



TRINIDAD AND TOBAGO

No. 6—1954

[L.S.]

I ASSENT,

H. E. RANCE,

*Governor.*

12th March, 1954.

AN ORDINANCE to make better provision for Agricultural Credit Societies.

**[On Proclamation]**

Commence-  
ment

ENACTED by the Governor of Trinidad and Tobago, with the advice and consent of the Legislative Council thereof.

Enactment

1. This Ordinance may be cited as the Agricultural Credit Societies Ordinance, 1954, and shall come into operation on a day to be appointed by the Governor by proclamation published in the *Royal Gazette*.

Short title

Interpretation

2. In this Ordinance, unless the context otherwise requires—

“agriculture” includes horticulture, arboriculture, silviculture, animal husbandry and the production of dairy produce, and grammatical variations of the said words and cognate expressions shall be interpreted accordingly;

“agricultural equipment” means implements, apparatus, appliances and machines of any kind for use for the purposes of or in connection with agriculture, or the processing of any of the products thereof, which are usually affixed to land;

“agricultural implements” means tools, implements, apparatus, appliances and machines of any kind for use for the purposes of or in connection with agriculture, which are not usually affixed to land, and vehicles for use for the purposes of agriculture, or in the transport of products of agriculture or farm supplies and, without limiting the generality of the foregoing, includes ploughs, harrows, drills, seeders, cultivators, mowing machines, reapers, binders, threshing machines, combines, tractors, movable granaries, cream separators, churns, washing machines, spraying apparatus, apiarian apparatus and equipment, incubators, milking machines, refrigerators and heating and cooking appliances for agricultural operations or use in the home of a person engaged in the pursuit of agriculture of a kind not usually affixed to land;

“bonus” means a share of the profits of a registered society divided among its members in proportion to the volume of business done with the society by them respectively, from which the profits of the society were derived;

“committee” means the committee of management or other directing body to whom the management of the affairs of a registered society is entrusted;

“co-operative officer” means a person appointed by the Governor to be a co-operative officer under subsection (2) of section 4 of the Co-operative Societies Ordinance, or under any Ordinance amending or replacing the same;

“co-operative society” means a society registered or deemed to have been registered under the Co-operative Societies Ordinance, or under any Ordinance amending or replacing the same;

“credit union” means a co-operative credit society registered under the Credit Union Societies Ordinance; Ch. 38. No. 4

“crops” include—

(i) the trees or plants from which the produce is obtained;

(ii) flowers, petals, buds, blooms, blossoms and other inflorescences of any plant, tree, or shrub, roots, tubers, corms, seeds, juice, latex, gums, stems, barks, fibres and all other parts of any plant, tree or shrub and any extract, essence or distillate derivable therefrom;

(iii) timber and forest produce, whether standing, cut, lopped or fallen. Ch. 24 No. 1

“dead stock” includes tarpaulin, rope, twine, bags, cases, boxes, shipping containers, building material, fencing wire, carts, baskets, barrows, sleighs, cages, hutches, pots and agricultural implements;

“dividend” means a share of the profits of a registered society divided among its members in proportion to the share capital held by them;

“farm supplies” includes seed, feed, fertilizer, fungicides, herbicides, insecticides, chemical manures, drugs, animal medicines and other similar requisites;

“livestock” means bulls, cows, oxen, steers, heifers, calves, sheep, goats, swine, horses, mules, asses, bees and rabbits and all classes and species of poultry and domesticated birds, together with the progeny thereof;

“member” includes a person joining in the application for the registration of a society and a person admitted to membership after registration in accordance with the rules;

“Minister” means the member of the Executive Council for the time being responsible for the administration of matters pertaining to agriculture;

“officer” means a president, secretary, treasurer, trustee or other member of the committee of a registered society;

“prescribed” means prescribed by regulations made under this Ordinance;

“registered” means registered under this Ordinance and grammatical variations of the said word and cognate expressions shall be interpreted accordingly;

“registered society” means an association, group or society registered or deemed to have been registered under this Ordinance;

“regulations” means regulations made under this Ordinance;

“rules” means rules made under this Ordinance;

“seal” includes a rubber stamp.

#### THE COMMISSIONER

Commissioner  
for Agricultural  
Credit Societies

3. (1) The Commissioner for Co-operative Development shall be the Commissioner for Agricultural Credit Societies under this Ordinance, and is in this Ordinance referred to as the Commissioner.

(2) The Commissioner shall, subject to the directions of the Minister, take such steps as are practicable to promote the formation of associations, groups and societies which are eligible for registration under this Ordinance and to achieve the objects of registered societies.

(3) The Commissioner may utilise as he shall think fit the services of officers of the Department of Co-operative Development for the purpose of carrying out the duties imposed upon him by this Ordinance.

(4) The Governor may, by general or special order published in the *Royal Gazette* confer upon such officers of the Department of Co-operative Development as he may deem fit all or any of the powers of the Commissioner under this Ordinance.

#### CONSTITUTION AND REGISTRATION OF SOCIETIES

What bodies  
may register

4. (1) Any association, group or society eligible for registration under this Ordinance, shall, if it wishes to obtain the benefit of this Ordinance, be registered hereunder.

(2) An association, group or society shall be eligible for registration under this Ordinance if—

- (a) it has at least twelve members above the age of twenty-one years, who have signed articles of association in the prescribed form, but not more than seventy-five members in all; and
- (b) the membership thereof is limited to persons having a pre-existing community of interest by reason of their being engaged in agricultural production in a defined neighbourhood, community or district as well as being resident therein; and
- (c) the members thereof, individually or collectively, grow, produce or raise agricultural crops or livestock or both, or act together in processing, preparing for market, handling or marketing the agricultural products of members of such association, or group or society, or in purchasing, testing, grading, processing, distributing, or in furnishing farm supplies or agricultural business services.

(3) Notwithstanding the provisions of paragraph (a) of subsection (2) of this section the Commissioner may, if in any special case he considers it expedient to do so, permit the registration of an association, group or society which has a larger membership than seventy-five.

5. Any association, group or society wishing to be registered under this Ordinance shall make application in writing through its Secretary to the Commissioner, and shall supply him with information as to the following:—

Application for  
registration of  
society

- (a) the name and office or place of business of the association, group or society;
- (b) the names and addresses of all members of the committee thereof;
- (c) the names and addresses of the secretary, treasurer and trustees thereof; and
- (d) the names and addresses of all other members thereof.

6. The secretary of an association, group or society shall, at the time of application for registration of the association, group or society, pay to the Commissioner a fee of one dollar and twenty cents.

Fee for regis-  
tration

Enquiries to be  
made by  
Commissioner

7. Before registering any association, group or society the Commissioner shall, with the assistance of a committee of which he or a co-operative officer shall be the chairman, and which shall include the Warden of the County in which the office of the association, group or society is established, or his representative, and not more than three other persons resident in the said County, as the Commissioner may consider expedient, satisfy himself that such association, group or society is eligible for registration as herein provided and also with regard to such other matters as may be prescribed.

Membership  
and name

8. (1) Subject to the provisions of this section, any person over sixteen years of age may be a member of a registered society and may undertake all the obligations and duties of a member of twenty-one years and over, and may execute all instruments and give all acquittances necessary to be executed or given under the rules, but shall not be eligible to act as an officer of the society until he has reached the age of eighteen years.

(2) An association, group or society shall not be registered under a name identical with that under which any other existing association, group or society is registered, or so nearly resembling that name as to be likely, or in any name likely, in the opinion of the Commissioner, to deceive the members or the public as to its nature or its identity.

Registration  
of society

9. (1) Upon the Commissioner being satisfied as in section 7 mentioned, he shall register the association, group or society and shall send a certificate of the registration to the secretary thereof and shall cause the fact of such registration to be notified in the *Royal Gazette*.

