the Corporation or the member of the Corporation concerned takes reasonable steps to secure that it is brought up and read at the next meeting of the Corporation after it is given.

(4) No member of the Corporation shall sit or take part in proceedings or vote on the decision of any application to the Corporation for a loan in which he is interested, or in respect of any contract or arrangement in which he is interested, whether directly or indirectly, and if he shall vote his vote shall not be counted nor shall he be counted in the quorum present at the meeting.

(5) Any member of the Corporation who fails to comply with any of the provisions of subsections (1), (2) and (3) of this section or contravenes any of the provisions of subsection (4) of this section shall be guilty of an offence, and shall, on summary conviction thereof, be liable to a fine not exceeding five hundred dollars or to imprisonment for a term not exceeding six months.

11. The Corporation may establish branch offices or agencies in any part of the Colony to be managed in accordance with such rules and directions as may, from time to time, be made by the Corporation.

Power of Corporation to establish branch offices or agencies

12. (1) The Corporation may sub-divide the Colony into districts for the purposes of this Ordinance, and may, in each of the districts so created, constitute a district committee consisting of such members as the Corporation may appoint.

Power of Corporation to appoint district committees.

(2) The Corporation may, as it thinks fit, at any time and from time to time, alter the boundaries of any district or make a new sub-division of the Colony into districts.

(3) The Corporation may as it thinks fit, revoke any appointment made by the Corporation to any district committee, and increase or reduce the number of members of any district committee.

(4) A district committee shall perform such functions as the Corporation may direct.

13. (1) Any transport, mortgage, lease, assignment, transfer, agreement, or other document requiring to be executed by the Corporation shall be deemed to be duly executed —

Execution of documents.

(a) if signed by the Chairman or the Deputy Chairman and the General Manager or the Secretary;  
or

(b) if signed, whether within or outside the Colony, by a person or persons authorised by resolution of the Corporation so to sign, provided that in such case an extract of such resolution, certified by the Chairman or the Deputy Chairman and the Secretary shall be attached to and form part of the document.

(2) Any cheque, bill of exchange or order for the payment of money requiring to be executed by the Corporation shall be deemed to be duly executed if signed by a person or persons authorised by resolution of the Corporation so to sign.

## PART II

### GENERAL FUNCTIONS AND DUTIES OF THE CORPORATION

General  
functions  
and duties  
of the  
Corpora-  
tion

14. (1) It shall be the duty of the Corporation to promote the economic development of the Colony and with that object to provide financial credits where necessary and desirable and to stimulate and facilitate private investment in the Colony by local and external capital.

(2) The Corporation shall in pursuance of the discharge of its duties provide credits for agriculture, industry, rural and urban housing, and utilities both of a public and private nature and other undertakings of a like nature.

(3) Without prejudice to the generality of the provisions of subsection (2) of this section, the functions of the Corporation in the discharge of its duties shall be to—

(a) take over from time to time any credit activities of the Government including outstanding loans to private enterprises but excluding advances of salaries to public officers and advances to local authorities constituted under the provisions of the Local Government Ordinance, 1945;

(b) provide agricultural and industrial credits to Co-operative Societies registered under the Co-operative Societies Ordinance, 1948;

(c) provide credits for land settlement schemes;

(d) provide such credits as are necessary for agricultural and industrial undertakings other than those engaged in the manufacture of sugar;

(e) make loans to individuals, and make loans to, and purchase shares or debentures of, companies engaged in new or existing industries;

(f) promote the introduction of private external capital for investment in agriculture, industry and mining;

(g) promote useful innovations in agriculture and industry;

(h) provide credits for private or mixed private and public investment in rural and urban housing.

(4) The Corporation shall have power for the purpose of the discharge of its duties—

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1945

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1948

- (a) to carry on all activities the carrying on whereof appears to the Corporation to be requisite, advantageous or convenient for or in connection with the discharge of its said duties, including the processing and marketing of products and research activities;
- (b) to promote the carrying on of any such activities by other bodies or persons, and for that purpose to establish or expand, or promote the establishment or expansion of, other bodies to carry on any such activities either under the control or partial control of the Corporation or independently, and to give assistance to such bodies or to other bodies or persons appearing to the Corporation to have facilities for the carrying on of any such activities including financial assistance by the taking up of share or loan capital, or by loan or otherwise.

