

**THE OFFICIAL GAZETTE 16TH NOVEMBER, 2004**  
**LEGAL SUPPLEMENT - C**

---

BILL No. 20 of 2004

*Tuesday 16<sup>th</sup> November, 2004*

PARLIAMENT OFFICE  
Public Buildings,  
Georgetown,  
Guyana.  
16<sup>th</sup> November, 2004

The following Bill which will be introduced in the National Assembly is published for general information.

*Maurice B. Henry,*  
for Clerk of the National Assembly.



**GUYANA**

**BILL No. 20 of 2004**

**BANK OF GUYANA (AMENDMENT) BILL 2004**

**ARRANGEMENT OF SECTIONS**

**SECTION**

1. Short title.
2. Amendment of section 9 of the Principal Act.
3. Amendment of section 10 of the Principal Act.
4. Amendment of section 12 of the Principal Act.
5. Amendment of section 14 of the Principal Act.
6. Amendment of section 17 of the Principal Act.
7. Insertion of new sections 17A and 17B in the Principal Act.

**A BILL  
Intituled**

AN ACT to amend the Bank of Guyana Act 1998.

A 12 2004

Enacted by the Parliament of Guyana:-

Short title:  
Act No. 19  
of 1998.

1. This Act, which amends the Bank of Guyana Act 1998, may be cited as the **Bank of Guyana (Amendment) Act 2004**.

Amendment  
of section 9  
of the  
Principal  
Act

2. Section 9 of the Principal Act is hereby amended in the following respects –

- (a) in subsection 1(c), for the words “two” and “four” substitute the words “four” and “six”, respectively;
- (b) by the insertion immediately after subsection (2) of the following as subsection (2A) -  
“2A The contractual terms and conditions of the appointment of the Governor and Deputy Governor, including remuneration and other benefits shall be specified upon appointment.”;
- (c) by the insertion immediately after subsection (4) of the following as subsection (4A) and (4B) –

3

“(4A) The Governor is eligible for re-appointment by the President, on the expiration of his terms of office, for a further period not exceeding five years .

(4B) The Deputy Governor is eligible for re-appointment by the Minister, on the expiration of his term of office, for a further period not exceeding five years.”.

(d) by the substitution for subsection (5) of the following subsection –

“(5) Every other Director is eligible for re-appointment on the expiration of his term of office for such period not exceeding five years as the Minister may determine.”.

Amendment  
of section 10  
of the  
Principal  
Act.

3. Section 10 of the Principal Act is hereby amended in the following respects –

- (a) in subsection (2), by the substitution for the word “two” of the word “three”;
- (b) in subsection (3) and in every other written law there shall be substituted for the words “Secretary to the Treasury” the words “Finance Secretary”;
- (c) by the substitution for subsection (4) of the following subsection –

“(4) A quorum for any meeting of the Board shall be a majority of the Directors.”.

4

Amendment  
of section 12  
of the  
Principal  
Act.

4. Section 12 of the Principal Act is hereby amended in the following respects –

- (a) in subsection (2), by the insertion at the end of the following sentence -  
“The contractual terms and conditions of the appointment of the Banking Manager including remuneration and other benefits shall be specified upon appointment.”.
- (b) in subsection (3), by the deletion of the words “Deputy Governor and” and by the substitution for the words “their terms” of the words “his term”.

Amendment of  
section 14(1) of  
the principal  
Act

5. Section 14(1) of the Principal Act is hereby amended by the substitution for the paragraph (c) of the following paragraph-

“(c) is a director, officer or other employee or a major shareholder of -

No 1 of 1995.

- (i) any financial institution referred to in the Financial Institutions Act 1995 or of any subsidiary or other affiliate as defined in that Act, of such institution;

No 21 of 1998

- (ii) any securities company within the meaning of the Securities Industry Act 1998 or of any subsidiary or other affiliate, as defined in that Act, of such securities company;
- or

No. 20 of 1998.