Appeal from  
refusal to  
register

(2) The Commissioner shall not be bound to give any reason whatsoever for any refusal to register an association, group or society under this Ordinance, but an appeal shall lie from any such refusal to the Minister, whose decision shall be final.

Books to be  
kept by  
Commissioner

10. (1) The Commissioner shall keep a register in which shall be entered—

- (a) the name and address of the office or place of business of each registered society;
- (b) the names and addresses of all officers thereof; and
- (c) the names and addresses of all members thereof.

(2) It shall be the duty of the secretary of every registered society to keep the Commissioner informed of any change in the office or place of business of the society and in the names or addresses of the secretary, treasurer, committee, and trustees thereof, and he shall likewise notify the Commissioner of the death or withdrawal of any member of the society and the names and addresses of any new members, and the Commissioner shall make the alterations thereby rendered necessary in the said register.

(3) The secretary of any registered society who, without reasonable excuse, the proof whereof shall lie on him, shall be in default for a period of fourteen days in giving to the Commissioner any information or notification required by this section shall be guilty of an offence and shall be liable on summary conviction therefor to a fine of forty-eight dollars.

11. Every registered society shall be governed by such rules as may from time to time be prescribed, and every member of such society shall be required to hold shares in the share capital thereof as may be provided by such rules.

Registered societies to be governed by rules in prescribed form

#### TRUSTEES

12. (1) All property belonging to a registered society shall vest in its trustees for the time being, for the use and benefit of the society and the members thereof, and of all persons claiming through the members according to the rules of the society.

Property of registered society to vest in trustees

(2) Every registered society shall have two trustees.

(3) Upon the death, resignation, or removal of a trustee of a registered society the surviving or remaining trustee shall, in all acts, matters or things affecting the society have full power and authority, until the appointment of another trustee to replace the trustee who has died, resigned or been removed, to act as if the property of the society were vested solely in himself.

(4) In all legal proceedings whatsoever concerning any property vested in the trustees of a registered society, the property may be stated to be the property of the trustees in their proper names as trustees of the society without further description.

(5) Where the Commissioner is satisfied that one of the trustees is ill, absent from the Colony, or for other good and sufficient reason temporarily unable to act, he may issue an authority under his hand empowering the remaining trustee

to act as sole trustee of the society until the other trustee recovers, returns or is able to act, and the trustee so authorised shall have full power and authority solely to act in all acts, matters and things of or affecting the society as if he were a surviving or continuing trustee acting alone upon the death, resignation or removal of a co-trustee under subsection (3) hereof.

(6) The trustees of a registered society shall be appointed only from amongst its members and no member of the society, while he is a trustee thereof, shall hold any other office therein.

#### POWERS AND FUNCTIONS OF REGISTERED SOCIETIES

Power to hold  
freehold or  
leasehold  
property

**13.** (1) A registered society, in the names of its trustees, may hold or purchase freehold land, or take on lease land held under a term of years with an unexpired residue of not less than twenty years, and may subject to the terms of the conveyance or lease sell, exchange, mortgage, lease, build upon, or alter, pull down or re-build buildings upon that land: Provided that no sale of freehold land or leasehold land of a registered society shall be effected by the trustees thereof save with the unanimous consent of the committee or a majority of the members present and entitled to vote in general or special meeting but a purchaser, assignee, mortgagee or tenant shall not be bound to enquire as to the authority for any sale, exchange, mortgage or lease by the trustees, and the receipt of the trustees shall be a valid discharge for all sums of money arising from or in connection with the sale, exchange, mortgage or lease.

Holding of  
rented land

(2) A registered society, in the names of its trustees, may, with the consent of the Commissioner, rent land for a period of not less than three years and may, subject to the terms of the tenancy, transfer, assign, sublet or build upon, or alter, pull down or re-build buildings upon that land: Provided that no transfer or assignment thereof or sub-letting of rented land held by a registered society shall be effected save with the consent of the majority of the members present in general or special meeting.

(3) Subject to such restrictions, agreements or stipulations as may be agreed, a registered society in the names of its trustees may, subject to such terms and conditions as the Commissioner may approve, rent, acquire an interest in, or hold on licence, any lands for a period of less than three years, but only temporary and removable buildings or structures shall in any such case be erected thereon.

(4) A registered society shall be empowered to include in any lease or agreement for a lease or any other agreement entered into under this section, such terms and conditions affecting the same or any cultivation, products or shrubs grown or to be grown thereon as to the society may seem necessary or expedient.

Terms and conditions

(5) When proprietors of land held under the provisions of the Real Property Ordinance are trustees of a registered society the Registrar General shall on an application by their successors in title endorse the applicants as proprietors under the provisions of the said Ordinance on production of a certificate from the Commissioner that the land in question is the property of the society and that the applicants are the trustees of that society.

Change in trustees of societies

**14.** (1) A registered society may buy, acquire any interest in, mortgage, hold, and exercise all privileges of ownership over such personal property other than leaseholds as may be necessary or suitable for the conduct and operation of the business of the society.

Personal property

(2) A registered society may enter into contracts, institute and defend actions and other legal proceedings touching its rights, property and obligations, and do all things necessary for the purpose of its constitution, in the names of its trustees.

Contracts and legal proceedings

**15.** (1) After provision has been made for the payment of the allocations to the special funds constituted under its rules, three-quarters of the remainder of the net profits of every registered society, as ascertained by the audit prescribed by section 40, shall be carried to a reserve fund and the balance of such net profits shall be available for distribution by way of dividend or bonus or both.

Reserve fund and disposal of profits

(2) A registered society shall not make any investment or application of its reserve fund without the general or special order of the Commissioner.

**16.** (1) Subject to the provisions of subsection (2) of section 15 of this Ordinance—

Investment and application of funds

(a) a registered society may deposit any part of its funds in any bank or with any co-operative society approved by the Commissioner;

(b) a registered society may invest any part of its funds—

- (i) in the purchase of freehold land or leasehold land having an unexpired residue of not less than twenty years or in the erection or alteration of offices or other buildings thereon;
- (ii) in or upon mortgages of any real or personal property;
- (iii) in stock, bonds, and debentures of municipal corporations and incorporated boroughs of this Colony, whether secured by mortgage or otherwise, or British, Dominion, Commonwealth, Colonial Government or other public securities;
- (iv) in or upon any security in which trustees are for the time being authorised by law to invest; or
- (v) with the approval of the Commissioner in the shares of any credit union or co-operative society, association, organisation or undertaking of any kind.

(2) A registered society may with the leave of the Commissioner, and subject to such terms and conditions as he may approve, become a member or shareholder of any credit union or of any co-operative society registered with limited liability, and may borrow from any such credit union or co-operative society, or enter into contractual or other obligations pursuant to any of the provisions of this Ordinance with any such credit union or co-operative society.

Society  
empowered to  
insure crops,  
stock, buildings  
and agricultural  
equipment and  
implements

17. (1) (a) Subject to the provisions of paragraph (b) of this subsection, a registered society is hereby empowered to insure and keep insured against any loss or damage whatsoever the crops, live-stock, dead stock, buildings and agricultural equipment and agricultural implements which are subject to a charge created pursuant to section 19 of this Ordinance with such insurance company or office or under such insurance scheme, in such name or names, and in such amounts as the society may determine, and the premium paid in respect of any such insurance, with interest thereon at the same rate as the

principal money secured by the charge shall be added to and be deemed for all purposes to merge in and form part of the debt secured by the charge created under the said section.