(5) Where an officer in the public service who holds a pensionable office within the meaning of the Pensions Ordinance, 1933, is appointed to be an officer of the Corporation, the Corporation shall pay to the Government of the Colony an annual pension contribution at such rate per centum of the officer's annual emoluments from the Corporation as may, from time to time, be approved by the Governor in Council, and the service of such person while in the employment of the Corporation shall be deemed to be service under the Government of the Colony and shall be subject to the provisions of the Pensions Ordinance, 1933, as amended from time to time.

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15. The Corporation shall have power to do any thing and to enter into any transaction (whether or not involving expenditure, borrowing, granting of loans or investment of money in accordance with the provisions of this Ordinance in that behalf, the acquisition of any property or rights, or, subject to the provisions of section 19 of this Ordinance, the disposal of any property or rights) which in its opinion is calculated to facilitate the proper discharge of its functions or is incidental or conducive thereto.

General  
Powers of  
Corporation  
to transact  
business

16. (1) The Corporation may appoint a committee of the Corporation to examine and report to the Corporation on any matter whatsoever arising out of or connected with any of its powers and duties under this Ordinance.

Power to  
appoint  
committees

(2) Any such committee shall consist of at least two members of the Corporation together with such other persons, whether members of the Corporation or not, whose assistance or advice the Corporation may desire.

(3) Where persons, not being members of the Corporation, are members of a committee appointed under this section, or where any person is co-opted under the provisions of subsection (9) of section 8 of this Ordinance, the Corporation may by resolution declare the remuneration and allowances of such persons, and such sums shall properly be payable out of the funds and resources of the Corporation.



(4) The Corporation may by resolution reject the report of any such committee or adopt it either wholly or with such modifications, additions or adaptations as the Corporation may think fit.

Power to delegate.

17. Subject to the provisions of this Ordinance, the Corporation may delegate to any member or committee of the Corporation the power and authority to carry out on its behalf such duties as the Corporation may determine.

Appointment of valuers and inspectors

18. (1) The Corporation may from time to time appoint and employ valuers and inspectors at such remuneration and on such terms as the Corporation may determine and may in its discretion remove any person so appointed. The Corporation may cause notice of every such appointment and removal to be published in the Gazette.

(2) The fee of any valuer or inspector shall be fixed by the Corporation and shall be payable by the applicant for a loan before the valuation is made.

(3) Any valuer or inspector appointed under this section may, at all reasonable times enter upon any lands or premises in respect of which a loan has been made under the provisions of this Ordinance and may value or inspect the same; and any person obstructing or causing to be obstructed any valuer or inspector in making such valuation or inspection, whether by force or by threats or in any other manner shall be guilty of an offence and shall, on summary conviction thereof, be liable to a fine not exceeding two hundred and fifty dollars or to imprisonment for a term not exceeding six months.

Balancing of revenue account, and surplus revenue.

19. (1) It shall be the duty of the Corporation so to exercise and perform its functions as to secure that its revenues are not less than sufficient to meet all sums properly chargeable to its revenue account taking one year with another.

(2) Any excess of the revenues of the Corporation for any financial year thereof over the sums properly chargeable to its revenue account for that year shall be applied by the Corporation for such purposes as it may determine with the approval of the Governor in Council.

### PART III

#### FINANCIAL PROVISIONS

Funds and resources of the Corporation

20. (1) The funds and resources of the Corporation shall consist of—

- (a) such sums as may be provided annually for the purposes of the Corporation in estimates of revenue and expenditure of the Colony;
- (b) such sums as may be allocated from time to time to the Corporation from the proceeds of loans raised by the Colony;
- (c) such sums as may from time to time be allocated to the Corporation from grants or loans made by the Colony by Her Majesty's Government in

- the United Kingdom under the Colonial Development and Welfare Act, 1940, or otherwise;
- (d) all sums from time to time received by or falling due to the Corporation in respect of the repayment of any loan made by the Corporation and the interest payable in respect of any such loan;
- (e) moneys earned or arising from any property, investments, mortgages and debentures acquired by or vested in the Corporation;
- (f) any property, mortgages, debentures or investments acquired by or vested in the Corporation;
- (g) sums borrowed by the Corporation for the purpose of meeting any of its obligations or discharging any of its functions;
- (h) all other sums or property which may in any manner become payable to or vested in the Corporation in respect of any matter incidental to its powers and duties.

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(2) Interest shall be paid by the Corporation to the Government of the Colony at such rate as may be determined by the Governor in Council on any amount specified in paragraph (a) or (c) of subsection (1) of this section.

