

GUYANA

No. 14 of 1977

ORDER

Made Under

THE CO-OPERATIVE FINANCIAL INSTITUTIONS ACT 1976

(No. 8 of 1976)

IN EXERCISE OF THE POWERS CONFERRED UPON ME BY SECTIONS 15 AND 28 OF THE CO-OPERATIVE FINANCIAL INSTITUTIONS ACT 1976, I HEREBY MAKE THE FOLLOWING ORDER :—

Citation and commencement.

1. This Order may be cited as the Guyana National Co-operative Bank (Reconstitution) Order 1977 and shall come into operation on 23rd February 1977.

Interpretation.

2. In this Order —

“the appointed day” means the 23rd February, 1977;

“the Bank” means the co-operative financial institution established by clause 3;

“the former Bank” means the Guyana National Co-operative Bank established by the Guyana National Co-operative Bank Act.

Cap. 85:03

Establishment of the Guyana National Co-operative Bank.

3. The former Bank is hereby reconstituted and established as a co-operative financial institution to be known as the Guyana National Co-operative Bank.

Functions of the Bank.

4. It is the function of the Bank —

- (a) to encourage and foster the development of agriculture, commerce and industries for the benefit of registered co-operative societies;

- (b) to mobilise funds for the purpose of such development;
- (c) to promote the economic activities of registered trade unions and registered friendly societies; and
- (d) to exercise such other functions consistent with the functions of a company licensed under the Banking Act to carry on banking business in Guyana. Cap. 65:01

5. The number of directors of the Bank shall not exceed **ten** including — Directors of the Bank.

- (a) the General Manager of the Bank who shall be appointed a director by virtue of his office;
- (b) five persons elected triennially by the shareholders of the Bank at the Annual General Meeting of the Bank.

6. The authorised capital of the Bank shall be **ten million** dollars divided into one hundred thousand shares valued at one hundred dollars each. Capital of the Bank.

7.(1) It shall be lawful for co-operative societies registered under the Co-operative Societies Act (except in so far as they are by their rules prohibited from so doing), societies registered under the Friendly Societies Act (except in so far as they are by their rules prohibited from so doing), and bodies corporate in which the controlling interest vests in the State (except in so far as any such body corporate is by any provision of its constitution or of the instrument constituting it prohibited from so doing), to subscribe for and hold shares in the Bank. Share holders of the Bank.
Cap. 68:01
Cap. 36:04

(2) It is hereby specially provided that a trade union registered under the Trade Unions Act (except in so far as any such trade union is by any provision of its rules or of the instrument constituting it prohibited from so doing) may subscribe for and hold shares in the Bank. Cap. 99:03

(3) On the appointed day the shareholders of the former Bank shall become shareholders of the Bank and shall be entitled to the like number of shares in the capital of the Bank as, immediately before the appointed day, were registered in their respective names in the share register of the former Bank.

(4) As soon as practicable after the reconstitution and establishment of the Bank, the Bank shall create and shall issue to each shareholder of the former Bank which becomes a shareholder of the Bank under this clause, the like number of shares as, immediately before the appointed day, were registered in the name of such shareholder in the share register of the former Bank.

(5) Each of the shares issued under this clause shall be deemed to have been issued on payment of the amount for which the corresponding share in the former Bank was issued, and shall be credited accordingly.

(6) The shareholders of the Bank shall hold their respective shares in the Bank in accordance with the Act, this Order and any other laws, and any rules or regulations of the Bank, but subject to the liability to pay any unpaid instalments of the purchase price of the corresponding shares in the Bank.

Vesting of
assets and
transfer of
liabilities.

8.(1) The assets of the former Bank (including rights and interests) are hereby transferred to and shall, without further assurance, vest in the Bank.

(2) Without prejudice to the generality of paragraph (1)—

- (a) all loans made by the former Bank (together with any interest thereon) remaining unpaid (whether wholly or partly) immediately prior to the appointed day shall be deemed to have been made by the Bank;
- (b) all promissory notes, bills of sale, charges and other instruments of whatever kind held by the former Bank for the purpose of securing the repayment of loans made by the former Bank, being loans (together with any interest thereon) remaining unpaid (whether wholly or partly) immediately prior to the appointed day, shall have effect as if they had been made in favour of, or assigned to, the Bank, as the case may be;
- (c) all the benefits of any policies of insurance made by the former Bank or by borrowers therefrom either as collateral security or in respect of property secured by a mortgage and every policy of insurance assigned in favour of the former Bank by borrowers, shall have effect as if they

had been made in favour of, or assigned to, the Bank, as the case may be.

(3) Liabilities incurred by, or attaching to, the former Bank and subsisting immediately prior to the appointed day shall be discharged by, and be enforceable against, the Bank as if the liabilities had been incurred by the Bank.

(4) The reconstitution of the former Bank and its establishment as a co-operative financial institution shall not prejudice or affect anything which remains to be done or forborne to be done and in order to give effect to the foregoing paragraphs in relation to contractual rights and liabilities, all documents or instruments of any kind shall, in relation to any period commencing with the appointed day, be construed with all necessary adaptations and modifications.

(5) All proceedings commenced prior to the appointed day for the enforcement of any rights or liabilities which are transferred or attached to the Bank by virtue of this Order may be continued by or against the Bank, and any such proceedings may be amended accordingly.

9.(1) Every person employed with the former Bank immediately before the appointed day shall, as from the appointed day, continue to be employed with the Bank on terms and conditions which taken as a whole are not less favourable than those applicable to that person immediately before the appointed day and as if every such person were employed as a corresponding member of the staff of the Bank pursuant to section 21 of the Act.

Employment of existing staff.

(2) The Bank shall be the successor of the former Bank in the matter of the leave or superannuation rights or benefits (whether earned, accrued, inchoate or contingent) of every such person mentioned in paragraph (1) whose employment is continued with the Bank.

10.(1) Sections 17, 21, 22 and 25 of the Banking Act shall apply to the Bank as they apply to a company licensed under that Act to carry on banking business.

Application of provisions of certain enactments to the Bank.
Cap. 85:01

Cap: 85:02

(2) Section 26, sections 36 to 43 (inclusive) and section 45 of the Bank of Guyana Act shall apply to the Bank as they apply to a bank to which the Banking Act applies.

Made this 21st day of February, 1977.

F. E. Hope.
Minister of Finance.

EXPLANATORY NOTE

(This Note is part of the Order)

The Order reconstitutes and establishes the Guyana National Co-operative Bank as a co-operative financial institution under the Co-operative Financial Institutions Act 1976.