- (b) Where the crops, buildings, livestock, dead stock or agricultural equipment or agricultural implements are already insured the society may effect any additional insurance thereon to such extent as it may deem necessary, and the provisions of paragraph (a) of this subsection with respect to the merger of premiums with the debt charged shall apply *mutatis mutandis* to any additional insurance effected under this paragraph.
  - (c) The receipt issued to a registered society for any moneys paid by it for or towards any policy taken out or under any insurance scheme entered into under this section shall be a sufficient proof of the payment thereof by the society.
  - (d) All moneys received in respect of any policy of insurance or under any insurance scheme covering any crops, buildings, livestock or dead stock, agricultural equipment or agricultural implements, on any land the subject of a charge under this Ordinance shall be applied at the election of the committee either in or towards the discharge of the amounts secured to the society, or in making good the loss or damage in respect of which the money is received.
- (2) (a) Notwithstanding anything to the contrary herein contained a society shall be authorised to contract or make arrangements with any insurance company for securing group insurance relating to fire or loan protection, or life or life savings, in respect of its members or the property of its members and charge the premiums paid in respect thereof proportionately against each member.
- (b) The proportionate part payable by or in respect of a member in any group policy shall in cases where a debt secured by a charge under section 19 or under section 24 of this Ordinance is owed by such member to a society be added to and be deemed for all purposes to merge in and form part of such debt.

## LOANS TO MEMBERS

Power to  
societies to  
make loans  
to members

**18.** (1) It shall be lawful for a registered society out of its funds to make loans to its members exclusively for any purpose or purposes of or relating or incidental to agriculture, and to secure the repayment of such loans in manner provided by this Ordinance.

(2) A member of a registered society who has obtained a loan from that society shall not apply any part of the loan for any purposes other than those of or incidental to agriculture, including the provision, improvement, maintenance or repair of a residence and agricultural buildings, situated within the area of operations of the society as defined in its rules, for the applicant for the loan. Every member of a registered society contravening this subsection shall be guilty of an offence under this Ordinance.

(3) A registered society may make provision by bye-laws for the management, operation and carrying into effect of a scheme or plan for the provision, improvement, maintenance or repair of the residences and agricultural buildings, as aforesaid of members and such bye-laws may provide for any breach thereof a penalty not exceeding two months imprisonment with or without hard labour or a fine not exceeding seventy-two dollars or both such fine and imprisonment.

Charges on  
buildings and  
crops as  
security for  
loan to  
member

**19.** (1) A charge in the prescribed form and executed as provided in section 20 hereof shall, when filed with the Registrar General, constitute in favour of a registered society a good and effectual charge and security on all crops which shall be grown on the land described in such charge and also upon all buildings owned and occupied by the member giving the said charge as a residence or for agricultural purposes wherever situate or owned by him in the area of operations of the society as defined in its rules, and which are described in such charge, whether erected or to be erected on lands held by the member on a yearly or lesser tenancy, and upon all livestock and dead stock of such member, used for the purpose of agriculture, and upon the farm supplies, agricultural equipment and agricultural implements of such member, whether at the date when such charge is made, the property comprised in the charge is or is not in existence, or has or has not been acquired by the member giving the said charge, but subject to any claim of the Government or any Local Authority in respect of rates and taxes and to any rent which may then be due or which during the continuance of such security may become due, and

subject also to the rights of any prior mortgagee or encumbrancer under the Bills of Sale Ordinance, or the Farmers' Advances Ordinance, or the Mortgages of Produce Ordinance.

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Ch. 23. No. 10  
Ch. 27. No. 21

(2) A charge under this section shall be deemed not to be a bill of sale within the meaning of the Bills of Sale Ordinance, or a contract within the meaning of the Agricultural Contracts Ordinance or a metairie contract under the Tobago Metairie Ordinance, or a mortgage under the Mortgages of Produce Ordinance.

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(3) A charge under this section shall be deemed not to affect the title to land, but every purchaser of land shall be deemed to have notice of any charge affecting crops or buildings on such land which has been duly filed under subsection (2) of section 20 of this Ordinance.

(4) Where under this Ordinance any crops (in this subsection referred to as the original crops) are subject to a charge, then any other crops of a similar kind which replace the original crops within a period of three years after the date of the creation of such charge shall also be subject to the charge to the same extent that the original crops would have been so subject.

(5) It shall be lawful for a member of a registered society to charge agricultural equipment in favour of the society by virtue of a charge under this section notwithstanding that such agricultural equipment is or becomes affixed to any land if he is the owner of the land or is otherwise entitled to remove the agricultural equipment.

(6) In every charge given by a member under this section, there shall be deemed to be included, and there shall by virtue of this Ordinance be implied, the following covenants and agreements on the part of such member, namely:—

Implied  
covenants

(a) that he will maintain the fertility of the soil, prevent erosion and keep in good order and condition all terraces, ditches, fences and farm buildings on the lands upon which crops are grown or are to be grown comprised in the security given under this section as aforesaid;

(b) that he will pay all rates, taxes and assessments on all property whereon are grown or situate any crops, buildings, live stock, dead stock, farm supplies, agricultural equipment, agricultural implements, or other property constituting the whole or part of the security described in such charge;

- (c) that he will insure and keep insured at his own expense any crops, buildings, live stock, dead stock, farm supplies, agricultural equipment, agricultural implements, or other property constituting the whole or part of the security described in such charge, as the society may require;
- (d) that he will not rent out, sublet, give out under a share-cropper agreement, or part with the possession of, any of the lands upon which the crops are grown or are to be grown, comprised in the security given under this section;
- (e) that in the event of his desiring to sell, transfer or part with the crops, buildings, livestock, dead stock, farm supplies, agricultural equipment, agricultural implements or other property charged to the society as aforesaid he shall—
  - (i) before such sale, transfer or disposal pay off or otherwise settle in full the debt due by him to the society, which is secured by such charge; or
  - (ii) sell or transfer the same, subject to the said charge, to another member;
  - (iii) sell the same to a buyer approved by the committee of the society, who is prepared to assume the outstanding indebtedness of the member upon such terms and conditions as the committee may require:
- (f) that he will repay to the society all moneys loaned to him by the society which are secured by the said charge.

Provided that in the event of any dispute arising hereunder, the matter shall be referred to the Commissioner whose decision shall be final and binding upon all parties.

(7) If any member of a registered society who has given a charge to the society under this section is in breach of the covenant mentioned in paragraph (b) of subsection (6) of this section, the society may, in lieu of proceeding under section 21 of this Ordinance, pay the amount due by such member in respect of the rates, taxes or assessments from the funds of such society for the account of such member, and all sums so paid by the society shall be added to the amount of the debt due by such member to the society and shall until repaid bear interest at the rate fixed in respect of loans to the members of such society.

(8) A member of a registered society to whom any crops, buildings, livestock, dead stock, farm supplies, agricultural equipment, agricultural implements or other property charged to such society under this section as security for a loan are transferred, shall automatically become liable for the repayment of the said loan and shall be liable on all covenants contained in the said charge.

**20.** (1) A charge under section 19 hereof shall be deemed to be duly executed if signed in duplicate by the member executing the same in the presence of the president and secretary of the registered society making the loan. Execution and registration of charge

(2) It shall be the duty of such secretary forthwith to file one copy of the charge in the office of the society and transmit the other copy to the Registrar General who shall file the same and shall keep a register to be called the Register of Agricultural Credit Societies' Charges, in which particulars of all such charges received by him shall be entered. The Registrar General shall also keep such indices relating to the said charges, and in such form, as may be prescribed.

(3) Any person shall be entitled to inspect the file of charges in the office of a registered society and the file and register and indices kept by the Registrar General, and take extracts therefrom on payment of a fee of twelve cents.