(3) The annual charges on any amount which may be allocated to the Corporation from the proceeds of loans raised by the Colony under paragraph (b) of subsection (1) of this section shall be met by the Corporation:

Provided that all or any part of such charges may be met from the general revenue of the Colony subject to the approval of the Legislature.

21. (1) Subject to the provisions of subsection (2) of this section, the Corporation may borrow sums required by the Corporation for meeting any of its obligations or discharging any of its functions.

Borrowing  
powers

(2) The power of the Corporation to borrow shall be exercisable only with the approval of the Governor in Council, as to the amount, as to the sources of the borrowing and as to the terms on which the borrowing may be effected. An approval given in any respect for the purposes of this subsection may be either general or limited to a particular borrowing or otherwise, and may be either unconditional or subject to conditions.

22. Moneys standing to the credit of the Corporation may from time to time be invested in securities approved either generally or specifically by the Governor in Council, and the Corporation may, from time to time, with the like approval sell any or all of such securities.

Invest-  
ments.

23. Subject to such conditions as it may deem fit to impose in particularly cases, the Corporation may, out of its funds and resources, make loans in accordance with the provisions of this Ordinance in that behalf, in the execution of its duty or in the discharge of its functions under section 14 of this Ordinance.

Power of  
Corporation  
to make  
loans

Other powers of expenditure

24. In addition to the provisions of section 23 of this Ordinance, the Corporation may from their funds and resources—

- (a) pay any expenses lawfully incurred by the Corporation including survey, legal and other fees and costs;
- (b) pay any other expense, cost, or expenditure properly incurred or accepted by the Corporation in pursuance of its purpose under the provisions of this Ordinance;
- (c) (i) purchase plant, equipment, stores and any other materials;
- (ii) acquire land;
- (iii) erect buildings;
- (iv) carry out any other works and undertakings, in the execution of its duty or in the discharge of its functions under section 14 of this Ordinance, in contemplation of loans to be made for those purposes under the provisions of section 23 of this Ordinance, so, however, that any sums expended by the Corporation under this paragraph shall be set off against the loans in contemplation of which they were expended upon the actual making of such loans.

Interest on loans made by the Corporation.

25. In making loans under the provisions of this Ordinance the Corporation may charge such rate of interest as it may deem fit in any particular case.

Repayment of loans made by the Corporation.

26. Subject to the provisions of sections 27 and 28 and of subsection (3) of section 52 of this Ordinance every loan shall be repaid to the Corporation in accordance with the terms and conditions under which such loan was made and the moneys so paid shall thereupon be taken into the accounts of the Corporation.

Suspension of payment of principal and interest and power to extend time, compound or release

27. The Corporation may —

- (a) postpone the payment of any sum due for principal or interest to them in respect of a loan made by the Corporation upon such terms and conditions for the carrying out of the purposes for which such loan was made and for the ultimate repayment of such principal or payment of such interest as it may deem necessary;
- (b) from time to time extend the period for the repayment of any loan, or compound or release any loan or any part thereof subject to such terms and conditions as it may deem fit.

Payment of loan before due date.

28. The Corporation may at any time accept payment of the whole or any part of the amount representing the principal of a loan and interest thereon, before the time when such payment is due, upon such terms and conditions as it may think fit.

29. (1) When any loan has been made for the cultivation of crops and the expenses of reaping and making merchantable such crops, all the crops and produce reaped or gathered from the land shall, until such advance has been repaid, be dealt with and disposed of as the Corporation may direct, and, until so disposed of, shall be held by the person obtaining the loan in trust for the Corporation. Any person to whom a loan has been made, who disposes of any such crops or produce except in the manner directed by the Corporation or by this Ordinance, shall be guilty of an offence and shall, on summary conviction thereof, be liable to a fine not exceeding five hundred dollars, or to imprisonment for a term not exceeding six months.

Power of Corporation to dispose of crops

(2) It shall be lawful for the Corporation to enter into agreement with any person operating a rice factory or dealing in produce of any kind for the disposal of padi or produce belonging to any person to whom loans shall have been made under the provisions of this Ordinance in respect of such padi or produce. The agreement shall provide for the sale without undue delay of such padi or produce and the immediate payment to the Corporation of the proceeds of such sale or such part thereof as the Corporation shall think fit to the credit of such person.

(3) Any person so entrusted with the disposal of the padi or produce of any person obtaining a loan under the provisions of this Ordinance who shall fail to pay the proceeds of sale to the Corporation as provided in subsection (2) hereof shall be guilty of an offence and shall, on summary conviction thereof, be liable to a fine not exceeding five hundred dollars or to imprisonment for a term not exceeding six months.

