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5th Session Second Parliament Trinidad and Tobago  
19 Elizabeth II

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TRINIDAD AND TOBAGO

**Act No. 52 of 1970**

[L.S.]

AN ACT to amend the Guarantee of Loans (Companies)  
Act, 1969.

*[Assented to 23rd December, 1970]*

BE IT ENACTED by the Queen's Most Excellent Majesty, by Enactment.  
and with the advice and consent of the Senate and House  
of Representatives of Trinidad and Tobago, and by the  
authority of the same, as follows:

**1.** This Act may be cited as the Guarantee of Loans short title.  
(Companies) (Amendment) Act, 1970.

Construction.  
No. 21 of 1969.

2. In this Act a reference to the Act of 1969 is a reference to the Guarantee of Loans (Companies) Act, 1969.

Section 2 of  
Act of 1969  
amended.

3. Section 2 of the Act of 1969 is amended—

(a) by deleting the definition of “Company” occurring therein and by substituting therefor the following—

““Company” means any company incorporated in Trinidad and Tobago or incorporated elsewhere and registered under the Companies Ordinance, that is controlled by the Government or by any body corporate controlled by the Government “controlled” here meaning that the Government or the body corporate, as the case may be—

(a) exercises or is entitled to exercise control directly or indirectly over the affairs of the company or body corporate;

(b) is entitled to appoint a majority of the directors of the Board of Directors of the company or body corporate; or

(c) holds at least fifty per cent of the ordinary share capital of the company or the body corporate,

as the case may be;”;

(b) by inserting in its appropriate alphabetical order the following new definition—

““borrowing” includes the obtaining of any credit or the undertaking to pay any debt or to discharge any pecuniary obligation;”.

Ch. 31. No. 1.

Section 3 of  
Act of 1969  
amended.

4. Section 3(1) of the Act of 1969 is amended by substituting for the word “assume” in paragraph (b) thereof, the word “undertake”.

## 5. Section 4 of the Act of 1969 is amended—

Section 4 of  
Act of 1969  
amended.

(a) by substituting for subsection (1) thereof the following—

“Limit on  
amount of  
guarantees.

4. (1) Subject to this section, the aggregate amount of all borrowings by Companies that are guaranteed by the Government under this Act shall not exceed fifty million dollars (without taking into account any amount in respect of interest, commissions and any other expenses secured by the guarantees) or such greater sum as may from time to time be specified by resolution of the Senate and the House of Representatives.

(2) For the purpose of subsection (1), before any further guarantee is entered into or any undertaking is assumed—

(a) the amount of all borrowings by Companies secured by guarantees by the Government shall be computed on the date of any such further guarantee in accordance with subsection (1) and the aggregate amount of all such borrowings in foreign currency shall be computed so as to take into account the prevailing rates of exchange on the date of such further guarantee;

(b) the Minister shall certify in each such new guarantee that the aggregate amount of all borrowings guaranteed by the Government does not exceed the limits imposed for the time being by or under subsection (1); and

- (c) such certificate shall be conclusive evidence of the facts stated therein.”; and
- (b) by renumbering subsection (2) as subsection (3) thereof.

Section 5 of  
Act of 1969  
amended.

**6.** Section 5 of the Act of 1969 is amended by deleting all the words occurring after the words “shall not, without the consent of the Minister,” and by substituting therefor the following “exercise any power to borrow possessed by it except in the ordinary course of business for a period not exceeding twelve months”.

Section 6 of  
Act of 1969  
amended.

**7.** Section 6 of the Act of 1969 is amended—

- (a) in subsection (1) by deleting all the words occurring after the words “the Minister may” in line 10 thereof and by substituting therefor the following—

“from time to time—

- (i) by instrument in writing (notice of which shall be published in the *Gazette*) appoint, for such period as is specified in the instrument, a Manager of the Company, and the powers of management shall thereupon vest in the Manager for the specified period to the exclusion of the Board of Directors of the Company or of any other person or body of persons; and
- (ii) give, or authorise any other person to give, such directions in writing to such Manager as may be necessary or desirable in order to ensure that such arrangements are made by the Company as will enable it to discharge its obligations in respect of all its borrowings guaranteed by the Government and to satisfy any other liabilities under this Act,

and the Company shall accept such appointment of a Manager and be bound by all lawful acts of the Manager.”;

- (b) by inserting immediately after subsection (1) thereof the following new subsection—

“(2) Nothing in subsection (1) shall be read and construed so as to treat a Manager appointed by instrument under subparagraph (i) of subsection (1) as the agent or servant of the Government or of any person while acting in exercise of the powers or in performance of the functions conferred on him by that subsection and, notwithstanding any other enactment or rule of law to the contrary, such a Manager shall, for all purposes relating to the management of the affairs of the Company, be deemed to be, and to act as, the lawfully constituted Board of Directors of the Company.”;

- (c) by renumbering subsection (2) as subsection (3) thereof.

Passed in the House of Representatives this 18th day of December, 1970.

G. R. LATOUR  
*Clerk of the House*

Passed in the Senate this 22nd day of December, 1970.

J. E. CARTER  
*Clerk of the Senate*