**21.** (1) A registered society which has made to any member thereof a loan secured by a charge under section 19 of this Ordinance shall have power to seize, take possession of, and sell all property subject to such charge in any of the following cases:— Power to seize property charged

(a) if the grantor of the charge makes default in payment of the sum or sums of money thereby secured at the time therein provided for payment, or in the performance of any covenant or agreement included or deemed to be included therein;

(b) if the grantor of the charge becomes a bankrupt;

(c) if the grantor of the charge removes or suffers the property subject to the charge, or any part thereof, to be removed from the land whereon the same is situated without the consent of the society for that purpose had and obtained;

(d) if execution has been levied against the property subject to the charge or any part thereof under any judgment at law.

(2) Where a registered society acts under subsection (1) of this section, it shall, after paying out of the proceeds of the sale all expenses incidental to such action and all debts and

obligations of the grantor of the charge having priority under subsection (1) of section 19 of this Ordinance, apply the net proceeds towards the satisfaction of the debt due to the society by such grantor which is secured by the charge, and shall pay any balance remaining to the person entitled to the same according to law.

Endorsement  
of repayment  
of loan  
on charge

**22.** As soon as the loan in respect of which a charge under section 19 of this Ordinance has been given has been repaid, the secretary of the society shall forthwith record such repayment by endorsement on the copy filed in the office of the society, and shall notify the Registrar General, who shall endorse the copy of the charge filed in his office accordingly.

Notice to  
purchasers  
of property  
charged

**23.** (1) The secretary of any registered society which holds a charge on any property under this Ordinance may give notice in writing in the prescribed form to any person who has purchased any property on which such charge is in force, and such purchaser, after receipt of such notice, shall not, without the written consent of the secretary, pay to the vendor any sum in respect of the purchase money until such charge has been satisfied, and in the event of his doing so without such consent he shall be liable to pay to the society the amount of the purchase money in default whereof the same shall be recoverable from him by ordinary process of law.

(2) Where any sum of money paid to a society under subsection (1) of this section exceeds the principal sum due to the society by the member together with interest thereon and all costs, charges and expenses incidental to the collection of the same, the secretary of the society shall refund to such member an amount equal to the difference between the sum first abovementioned and the last mentioned sum together with the interest, costs, charges and expenses as aforesaid.

(3) On the receipt of a notice under subsection (1) of this section, the purchaser may, if the vendor does not consent to such purchase money being paid to the society, or if there is more than one claimant to the said sum, deposit such purchase money with the Clerk of the Peace attached to the Magistrate's Court of the district in which the property charged is situated, who shall in such case give a receipt for the same which shall be a full discharge therefor; and the Clerk of the Peace shall thereupon issue summonses by way of interpleader to be adjudicated upon by a Magistrate to the several persons alleged to have claims upon the same, deducting in the first instance the prescribed costs of issuing such summonses from the money so paid in.

24. (1) A member of a registered society may at the same time as he gives or at any time after he has given a charge under section 19 of this Ordinance execute as herein provided by way of further security for a loan a charge on land, with or without buildings thereon, owned by the member or leased by the member for any term then having not less than twenty years to run, and the charge thereby created shall have priority both at law and in equity to all encumbrances whatsoever save and except debts due to the Crown : Provided however that before any charge is executed under the provisions of this section the owner shall first obtain the consent in writing of the several encumbrancers (if any) of the lands to be charged to such charge being executed.

Member  
may charge  
land in  
addition  
to charge  
under  
section 19

Provided further that notwithstanding anything in the Real Property Ordinance, or in any other Ordinance contained, or any provisions of law or equity to the contrary, immediately upon the registration of a charge in manner authorised by this section, all persons dealing with the lands or any interest therein shall be deemed to have notice of such charge, and all such dealing shall be and be construed to be subject to the charge and priority created by this section.

Ch. 27. No. 11

(2) Where land is charged by way of further security under the provisions of this section the loan shall be secured by an instrument of charge in the prescribed form. The member shall sign the same and the society shall cause its name and the signature of its trustees to be affixed thereto and forward the same to the Registrar General, who shall file the same in a register to be kept for the purpose, and such register shall be open to the public for inspection free of cost: Provided that where the charge is given in respect of lands held wholly or partly under the provisions of the Real Property Ordinance, the Registrar General shall also endorse a memorandum of the charge upon the relevant Crown Grant or Certificate of Title as the case may be.

Ch. 27. No. 11

(3) In every charge given by a member to a registered society under this section there shall be deemed to be included, and there shall by virtue of this Ordinance be implied, the following covenants and agreements on the part of such member, namely :—

- (a) that he will pay all rates, taxes and assessments on all property which is subject to such charge;
- (b) that he will insure and keep insured all buildings situate on land which is subject to such charge, as the society may require;

- (c) that he will not rent out, sublet, give out under a share-cropper agreement, or part with the possession of any of the property which is subject to such charge;
- (d) that he will, in the event of unforeseen circumstances causing him to desire to sell, transfer or part with the property which is subject to such charge—
- (i) before such sale, transfer or disposal, pay off or otherwise settle in full, the debt due by him to the society which is secured by such charge; or
  - (ii) sell or transfer the same, subject to the said charge, to another member; or
  - (iii) sell the same to a buyer, approved by the committee of the society, who is prepared to assume the outstanding indebtedness of the member upon such terms and conditions as the committee may require;
- (e) that he will repay to the society all moneys loaned to him by the society which are secured by the said charge.

(4) (a) If any member of a registered society who has given a charge to the society under this section is in breach of any covenant or agreement mentioned in subsection (3) of this section the debt secured by such charge shall immediately become payable.

(b) If any member of a registered society who has given a charge to the society under this section is in breach of the covenant or agreement mentioned in paragraph (a) of subsection (3) of this section, the society may, in lieu of seeking any other remedy open to it, pay the amount due by such member in respect of the rates, taxes or assessments from the funds of such society for the account of such member and all sums so paid by the society shall be added to the amount of the debt due by such member to the society and shall until repaid bear interest at the rate fixed in respect of loans to the members of such society.

(5) Upon the repayment by the member of any loan in respect of which a charge has been created under section 19 and a charge given by way of further security under the provisions of this section, together with interest at the rate prescribed to the date of such repayment, the society through its trustees shall give a receipt for the moneys paid and

the Registrar General shall, upon production to him of such receipt, cancel the charge filed and in the case of lands held under the Real Property Ordinance write the word "cancelled" across the memorandum (if any) endorsed on the relevant Crown Grant or Certificate of Title, and thereupon the charge created pursuant to this section shall be extinguished. Ch. 27. No. 11

(6) A registered society, where land is charged under this section by way of further security for the repayment of a loan shall, in addition to the powers conferred by virtue of this Ordinance, have, enjoy and exercise in respect of such charge all the powers, authorities and privileges to the full and like extent as are conferred upon a mortgagee under the Conveyancing and Law of Property Ordinance, where the mortgage is made by deed or memorandum of mortgage, as if they had been in terms conferred upon the society by the instrument of charge made under the authority of this section. Ch. 27. No. 12

(7) A member to whom any property charged to a registered society under this section as security for a loan is transferred shall automatically become liable for the repayment of the said loan and shall be liable on all covenants contained in the said charge.

**25.** (1) A registered society may require a member to give a bond, either with or without a surety or sureties, as it may in its absolute discretion think fit, as collateral or additional security for the repayment of a loan made to such member by the society under the provisions of this Ordinance and any condition therein expressed relating to the repayment of any such loan and interest thereon shall be strictly observed and performed by such member, and on breach of any such condition the bond shall immediately become forfeited. Bond as additional security for loan to member

(2) Any bond given pursuant to the provisions of this section may be validly assigned by the obligee to the Agricultural Credit Bank of Trinidad and Tobago or any co-operative society or credit union or any other bank or source approved by the Commissioner under section 27 hereof, absolutely.