- (iii) any insurance company within the meaning of the Insurance Act 1998, or of any subsidiary or other affiliate as

5

defined in that Act, of such insurance company;

(iv) any other institution supervised by the Bank.”

Insertion of  
section 17 in the  
Principal Act.

6. Section 17 of the Principal Act is hereby amended by the insertion immediately after subsection (2) of the following as subsection (2A) –

“(2A) Upon appointment and prior to assumption of duty as Director, other officer or employee of the Bank, the person shall take an oath, or make a solemn affirmation, of fidelity and secrecy, in the form set out in the Schedule.”

Schedule

Insertion of new  
sections 17A and  
17B in the  
Principal Act.

7. The Principal Act is hereby amended by the insertion immediately after section 17 of the following as sections 17A and 17B –

“Committees

17A.(1) The Board may establish committees to deal with any matter within the competence of the Board.

(2) A Committee shall keep minutes of its proceedings, which shall be submitted to the Board at its next meeting.

Disclosure of  
conflict.

17B.(1) A Director shall disclose to the Bank, in writing or by requesting to have it entered in the minutes of a meeting of the Board, the nature and extent of the Director's interest if the Director -

- (a) is a party to a material contract or transaction, or proposed material contract or transaction, with the Bank;
- (b) is a director or an officer of, or has a material interest in, any person who is a party to a material contract or

transaction, or proposed material contract or transaction, with the Bank;

(c) is or is likely to be materially affected by any action taken or proposed to be taken by the Bank under the Financial Institutions Act 1995; or

(d) is a director or an officer of, or has a material interest in, any person who is or is likely to be materially affected by any action taken or proposed to be taken by the Bank under the Financial Institutions Act 1995.

No. 1 of 1995.

(2) The disclosure shall be made as soon as the Director becomes aware of the contract, transaction or action.

(3) A director who is required to make a disclosure shall not vote on any resolution to approve the contract, transaction or action, unless it relates to Directors' fees.

(4) For the purpose of this section, a general notice to the Board by a Director, declaring that he is a director or officer of, or has a material interest in, a person or entity, and that he is to be regarded as interested in any contract or transaction entered into with that person or entity or in any action that affects that person or entity, is a sufficient declaration of interest in relation to a contract or transaction with that person or entity that affects that person."

**SCHEDULE**

s. 17 (2A)

**FORM OF OATH OR SOLEMN AFFIRMATION**

I ..... do solemnly swear (or affirm) that I will faithfully and to the best of my judgment and ability perform the duties that relate to any office or position in the Bank held by me.

I also solemnly swear (or affirm) that I will not -

- (i) communicate or allow to be communicated, to any person not entitled to it, any confidential information that relates to the business or affair of the Bank that I may learn in the course of performing my duties;
- (ii) use any such information for any purpose other than to perform those duties;
- (iii) allow any person to inspect or have access to any books and records that belong to; or that are in the possession of, the Bank and that relate to the business or affairs of the Bank, unless the person is legally entitled to inspect them or to have access to them."

## EXPLANATORY MEMORANDUM

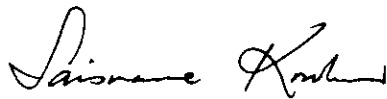
Clause 2 of the Bill amends section 9 of the Bank of Guyana Act by increasing the number of the members of the Board of Directors to not less than four nor more than six.

Clause 3 amends section 10 of the Act by stating that the quorum for a meeting of the Board shall be a majority of the members then in office.

Clause 5 amends section 14 by further specifying instances in which a person may be disqualified from holding office as Director.

Clause 6 amends section 17 by requiring that a Director, officer or employee of the Bank shall upon appointment and before assumption of duties take an oath of office.

Clause 7 of the Bill inserts sections 17A and 17B in the Act to provide for the establishment of committees to deal with issues within the competence of the Board and providing for disclosures by Directors of any interest or likely conflict on any issue which may be before the Board.



**Minister of Finance.**