(4) The provisions of this section shall not apply to any padi reserved as rent or affected by a specified condition in an agreement of tenancy within the meaning of the Rice Farmers (Security of Tenure) Ordinance, 1945, which reservation or condition is in force at the date of the loan made by the Corporation; and, subject to the foregoing provisions, the exercise by the Corporation of any of its powers under this section shall not entitle a landlord to give his tenant notice to quit his rice land under the provisions of section 7 of the Rice Farmers (Security of Tenure) Ordinance, 1945.

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No. 10 of 1945.

30. Every mortgage to secure a loan and every instrument or charge under the provisions of this Ordinance shall be prepared by the Corporation. The person to whom the loan is made shall pay the legal charges in connection therewith, and shall also pay all necessary disbursements.

Mortgages and charges to be prepared by Corporation

31. (1) Where the Corporation has made a loan of money under the provisions of this Ordinance it may —

Examination as to application of moneys lent.

(a) from time to time, make or cause to be made such examination as may be necessary to ensure that the loan is being applied to the purposes for which it was made;

(b) require financial statements in such detail as it may determine to be submitted by the person, body or authority in receipt of the loan bi-annually or at shorter intervals at the discretion of the Corporation and such person, body or authority shall comply with such request.

(2) The Corporation may authorise in writing any of its officers or any other person to make such examination, and the person, body or authority in receipt of the loan shall produce to such officer or person all the books, documents and other matters and things necessary for the purposes of the examination.

(3) Any person who contravenes any of the provisions of paragraph (b) of subsection (1) of this section or any of the provisions of subsection (2) of this section, shall be guilty of an offence and shall, on summary conviction thereof, be liable to a fine not exceeding one thousand dollars or to imprisonment for a term not exceeding six months.

Order of  
Corpora-  
tion upon  
such ex-  
amination.

32. Where upon any examination made under the provisions of section 31 of this Ordinance it appears to the Corporation that any sum being the whole or any part of the loan has not been applied for the purposes for which the loan was made the Corporation may order that any such sum be, within the time mentioned in the order, applied to such purposes or that such sum together with any interest due thereon on the date of the order be repaid to the Corporation within the time mentioned in the order, and any sum with the interest thereon so ordered to be repaid to the Corporation shall thereupon become a debt due to the Corporation.

Cancellation or  
modification  
of approval  
of loan

33. At any time after the approval of a loan and before the actual payment of the money the Corporation may at its discretion and without assigning any reason therefor cancel or modify such approval and withhold payment of the whole or a portion of the money.

Power of  
Corpora-  
tion to  
direct that  
any part  
outstand-  
ing of an  
approved  
loan be not  
paid.

34. In any case where the Corporation has approved the making of a loan by instalments and any part of such loan has not yet been advanced if —

- (a) any sum of money, whether principal or interest, due in respect of any loan made under this Ordinance remains unpaid; or
- (b) in the opinion of the Corporation, any prior loan made under this Ordinance has not been applied for the purpose for which it was made or has not been carefully and economically expended; or
- (c) the borrower has become insolvent or has been sentenced to a term of imprisonment without the option of the payment of a fine or has assigned his estate for the benefit of creditors; or
- (d) there has been a breach or non-observance of any condition attached to the loan; or
- (e) in the opinion of the Corporation, the sums al-

ready advanced were not applied to the purposes for which the loan was made within reasonable time :

the Corporation without prejudice to any other remedy, may refuse to advance any portion of the loan still outstanding.

35. (1) No loan or part thereof made under the provisions of this Ordinance shall be applied otherwise than for such purposes as may be authorised by the Corporation under this Ordinance or by any Regulations made thereunder.

Misapplication of loan secured by mortgage or otherwise.

(2) If any loan made under the provisions of this Ordinance or any part of such loan has been misapplied the Corporation may --

(a) where such loan has been secured by mortgage, by notice in writing addressed to the mortgagor, recall the said loan or any part thereof and may require the loan or that part together with any interest due on such loan or part thereof on the date of the notice to be repaid on a date to be specified in the notice and in default of payment on such specified date any security given for the purpose of the loan may thereupon be realised;

(b) where such loan has been secured otherwise than by way of mortgage, by notice addressed to the borrower, request the loan or any part thereof together with any interest due on such loan or part thereof on the date of the notice to be repaid on a date to be specified in the notice and in default of payment on such specified date any security given for the purpose of the loan may thereupon be realised.