**26.** (1) A registered society shall, after exhausting all other remedies under this Ordinance, be entitled to recover by action at law all or any moneys remaining due to the society in respect of any loan made by the society to a member or under any agreement or contract made by the society with a member pursuant to this Ordinance either in the Petty Civil Court of Recovery of moneys

the district in which the registered address of the office of the society is situate, or in that of the district in which such member is or happens to be residing, at the option of the society.

Petty  
Civil Court  
jurisdiction

Ch. 3. No. 3

(2) Any claim or demand, the amount whereof does not exceed four hundred and eighty dollars, arising out of any charge upon any property under this Ordinance between a registered society and a member of such society shall be heard and determined in the Petty Civil Court of the district where such property is situated, and except as herein provided the procedure in all such matters shall be that prescribed by the Petty Civil Courts Ordinance. There shall be an appeal from the decision of the Judge on any dispute adjudicated upon by him in pursuance hereof.

#### LOANS TO REGISTERED SOCIETIES

Assignment  
of charge

**27.** (1) A registered society may borrow money for purposes of or incidental to agriculture from any credit union or co-operative society or from any bank or source approved for the purpose by the Commissioner on the security of a charge given by a member under section 19 of this Ordinance and executed and registered in accordance with the provisions of this Ordinance, and may for this purpose assign such charge to any such credit union, co-operative society, bank or source.

(2) An assignment of a charge under this section shall be deemed to be duly executed if signed in duplicate on behalf of the society by such officer or officers of the society as may be authorised so to do by the rules of the society; and shall be registered in the same manner as a charge, and the provisions of section 20 of this Ordinance shall apply *mutatis mutandis* to an assignment of a charge so registered, subject to the provisions of this subsection.

(3) An assignment of a charge under this section when registered as provided in subsection (2) of this section shall operate as a first charge in favour of the assignee subject to the provisions of section 19 of this Ordinance.

(4) An assignment by a registered society of a charge to a credit union, co-operative society or approved bank or source under this section shall transfer to and vest in such credit union, co-operative society or approved bank or source as aforesaid all the rights, powers, authorities and privileges attaching to the society under or by virtue of such charge and shall enable the credit union, co-operative society or approved bank or source as aforesaid to take proceedings and exercise all other

powers, rights and remedies for the recovery of the debt created by such charge in any manner which the society could have taken or exercised under this Ordinance.

(5) Every assignment of a charge under this section shall be made by an instrument in the prescribed form.

**28.** It shall not be lawful for a registered society which has obtained a loan under the Agricultural Credit Bank Ordinance or any Ordinance amending or replacing the same, or from a credit union, or from a co-operative society, to borrow from any other bank or source without the consent of the Commissioner; and every society knowingly contravening this section shall be guilty of an offence under this Ordinance and shall on summary conviction be liable to a fine of two hundred and forty dollars.

Loans from  
other sources  
Ch. 23. No. 5

**29.** (1) All loans to a registered society shall be made on the joint and several liability of the trustees and every member of the society.

How loans to  
registered  
society to be  
made

(2) The trustees, on behalf of all the members of a registered society, shall enter into an agreement for the repayment of any loan and the payment of the interest thereon in the prescribed form and subject to such terms and conditions, if any, as the Commissioner may approve or require.

**30.** (1) The committee of any registered society which has obtained a loan under the Agricultural Credit Bank Ordinance, or from any credit union or co-operative society or from any bank or source approved for the purpose under section 27 of this Ordinance shall not allow any part of such loan to be applied to or for any purposes other than those incidental to agriculture, including the provision of office accommodation and warehousing, storage, transport and shipping facilities, necessary for the business of the society.

Certain loans  
to be applied  
to agricultural  
purposes only  
Ch. 23. No. 5

(2) Every member of the committee of any registered society contravening this section shall, unless he proves that the contravention was effected without his knowledge, or in spite of efforts on his part to prevent it, be guilty of an offence under this Ordinance.

**31.** (1) The Committee of a registered society to which any loan has been made shall, within seventy-two hours of the loan being made, cause full particulars of such loan to be forwarded, in a postage prepaid letter, to the Commissioner for Co-operative Development, Port-of-Spain, for the purpose of being recorded. The Committee shall likewise within seventy-two

Commissioner to  
be notified of  
details of loans,  
and of discharge  
of loans

hours after the repayment of a loan, cause to be forwarded to the Commissioner a certificate of the discharge of such loan. Such records shall be open to public inspection.

(2) Every member of the committee of any registered society failing to carry out the provisions of subsection (1) of this section shall, unless he shall prove that such failure occurred without his knowledge or in spite of his efforts to prevent it, be guilty of an offence and shall on summary conviction be liable to a fine of forty-eight dollars.

#### DUTIES AND PRIVILEGES OF REGISTERED SOCIETIES

Charge and set-off in respect of shares or interest of member

**32.** Notwithstanding anything herein contained, a registered society shall have a charge upon the shares or interest in the share capital and on the deposits of a member or past member and upon any dividend, bonus or profits payable to a member or past member in respect of any debt due from such member or past member as the case may be to the society, and may set off any sum credited or payable to a member or past member in or towards payment of any such debt.

Members' shares or interest in share capital not liable to attachment

**33.** Subject to the provisions of section 32 of this Ordinance, and to the limits set out in the rules, the share or interest of a member in the share capital of a registered society shall not be liable to attachment, execution or sale under any decree or order of a court of justice in respect of any debt or liability incurred by such member and no person shall be entitled to, or have any claim on, such share or interest.

Share register

**34.** (1) A share register shall be kept by each registered society in which shall be recorded the name of each member, the date of allotment and the number of fully paid-up shares held by him as well as any share or shares upon which he has paid an instalment. If any share is transferred the name of the member to whom it is transferred, and the date of transfer, and if the share is cancelled, the date of cancellation, shall be entered in such share register.

(2) A fee of twenty-four cents shall be paid to the society on every transfer of shares.

Transfer of interest on death of member

**35.** (1) On the death of a member of a registered society, the society may within one year from his death transfer his share or interest to a person or persons nominated by him to receive the same in accordance with its rules, or if there is no person or persons so nominated, to such person as may appear to the committee to be the heir or legal personal representative of the deceased member, or the society may pay to such

nominee, heir or legal personal representative, as the case may be, a sum representing the value of such member's share or interest, as ascertained in accordance with its rules: Provided that such nominee, heir or legal personal representative, as the case may be, may require payment by the society within one year from the death of the member of the value of the share or interest of the deceased member ascertained as aforesaid.

(2) A registered society shall, subject to the provisions of section 32 and unless prevented by an order of a competent court, pay to such nominee, heir or legal personal representative, as the case may be, all other moneys due to the deceased member from the society.

(3) All transfers and payments made by the society in accordance with the provisions of this section shall be valid and effectual against any demand made upon the society by any other person.

**36.** (1) The transfer or charge of the share or interest of a member or past member or deceased member in the share capital of a registered society shall be subject to such conditions as to maximum holding as may be prescribed by this Ordinance or by the rules.

Restriction on transfer of share or interest

(2) A member shall not transfer or charge any share held by him or his interest in the share capital of a registered society or any part thereof unless—

(i) he has held such share or interest for not less than one year; and

(ii) the transfer or charge is made to the society or to a member of the society, or to a person whose application for membership has been accepted by the committee.

**37.** (1) A registered society may contract for the disposal of the produce of agriculture of its members and may provide therefor by bye-laws.

Disposal of produce to or through a society

(2) Bye-laws made under this section may provide—

(a) that every member of the society who produces any such article shall dispose of the whole or any specified amount, proportion or description thereof to or through the society as may be agreed upon between the society and the member in writing; and

(b) that any member who is proved or adjudged in such manner as may be prescribed by the said bye-laws to be guilty of a breach thereof or of a breach of contract shall pay to the society as liquidated

damages a sum to be ascertained or assessed in such manner as may be prescribed by the aforesaid bye-laws.

