

THE OFFICIAL GAZETTE — 22ND MAY, 1973
LEGAL SUPPLEMENT — B

GUYANA

No. 44 of 1973.

ORDER

Made Under

THE PUBLIC CORPORATIONS ORDINANCE
(No. 23 of 1962)

UNDER SECTION 34 OF THE PUBLIC CORPORATIONS ORDINANCE
1962,

I HEREBY MAKE THE FOLLOWING ORDER :—

1. This Order may be cited as the Public Corporations (Guyana Co-operative Mortgage Finance Bank) Order 1973, and shall come into operation on such date as the Prime Minister may, by notice published in the Gazette, appoint.

Citation
and com-
mencement.

2. (1) There is hereby established a public corporation to be known as the Guyana Co-operative Mortgage Finance Bank (hereinafter referred to as "the Bank.")

Establish-
ment of the
Guyana Co-
operative
Mortgage
Finance
Bank.

(2) The Bank shall have its principal place of business in Georgetown or at such other place in Guyana as the Bank may determine and may establish branches in any place as it considers necessary.

3. It shall be the function of the Bank—

Functions
of the Bank.

- (a) to encourage and promote the ownership of houses by individuals for their own occupancy;
- (b) to encourage the development of the construction industry in the provision of new or improved accommodation for housing and other purposes;
- (c) in co-operation with any other person to implement proposals for the construction of housing and other building projects;
- (d) to guarantee mortgages by other persons;
- (e) to finance low cost house purchases that conform to the criteria established by the Bank;
- (f) to make loans to persons engaged in the construction of low-rental housing projects;
- (g) to mobilise funds for the purpose of making mortgages;

- (h) to act as the agent of the Government in such matters as may be agreed between the Government and the Bank provided that the Bank can do so appropriately and consistently with its functions under the Ordinance.

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

5. Every mortgage and every instrument or charge to secure a loan made by the Bank shall be prepared by the Bank and the person to whom the loan is made shall pay the legal charges in connection therewith and shall also pay all necessary disbursements.

6. In any case where the Bank 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 by the Bank remains unpaid; or
- (b) in the opinion of the Bank, any prior loan made by the Bank has not been applied for the purpose for which it was made or has not been carefully or 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 his 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 Bank, the sums already advanced were not applied to the purposes for which the loan was made within a reasonable time;

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

7. The Bank may —

- (a) postpone the payment of any sum due for principal and interest to it in respect of a loan made by the Bank upon such terms and conditions for the carrying out of the purposes for which such loan was made and for the ultimate repayment

Cancellation or modification of approval of loan.

Mortgages and charges to be prepared by the Bank.

Power of the Bank to direct that any outstanding part of an approved loan be not paid.

Suspension of payment of principal and interest.

of such principal or payment of such interest as 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.

(2) Section 26 of the Ordinance shall not apply to the Bank.

8. (1) The Bank shall maintain a reserve fund and shall out of Reserve fund the net surplus for each year transfer to that fund such sum as may be determined by the Minister responsible for finance.

(2) If the reserve fund is in any year insufficient to cover any net loss of the Bank recorded in its Profit and Loss Account, an amount equivalent to the deficiency shall be provided for the purpose out of moneys appropriated by Parliament:

Provided that if in any succeeding year any net surplus accrues to the Bank there shall be paid into the Consolidated Fund by the Bank, from time to time, such sum as may be agreed with the Minister responsible for finance together with interest thereon at such rate to be determined by him until the aforesaid amount is fully repaid.

(3) For the purposes of this clause, net surplus shall be determined by deducting from gross income all expenses together with allowances for depreciation of assets, contributions to staff benefit funds, provision for bad and doubtful debts, and such other contingencies and accounting provisions as are usually made by financial institutions carrying out functions similar to those carried out by the Bank.

9. (1) Except for the purpose of the performance of his functions or when lawfully required to do so by any court or under the provisions of any law, a member or an officer or employee of the Bank shall not disclose to any person any information which he has acquired in the performance of his functions. ^{Preservation of} ^{secretary.}

(2) If any member or officer or employee of the Bank contravenes the provisions of paragraph (1) his appointment shall be liable to be terminated by the person or authority who appointed him.

Special
disqualifi-
cations for
officers and
employees
of the Bank.

10. (1) The officers and employees of the Bank shall owe their duty entirely to the Bank and shall not engage in any paid employment or professional or business activity outside the duties of their respective offices, except as permitted by paragraph (2).

(2) Any officer or employee of the Bank may, with the approval of the Minister responsible for finance —

- (a) serve on any committee or commission appointed by the Government to inquire into any matter affecting currency or banking, or into any economic or financial matters relating to Guyana;
- (b) serve on any international financial institution of which Guyana is or becomes a member;
- (c) serve on the Board of any company, corporation or other body in which the Government or the Bank holds stock or shares or otherwise participates.

(3) If any officer or employee of the Bank contravenes the provisions of paragraph (1) his appointment shall be liable to be terminated by the persons or authority who appointed him.

Provision
for training
of officers
and em-
ployees.

11. The Bank may provide out of its funds and make such arrangements for the training of any of its officers or employees or other persons as it may deem necessary for the efficient conduct of its business.

Made this 21st day of May, 1973.

(Sgd.) L. F. S. BURNHAM.
Prime Minister.

EXPLANATORY NOTE

(This note is not part of the Order).

This Order establishes the Guyana Co-operative Mortgage Finance Bank as a public corporation under the Public Corporations Ordinance 1962.