(3) The provisions of subsection (2) of this section shall be in addition to any other proceedings under any Ordinance.

36. Where any property mortgaged as security for a loan under the provisions of this Ordinance is sold for the purpose of the enforcement of the security the Corporation may buy such property and may either manage and hold such property or sell or otherwise dispose of it as the Corporation may deem fit.

Enforcement of securities.

#### PART IV

#### MISCELLANEOUS

37. Where a loan is made by the Corporation on the security of a mortgage of any property, whether with or without any other security, the property, from and after the date of the mortgage, shall be charged with the payment of such loan and interest as in the mortgage mentioned, in priority, save so far as otherwise specified in the mortgage, to every other debt, mortgage or charge whatsoever affecting the property, except any statutory claim or any loan due to any creditor which has been made in good faith

Charge on property and priority of loan.

before the loan made by the Corporation and which has been secured by a duly registered mortgage of the property executed to a person who is entitled as a *bona fide* creditor to the repayment thereof with interest.

Loans by Corporation to be preferent charges against borrower's property in certain circumstances.

38. (1) Any loan not exceeding nine hundred and sixty dollars made by the Corporation, together with interest that may have accrued thereon, shall constitute a preferent charge on all movable and immovable property of a borrower, or any other person who becomes a surety for the repayment of such loan over and above all claims of whatever nature, not being statutory claims or claims secured under registered encumbrances existing before the loan made by the Corporation and the same preference shall apply if proceedings in insolvency are instituted against the borrower.

(2) In any case where any movable or immovable property of a borrower or a surety is sold by the Official Receiver, Registrar of Deeds, or any magistrate's clerk such vendor shall, after paying all expenses of the sale and all claims, rates and taxes due, deduct the amount of the loan due to the Corporation, together with any interest accrued thereon to the date of the sale and pay it to the Corporation:

Provided that —

- (a) the obligation imposed by this section on the Official Receiver and magistrates' clerks shall not in any case arise unless the Corporation, on or before the date of the sale, gives notice in writing to the Official Receiver or the magistrate's clerk, as the case may be, of the existence of unpaid loans, and unless within seven days after the sale the Corporation gives further notice in writing to the Official Receiver, or magistrate's clerk, as the case may be, of the amount thereof; and
- (b) the obligation imposed by this section on the Registrar of Deeds shall only arise in sales in execution for the purpose of enforcing payment of a statutory claim or for the purpose of enforcing payment of a judgement debt of a judgement creditor other than the holder of a statutory claim or a registered encumbrance, and shall not in any case arise unless the Corporation not later than the day before the day of the sale has given to the Registrar of Deeds notice in writing of the existence and of the amount of the unpaid loans.

Offences in respect of loans.

39. Any person who —

- (a) obtains a loan from the Corporation under the provisions of this Ordinance by means of any false representation;
- (b) wilfully applies any loan made to him by the Corporation under the provisions of this Ordinance to any purpose other than the purpose for which the loan was made;

(c) having obtained a loan from the Corporation under the provisions of this Ordinance, wilfully destroys any security given in relation to any such loan,

shall be guilty of an offence against this Ordinance and shall, on summary conviction thereof, be liable to a fine not exceeding one thousand dollars, or to imprisonment for a term not exceeding twelve months, or to both such fine and imprisonment.

40. Any applicant for a loan who wilfully fails to disclose any material information within his knowledge, or who wilfully makes any statement which he knows to be false or does not believe to be true, shall be guilty of an offence and shall, on summary conviction thereof, be liable to a fine not exceeding five hundred dollars or to imprisonment for a term not exceeding six months.

False statements.

41. Any prosecution for an offence may be instituted by any person employed by the Corporation or by any person authorised in writing in that behalf by the Corporation.

Persons authorised to prosecute on behalf of the Corporation.

42. All sums due to the Corporation from any borrower shall be recoverable at the option of the Corporation either in a court in the Georgetown Judicial District or in a court situate in the judicial district in which the borrower resides.

Jurisdiction.

43. Proceedings in respect of offences under this Ordinance or of any Regulations made hereunder may be commenced at any time within five years from the date on which the offence was committed.

Limit of time for prosecution.

44. Proceedings for offences arising out of the provisions of this Ordinance or in connection with any loan made hereunder shall not be instituted without the consent in writing of the Attorney General.

Attorney General's fiat.