(3) No contract entered into under the provisions of this section shall be contested in any court on the ground only that it constitutes a contract in restraint of trade.

Injunction  
and specific  
performance

**38.** In the event of any breach or threatened breach by a member of any registered society of any provision of a contract made in accordance with section 37 of this Ordinance, such society shall be entitled to an injunction to restrain such member, his agents and servants from selling or delivering the produce or product the subject matter of the contract otherwise than in accordance with the contract and to a decree for specific performance of the said contract by such member. Pending the adjudication of any action brought by any society under this section and upon ex parte application to the Supreme Court and upon evidence by affidavit of the breach or threatened breach and upon the giving of such undertaking or security as may be approved by such Court or Judge thereof the society shall be entitled to an interim injunction restraining such breach or threatened breach.

Expulsion of  
members

**39.** (1) The committee of any registered society may make an order (herein referred to as an order of expulsion) excluding from the society any member who may become insolvent, or be in arrears of payments due by him to the society, or whose conduct or reputation threatens to impair seriously the welfare of the society: Provided always, that such order of expulsion shall not relieve a member from any indebtedness to the society at the time of his expulsion or deprive him of a right to any sums then due to him by the society.

(2) Any member so excluded may appeal against such order of expulsion to the next general meeting of the society whose decision shall be final.

#### AUDIT, INSPECTION, INQUIRY, REMOVAL OF OFFICER

Annual Audit

**40.** (1) The Commissioner may at any time, and shall at least once in every year, audit, or cause to be audited by some person authorised by him by general or special order in writing, the accounts of every registered society.

(2) The audit under subsection (1) of this section shall include an examination of overdue debts, if any, the verification of cash balances and securities, a valuation of the assets and a statement of the liabilities, of the society.

(3) The Commissioner or other person auditing the accounts of any registered society shall have free access to the books, accounts and vouchers of such society and shall be allowed to verify its cash balances and securities. The officers, agents and servants of the society shall furnish to the Commissioner or other person appointed to audit the accounts of the society all such information as to its transactions and working as the Commissioner or such other person may require.

(4) The Commissioner and every other person appointed to audit the accounts of a registered society shall have power, when necessary—

(a) to summon at the time of his audit any past or present officer, agent, servant or member of the society or any other person who he has reason to believe can give valuable information in regard to any transaction of the society or the management of its affairs; and

(b) to require the production of any book or document relating to the affairs of the society, or any cash, security, or other property belonging to the society, by any past or present officer, agent, servant or member of the society or other person in possession of or having the custody of such book, document, cash, security or other property.

(5) It shall be the duty of the secretary, treasurer, and all other officers and members of the committee of management of a registered society to make available to the Commissioner or other person so appointed all books, accounts, vouchers, documents, securities, funds and moneys of the society for purposes of audit.

**41.** (1) The Commissioner may by general or special order Inspection of societies direct co-operative officers—

(a) to inspect, enquire and examine into the affairs of registered societies, and for such purpose a co-operative officer shall at all times have access to all the books, accounts, papers and securities of a society, and shall, be entitled to inspect the cash in hand;

(b) to report to the Commissioner respecting the financial status of such societies; and

(c) to perform such other duties respecting societies as may from time to time be assigned to them by the Commissioner.

(2) Every officer, agent, or servant of a registered society shall produce all books and documents in their custody or power, and shall furnish such information in regard to the transactions and working of the society as the co-operative officer making an inspection, enquiry or examination may require.

(3) If it appears to the Commissioner from the report of a co-operative officer made after investigation that the affairs of a registered society are being mismanaged or are not being conducted in accordance with the provisions of this Ordinance, or the rules made under this Ordinance, or are being conducted on an unsound basis, he may direct a co-operative officer to call a general meeting of the members of the society; and thereupon such co-operative officer shall—

- (a) require the secretary of the society to convene the meeting by sending a written notice by hand or by post to each member at his last known address at least seven days before the date of the meeting; and
- (b) attend the meeting and submit to the meeting his report and any other information he has with reference to the affairs of the society; and
- (c) after the meeting, submit a full report thereon to the Commissioner.

(4) The Commissioner may, after receiving the report, if in his opinion it is advisable so to do, recommend to the Governor in Council that the registration of the society be cancelled.

(5) A co-operative officer duly authorised by the Commissioner in writing in that behalf may examine on oath the officers, agents and servants of any registered society in relation to its affairs and business and may administer an oath accordingly.

(6) If any officer, agent or servant of a registered society refuses or fails without reasonable cause to produce any book or document which under this section it is his duty to produce or to answer any question relating to the affairs or business of the society he shall be guilty of an offence under this Ordinance.

Inspection and enquiries

**42.** (1) The Commissioner or a co-operative officer shall in addition to any powers, authorities, and privileges otherwise assigned to him under this Ordinance, have power to do all or any of the following things namely—

- (a) to make such examination and enquiry as may be necessary to ascertain whether the terms and conditions under which a loan has been granted to a

registered society under this Ordinance have been or are being complied with;

(b) to examine into the management and the administration of the affairs of a registered society and make enquiries respecting the financial condition of any member of the society; to investigate, inspect or examine any property, real or personal, charged by a member to the society in respect of a loan made to him by the society, irrespective of where such property may then be or to what place it may be stated to have been removed; to ascertain whether the moneys received by way of loan by a member from a registered society have been applied for the purposes for which they were granted and all or any other matters and things connected with or relating to the security given by a member of a registered society for or in respect of a loan by the society; and for all or any of the purposes herein above mentioned to enter, along with the trustees or either of them, and the secretary or treasurer, of the society, any premises or place where the member or any such property as aforesaid is, or may be stated to be, at all reasonable hours during the daytime; and

(c) to execute such other powers as may be prescribed.

(2) Every co-operative officer shall be furnished by the Commissioner with a certificate of his appointment, and on applying for admission to any premises or place for the purposes of this section shall, if so required, produce the said certificate.

(3) Every person who shall hinder, impede, molest or obstruct the Commissioner or any co-operative officer authorised as aforesaid in the performance or execution of any of his duties under this section shall be guilty of an offence under this Ordinance.

**43.** (1) If at any time it appears to the satisfaction of the Commissioner after due inquiry into the facts, the officer being afforded a full opportunity of being heard, that an officer of a registered society has been guilty of fraud, negligence, irregularity or misconduct, such officer may be removed from office by order of the Commissioner, and may be required by the Commissioner to deliver up to him or to any person authorised by him in writing any books, ledgers, vouchers, registers, bills, documents, moneys or other property or matter

Removal of  
officer

belonging to the society of which he has the custody. And the Commissioner may appoint a suitable person temporarily to fill the place or discharge the duties of such officer.

(2) Any officer who is removed by order of the Commissioner under or by virtue of the preceding subsection may apply to the Magistrate for the County in which the registered office of the society is situated for a review of such order within fourteen days from the day upon which the Order of removal was issued, provided that any such application shall not, pending the hearing and determination thereof, suspend or affect the requirement of the Commissioner as respects the delivery up of any books, ledgers, vouchers, registers, bills, documents, moneys or other property or matter belonging to the society of which he has the custody.

(3) The Commissioner shall, if required to do so by an order of the Magistrate, transmit forthwith to such Magistrate the reasons in writing for his decision together with any papers, documents, report or other matter upon which such order of removal was made and if the Magistrate on perusing and considering the same shall be of opinion that the officer ought not to have been removed, he may call upon the Commissioner to show cause why an order should not be made for the reinstatement of such officer.

(4) The Magistrate shall review the whole case or matter and may confirm the order of removal or order the reinstatement of the officer upon such terms and conditions as he may think fit and may command such officer either forthwith or on the expiration of any given time as may appear to the Magistrate to be just, to do, execute or perform any duty or duties appertaining to or in connection with his said office and may order the payment by such officer of such costs and expenses as the Magistrate may think fit.