45. In any criminal proceeding in respect of an offence under paragraph (b) of section 39 of this Ordinance the onus of proving that he acted in good faith and without knowledge that he was not entitled so to apply the loan or any part thereof shall be upon the person charged.

Burden of proof in cases of misapplication of loans.

46. Any minutes made of meetings of the Corporation shall, if duly signed by the Chairman, be receivable in evidence in all legal proceedings without further proof and every meeting of the Corporation in respect of the proceedings of which minutes have been so made shall be deemed to have been duly convened and held and all members thereat to have been duly qualified to act.

Minutes receivable in evidence.

47. No act done or proceeding taken under this Ordinance shall be questioned on the ground —

Protection of Corporation.

(a) of the existence of any vacancy in the membership of, or any defect in the constitution of, the Corporation; or



- (b) of the contravention by a member of the Corporation of the provisions of section 10 of this Ordinance; or
- (c) of any omission, defect or irregularity not affecting the merits of the case.

Protection of persons acting under this Ordinance. Cap. 254.

48. Any person acting in the execution of his office or duty under the provisions of this Ordinance or of any Regulations made hereunder shall be entitled to the protection afforded by the Justices Protection Ordinance.

Regulations.

49. The Corporation, with the approval of the Governor in Council, may, subject to the express provisions of this Ordinance, make Regulations —

- (a) governing the proceedings of the Corporation and the manner and transaction of its business;
- (b) prescribing the circumstances in which members of the Corporation may receive travelling and subsistence allowances and fixing the rates of such allowances;
- (c) imposing fees in such cases as may be determined by the Corporation;
- (d) generally for the exercise of its powers and duties under the provisions of this Ordinance.

Fees to be taken in respect of mortgages. Cap. 177. Schedule. Part I.

50. (1) Any thing contained in the Deeds Registry Ordinance, or in any Regulations made thereunder, to the contrary notwithstanding, the fees to be taken by the Registrar of Deeds for the services set out in the Schedule to this Ordinance when rendered in respect of mortgages of any amount in favour of the Corporation shall be those specified in Part I of the said Schedule.

Schedule. Part II. No. 43 of 1939.

(2) The fees to be taken by the Registrar of Deeds for filing an instrument charging movable property in accordance with this Ordinance shall be those set out at Part II of the Schedule to this Ordinance and notwithstanding anything in the Tax Ordinance, 1939, or in any other law contained, the stamp duty payable on every such instrument shall be that set out in that part of the said Ordinance.

Liability of Corporation for Income Tax.

51. Nothing in this Ordinance shall exempt the Corporation from liability for Income Tax.

Accounts and audits.

52. (1) The Corporation shall keep accounts of its transactions to the satisfaction of the Governor in Council and such accounts shall be audited annually by an auditor appointed by the Governor in Council.

(2) The members, the General Manager, the Secretary, the other officers and servants of the Corporation shall grant to the auditor appointed to audit the accounts of the Corporation under the provisions of subsection (1) of this section access to all

books, documents, cash and securities of the Corporation and shall give to him on request all such information as may be within their knowledge in relation to the operation of the Corporation.

(3) The Corporation may write off bad debts.

53. (1) The Corporation shall not later than six months from the end of each calendar year submit to the Governor in Council a report containing —

**Report.**

(a) an account of its transactions throughout the preceding calendar year in such detail as the Governor in Council may direct; and

(b) a statement of the accounts of the Corporation audited in accordance with the provisions of section 52 of this Ordinance.

(2) A copy of the report together with a copy of the auditor's report shall be printed and laid on the table of the Legislature and published in the Gazette.

54. The Governor in Council, may, after consultation with the Chairman, give to the Corporation directions of a general character as to the policy to be followed in the exercise and performance of its functions in relation to matters appearing to him to concern the public interest, and the Corporation shall give effect to any such directions.

**Powers of Governor in Council.**

55. (1) All lands and property of whatsoever nature vested in the local credit banks shall be and are hereby transferred to and shall vest in the Corporation as part of the assets of the Corporation established under this Ordinance without any conveyance, transfer or other formality.

**Transfer of assets and liabilities.**

(2) Every loan made under the Co-operative Credit Banks Ordinance, 1944, by the local credit banks, together with any interest thereon, and still due and owing on the date of coming into operation of this Ordinance shall be deemed to have been made with the authority of the Corporation and all promissory notes, Bills of Sale, Charges and instruments of whatsoever nature for securing the repayment of any such loan to the local credit banks shall be deemed to have been made in favour of the Corporation which is hereby substituted without any other formality for the local credit banks in every deed and every mortgage or charge and other document evidencing any such loan for securing its repayment and all the rights, powers, privileges and authorities vested in or exercisable by the local credit banks in connection with any such loan are hereby transferred to and shall be exercisable by the Corporation.

**No. 16 of 1944.**

(3) All the benefits of any policies of insurance made by the local credit banks or by borrowers therefrom under the Co-operative Credit Banks Ordinance, 1944, either as collateral security or in respect of buildings and machinery secured by mortgage and every insurance assigned in favour of the local credit banks by borrowers shall be deemed to have been assigned to the Corporation and the policies concerned and all benefits

**No. 16 of 1944.**

accruing hereunder shall subsist and have effect accordingly without any notice or other formality whatsoever.

Cap. 155

No. 22 of  
1948.

(4) All loans made under the Rice Growers Loans Ordinance, and the Co-operative Credit Banks (Special Provisions) Ordinance, 1948, and still due and owing on the date of coming into operation of this Ordinance shall be deemed to have been made with the authority of the Corporation and all the rights, powers, privileges and authorities vested in or exercisable by the local credit banks in connection with any such loans are hereby transferred and assigned to and shall become exercisable by the Corporation:

Provided that on the coming into operation of this Ordinance the Corporation shall be charged with and assume responsibility of and liability for all the amounts loaned under the Ordinances hereinbefore mentioned but shall not be liable to Government for any such amounts as are irrecoverable.

Bank  
accounts of  
former  
Banks to  
vest in  
Corpora-  
tion.

(5) Where any local credit bank established has an account or accounts with any commercial bank in the Colony the said account or accounts shall, with effect from the commencement of this Ordinance, be transferred to the name of the Corporation and any monies standing to the credit of any such local credit bank shall, with effect from the date aforesaid vest in the Corporation.

(6) Subject to the provisions of subsection (1) of section 55 of this Ordinance all the liabilities and obligations of the local credit banks immediately prior to the coming into operation of this Ordinance are hereby transferred and assigned to the Corporation and shall become the liability and obligation of the Corporation.

(7) All causes and rights of action accrued before the commencement of this Ordinance, and then in any manner enforceable by, for or against any of the local credit banks, and all deeds, leases, purchases, sales, covenants, agreements and contracts which have been executed, made or entered into by, with, to or in relation to any of the local credit banks, shall be and shall remain as good, valid and effectual for or against the Corporation as they would or might have been against any such local credit bank if this Ordinance had not been enacted.

Considera-  
tion for  
transfer of  
assets of  
local credit  
banks.

56. (1) The Corporation shall, as full consideration for the transfer to the Corporation of the assets of the local credit banks pay to the several shareholders of the local credit banks or their heirs, executors or administrators —

- (i) within six months of the commencement of this Ordinance, the face value of the fully paid shares held by them in the former banks at the date of the transfer;
- (ii) within twelve months of the commencement of this Ordinance, and subject to the provisions of subsection (4) of this section, an amount *pro rata* of the reserves and undistributed profits shown by the audited balance sheet of each such bank at the 31st December, 1953.

(2) Anything in section 60 of this Ordinance to the contrary notwithstanding it shall be lawful for a special general meeting of members of any of the local credit banks to be held within one month of the commencement of this Ordinance in the same manner as though this Ordinance had not been enacted for the purpose of determining the payment out of the undistributed profits of the bank as shown on the audited balance sheet at the 31st December, 1953, of an honorarium to the Secretary and the Clerical Assistant, if any, of the bank in respect of past services to the bank.

(3) The Corporation shall within twelve months of the commencement of this Ordinance pay to each person to whom an honorarium shall have been voted in accordance with the provisions of subsection (2) of this section the amount of such honorarium:

Provided that no such payment shall be made by the Corporation unless within two months of the commencement of this Ordinance the Chairman of the bank shall have notified the Corporation by writing under his hand that such an honorarium has been voted at a special general meeting of the bank held under the provisions of subsection (2) of this section, and in such notification shall have specified the amount of the honorarium voted in respect of each such person.

(4) The payment by the Corporation of any amount under subsection (3) of this section shall be taken into account for the purposes of the payment to the several shareholders of the bank of *pro rata* amounts of the undistributed profits of the bank as specified in paragraph (ii) of subsection (1) of this section.

57. (1) All the assets and liabilities of the fund established in connection with the local credit banks and known as the "Credit Banks (Secretaries) Guarantee Fund" shall on the commencement of this Ordinance, vest in and devolve on the Corporation.