(5) If at the expiration of fourteen days from the day upon which the order of removal was issued no application has been made to the Magistrate for a review of such order or if no order for reinstatement of the officer is made by a Magistrate to whom any such application has been made the society shall proceed to elect an officer in the place of the officer so removed.

(6) Any officer removed from office under the provisions of this section shall thereupon cease to hold office in the said society from the date of such order for the remainder of his then current term of office and shall be disqualified for being elected and for being an officer of any registered society for a period not exceeding five years as the Commissioner shall

determine, next after the end of his aforesaid current term of office.

(7) Every officer having the custody of any books, ledgers, vouchers, registers, bills, documents, moneys or other property or matter belonging to a registered society or relating to the business or affairs of a registered society who is removed by order of the Commissioner shall forthwith deliver up to the Commissioner or to any person authorised by him such books, ledgers, vouchers, registers, bills, documents, moneys or other property or matter.

(8) Any officer who shall fail to deliver up any books, ledgers, vouchers, registers, bills, documents, moneys, property or matter in accordance with any requirement made by or under this section, shall be guilty of an offence against this Ordinance.

44. The Minister may require the Commissioner to enquire into and report on any application under section 5 of this Ordinance and on the working of any registered society, and it shall be the duty of the Commissioner to take all steps necessary to enable such report to be made.

Duty of  
Commissioner  
and his  
officers to  
report

#### OFFICERS IN RECEIPT OR CHARGE OF MONEY

45. (1) Every officer of a registered society having receipt or charge of money shall, before taking upon himself the execution of his office, become bound with one sufficient surety at least in a bond in the prescribed form or such other form as the Commissioner may approve, or give the security of a guarantee society or insurance company in such sum as the committee of the society directs, conditioned for his rendering a just and true account of all money received and paid by him on account of the society at such times as its rules appoint, and for the payment by him of all sums due from him to the society.

Security by  
financial  
officers

(2) Every bond or policy of insurance entered into by an officer pursuant to this section shall within fourteen days immediately after its execution be sent to the Commissioner who shall cause the same to be entered in a register of bonds to be kept in the Department of Co-operative Development relative to registered societies. The society shall pay all premiums in respect of any security in a guarantee society or insurance company given by an officer having receipt or charge of money of the society.

(3) Both the principal and the surety to every bond made pursuant to this section shall make a statutory declaration testifying to the sufficiency of the security furnished by the bond in the prescribed form.

(4) The committee of a registered society or the Commissioner in their or his absolute discretion and without assigning any reason or reasons for so doing, may require the principal at any time to verify the sufficiency of a bond or other security given by him or to furnish another bond with one sufficient surety at the least or a new policy of insurance. No two members of a committee of a society shall have the same surety except in the case of a guarantee society or insurance company nor shall any member of a committee be or become surety for another member thereof, except with the sanction of the Commissioner.

(5) Save as herein provided every officer of a registered society having receipt or charge of money shall become bound to the trustees who may sue upon the breach or non-observance of any of the conditions of a bond or who may in the case of any other security given under this section enforce payment of the same.

(6) In the case of the trustees, they shall become bound to the Commissioner who shall be authorised on behalf of the society to sue upon the breach or non-observance of any of the conditions of a bond or in the case of any other security given under this section to enforce payment of the same.

Officers,  
accounts  
and audit

**46.** (1) Every officer of a registered society having receipt or charge of money shall, at such times as by the rules of the society he should render account or upon being required at any time by the committee of the society or the society in general or special general meeting or the Commissioner so to do, render to the committee of the society, or to members thereof at a meeting of the society or to the Commissioner, as the case may be, a just and true account of all moneys received and paid by him since he last rendered the like account, and of the balance then remaining in his hands, and of all property, real and personal, of such society, which account shall be audited by the Commissioner or by some person authorised by him by general or special order in writing.

(2) Every such officer upon the said accounts being audited, shall forthwith hand over to the trustees for deposit the balance which, upon such audit appears to be due from him, and shall also, if required by the committee or the Commissioner so to do, deliver to such trustees all securities, effects, books, papers and other property of the said society, in his hands or custody.

(3) In case any such officer neglects, refuses or is unwilling to render his account or to hand over the balance of money or to deliver any securities, effects, books, papers or other property of the society, as aforesaid, he shall be guilty of an offence under this Ordinance, and in addition the society may sue upon the bond or security before mentioned.

(4) A court of summary jurisdiction shall have power under this section to order delivery of an account by any officer having receipt or charge of money and the handing over of the balance of money and delivery of the securities, effects, books, papers or other property of the society in the hands of such officer, as required under the provisions of this section, and may annex to any such order any conditions as to time or mode of action which the court may think just, and may suspend or rescind any such order on such undertaking being given or condition being performed as the court may think just: Provided that conviction of the officer or any order made by a court, under the provisions of this section, shall not discharge the surety to the bond of such officer from his obligation thereunder, or be construed to be a bar to an action on a bond or policy or other proceedings at the instance of the society against such officer, surety, guarantee society or insurance company, as the case may be, in the event of any malversation or misappropriation by such officer of any moneys of the society.

#### OFFENCES AND PENALTIES

47. (1) Every person shall be guilty of an offence against this Ordinance and shall be liable, upon conviction on indictment, to two years imprisonment or to a fine not exceeding two thousand dollars, or to both, or upon summary conviction to imprisonment for six months or to a fine of two hundred and forty dollars or to both, who—

- Corrupt practice and bribery
- (a) being a member of a committee or the secretary, treasurer, trustee or other executive officer or servant of a registered society, corruptly accepts or obtains or agrees to accept or attempts to obtain, from any person for himself or for any other person any gift or consideration as an inducement or reward for doing or forbearing to do or for having done or forborne to do, any act relating to the society's business or affairs, or for showing or forbearing to show favour or disfavour to any person with relation to the society's business or affairs; or
  - (b) corruptly gives or agrees to give or offers any gift or consideration to any officer or servant of a

registered society as an inducement or reward or consideration to such officer or servant of the society, for doing or forbearing to show favour or disfavour to any person with relation to the society's business or affairs.

(2) If any officer of a registered society directly or indirectly receives any fee or reward (other than a fee or reward which he is authorised to receive under this Ordinance), from any person in respect of any application for membership in the society or in connection with the making of any loan by the society he shall be guilty of an offence under this Ordinance.

(3) In this section "consideration" includes valuable consideration of any kind.

Withholding  
or misapplying  
property  
of society

**48.** (1) If any person obtains possession by false representation or imposition of any property of a registered society, or withholds or misapplies any such property in his possession, or wilfully applies any part thereof to purposes other than those directed or expressed in the rules of such society or authorised by this Ordinance, he shall, on complaint as in this section mentioned, on summary conviction be liable to a fine not exceeding two hundred and forty dollars, and costs, or, in default of the payment of such fine and costs as aforesaid, to imprisonment for six months, and in addition thereto he may be ordered to deliver up all such property, or to repay all sums of money applied improperly and in default of such delivery or repayment as aforesaid, to be imprisoned for a further term of six months: Provided that where on a complaint against a person for withholding or misapplying property, or applying it for unauthorised purposes, it is not proved that that person acted with any fraudulent intent, he shall not be liable to conviction but may be ordered to deliver up all such property or to repay any such sum of money applied improperly, with costs, and in default of such delivery or repayment or of the payment of such costs as aforesaid to be imprisoned for six months.

(2) Complaint under this section may be made—

- (a) in the case of a registered society, by the trustees or any member of the committee authorised by the society; or
- (b) in any case, by the Commissioner or by any person authorised in writing by the Commissioner.