(2) Such assets shall be applied to the purposes of this Ordinance in such manner as the Corporation may determine.

(3) The account in the Post Office Savings Bank opened in the name of the fund shall, on the coming into operation of this Ordinance, be transferred to the name of the Corporation as the holder of such account and any sum standing to the credit of the fund shall, with effect from the date aforesaid, vest in the Corporation.

58. (1) All persons who at the commencement of this Ordinance, have in their possession or under their control any moneys, books, documents, papers, securities or effects belonging to any local credit bank or to any committee established by any Ordinance repealed by this Ordinance, or to which any such local credit bank or committee would have been entitled, shall be liable to account for and deliver up the same to the Corporation, or to such person as the Corporation may appoint to receive the same, in the same manner as if such persons had been appointed by the Corporation and had become possessed of such moneys, books, documents, papers and securities or effects in the course of employment as a servant or agent of the Corporation.

**Credit  
Banks  
(Secretaries)  
Guarantee  
Fund.**

**Property  
belonging  
to Board  
or banks  
established  
by the  
repealed  
Ordinances  
to be  
delivered  
to the  
Corpora-  
tion.**

Penalty for neglect to deliver property of Corporation.

(2) Any person who shall omit or neglect to account for and deliver to the Corporation any moneys, books, documents, papers, securities or effects which under the provisions of subsection (1) of this section he is liable to account for and deliver shall be guilty of an offence and shall, on summary conviction thereof, be liable to a fine not exceeding five hundred dollars or to imprisonment for a term not exceeding six months or to both such fine and imprisonment.

Dissolution of former Banks.

59. The local credit banks are hereby dissolved and the registration thereof cancelled.

Repeal and saving. No. 16 of 1944 No. 16 of 1946.

60. (1) The Co-operative Credit Banks Ordinance, 1944 and the Co-operative Credit Banks (Amendment) Ordinance, 1946, (hereinafter in this section referred to as "the repealed Ordinances") are hereby repealed:

Provided that any of the local credit banks which may be in process of being wound up under the provisions of the repealed Ordinances at the date of commencement of this Ordinance shall continue to be wound up and the dissolution thereof shall be completed in the same manner as though this Ordinance had not been enacted.

Cap. 155 No. 22 of 1948.

(2) The Rice Growers Loans Ordinance, and the Co-operative Credit Banks (Special Provisions) Ordinance, 1948, are hereby repealed.

(3) The repeal of the Ordinances aforesaid shall in no way affect the validity of any act, proceeding, or thing duly done, taken, or commenced, under the provisions of those Ordinances; and any act, proceeding, or thing so commenced but not completed shall be continued under the provisions of this Ordinance.

Power to amend the Schedule.

61. The Governor in Council may, at any time and from time to time, alter, amend or revoke the provisions contained in the Schedule to this Ordinance and may add new provisions thereto for the purposes of this Ordinance.

SCHEDULE

(Section 50)

PART I

(FEES TO BE CHARGED IN RESPECT OF MORTGAGES EXECUTED BY THE CORPORATION AND A BORROWER THEREFROM).

- For preparing advertisement of mortgage and for three publications thereof, for examination of title and certificate under rule 9 of the Deeds Registry Rules, 1920, for preparing gross for attending on execution, completion and registration, on a loan —

Exceeding	Not Exceeding	Fee
—	\$ 1,000	\$ 5.00
\$ 1,000	\$ 5,000	\$ 7.50
\$ 5,000	\$10,000	\$10.00
\$10,000	—	\$15.00

- For cancellation of mortgage and for certificate under rule 9 of the Deeds Registry Rules, 1920, an inclusive fee of .. .. \$1.00

3. For original certificate as to title of judgment debtor to property proposed to be levied on and as to encumbrances thereon, including searches, in respect of any number of parcels of land, an inclusive fee of .. .. . \$1.00

## PART II

## (FEES AND STAMP DUTY PAYABLE ON INSTRUMENT).

- |   |        |           |
|---|--------|-----------|
| 1. Filing every instrument of charge with the Registrar of Deeds appointed under the Deeds Registry Ordinance .. .. . | \$1.00 | Cap. 177. |
| 2. Issuing certified copy of every instrument of charge for the use of the Corporation .. .. .                        | \$ .12 |           |
| 3. Stamp duty on every instrument securing repayment of a loan  | \$ .25 |           |
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