(3) In any proceedings instituted under this section against an officer, member or other person in respect of any sum surcharged or balance certified by the Commissioner or

the person appointed by him to audit the books and accounts of a registered society arising out of or in connection with any audit carried out under the provisions of this Ordinance to be due by the officer, member or other person, the onus of proving the same to have been due to any accidental or formal slip, error or omission shall lie upon such officer, member or other person, as the case may be.

**49.** (1) If any person wilfully makes, or causes to be made, any entry or erasure in, or omission from any book or balance sheet of a registered society or a return or document required to be sent, produced or delivered, for the purposes of this Ordinance with intent to falsify the same, or to evade any of the provisions of this Ordinance, he shall be guilty of an offence under this Ordinance.

Penalties for  
falsification, &c.

(2) Any officer or other person who makes any material omission or omits to make any material entry which by this Ordinance or the rules of a society he is required to make in any cash book, general ledger, summary of receipts and payments, balance sheet, register of members, account, inventory, record, annual or half-yearly return or other document affecting or relating to the property or affairs of a registered society or to the benefits, rights, or privileges of a member thereof shall, unless he proves that he had no intent to defraud, be guilty of an offence under this Ordinance.

(3) If in any statement showing receipts and expenditure, balance sheet, return, record, form, account or other document required for the purposes of this Ordinance any officer or other person wilfully makes a statement or entry false in any material particular or knowing the same to be untrue in any material particular, he shall, unless he proves that he had no intent to defraud, be guilty of an offence under this Ordinance.

**50.** (1) A registered society which, or any officer or member of a registered society who, fails without any reasonable excuse to give any notice, send any return or document, or to do or allow to be done anything which the society, officer or member is by this Ordinance required to give, send, do or allow to be done, or wilfully neglects or refuses to do any act or to furnish any information required for the purposes of this Ordinance by the Commissioner or other person duly authorised by him in writing in this behalf, or wilfully makes a false return or furnishes false information, shall be guilty of an offence under this Ordinance.

Offences

(2) If any person wilfully or without any reasonable excuse disobeys any summons, requisition or lawful written order issued under the provisions of this Ordinance or does not furnish any information lawfully required from him by a person authorised to do so under the provisions of this Ordinance, he shall be guilty of an offence under this Ordinance.

(3) If any officer of a registered society or any member thereof refuses to observe or comply with any of the provisions of the rules of the society relating to his duties or functions under such rules, such officer or member, as the case may be, shall be guilty of an offence under this Ordinance.

Unauthorised  
application  
for loans

**51.** (1) Any person who shall make any statement in any application to a registered society for a loan which he knows to be false in any material respect or particular or which he does not believe to be true shall be guilty of an offence under this Ordinance.

(2) Any borrower who shall apply any loan or any part thereof made to it or to him under the provisions of this Ordinance for any purpose or purposes other than that or those for which the loan has been made, shall be liable on summary conviction to a fine of four hundred and eighty dollars or to imprisonment for six months.

(3) If any person executes any charge under this Ordinance which contains any false statement concerning his ownership of or his interest in any crop, building, livestock, dead stock, agricultural equipment, agricultural implements or land or any other matter or thing which may be charged respectively thereunder or the share or interest of any other person respectively therein, knowing the same to be false, he shall be guilty of an offence under this Ordinance.

(4) The onus of proving the manner in which a loan has been applied shall be upon the person to whom the loan was made.

Penalty for  
dealing with  
property  
charged

**52.** (1) Any person who fraudulently or clandestinely removes or attempts fraudulently or clandestinely to remove any property comprised in any charge in favour of a registered society under section 19 of this Ordinance from the place where such property was situate at the time of the execution of the charge pursuant to the provisions of section 20 of this Ordinance or who knowingly disposes of or deals with, or attempts to dispose of or deal with, any property comprised in any charge in favour of a registered society under the said

section 19, without first obtaining the leave in writing of the committee of the society shall be liable on summary conviction to a fine of four hundred and eighty dollars or to imprisonment for six months.

(2) Where any person who has obtained a loan from a registered society is convicted of an offence under this section, there shall be imposed on him, in addition to any fine, a penalty equal to such amount of the loan made, in respect of which such offence was committed, as has not been repaid with interest thereon to the date of such conviction, and such penalty shall be paid to the society by which such loan was made, and payment of such penalty shall discharge the liability of the borrower to repay such loan.

(3) Where the court has imposed a penalty under subsection (2) hereof and such penalty is not paid, the court may order any defendant who is convicted of such offence in default of payment of the penalty adjudged to be paid, to be imprisoned for six months.

(4) No complaint shall be laid under this section without the consent in writing of the Commissioner.

53. Every registered society, and every officer or member of a registered society or other person guilty of an offence under this Ordinance for which no penalty is expressly provided herein shall be liable on summary conviction to a fine of two hundred and forty dollars, and in the case of a continuing offence to a further fine of ten dollars for each week in which the offence is continued, or the default continues after conviction therefor.

Penalty for offences not otherwise provided for

54. Where a registered society is guilty of an offence under this Ordinance, every member of the committee, unless that member is proved to have been ignorant of or to have attempted to prevent the commission of the offence, shall be liable to the same penalty as if he had committed the offence.

Offences by societies to be also offences by officers

55. (1) All offences punishable under this Ordinance may be prosecuted, and all penalties incurred may be imposed and recovered, in the manner provided by the Summary Courts Ordinance.

Recovery of penalties

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(2) Save as herein otherwise provided complaint in respect of any offence, misdemeanour or felony, as the case may be, under this Ordinance may be made or preferred—

(a) in the case of a registered society, by the trustees or the committee or any member of the society authorised in writing by the committee; or

- (b) in any case, by the Commissioner, a co-operative officer or any person authorised in writing by the Commissioner.

Limitation

**56.** Proceedings in respect of summary offences under this Ordinance shall be commenced within six years from the date on which the offence was committed, and not thereafter.

## DISPUTES

Settlement  
of disputes

**57.** (1) If any dispute touching the business of a registered society arises—

- (a) among members, past members and persons claiming through members, past members and deceased members; or
- (b) between a member, past member, or person claiming through a member, past member or deceased member, and the society, its committee, or any officer of the society; or
- (c) between a member and the society arising out of or under any bye-law or bye-laws relating to the disposal of the produce of agriculture or animal husbandry, or under any contract, made under section 37 of this Ordinance; or
- (d) between the society or its committee and any officer of the society; or
- (e) between the society and any other society;

such dispute shall be referred to the Commissioner for decision :

Provided that the Commissioner may before proceeding to hear or determine a dispute, make or cause a preliminary investigation to be made into the dispute with the object of ascertaining the facts and limiting the issues and of endeavouring to bring about a voluntary settlement between the parties to the dispute.

A claim by a registered society for any debt or demand due to it from a member, past member or the nominee, heir or legal representative of a deceased member shall be deemed to be a dispute touching the business of the society within the meaning of this subsection.

(2) The Commissioner may, on receipt of a reference under subsection (1)—

- (a) decide the dispute himself; or
- (b) refer it for disposal to an arbitrator or arbitrators.

(3) Any party aggrieved by the award of the arbitrator or arbitrators may appeal therefrom to the Commissioner within such period and in such manner as may be prescribed.

(4) A decision of the Commissioner under subsection (2) or on an appeal made under subsection (3) shall be final and shall not be called in question in any civil court.

(5) The award of the arbitrator or arbitrators under subsection (2) (b) shall, if no appeal is preferred to the Commissioner under subsection (3) or if such appeal is abandoned or withdrawn, be final and shall not be called in question in any civil court.

(6) (a) For the purpose of hearing and determining any dispute pursuant to this section the Commissioner, arbitrator or arbitrators as the case may be, may administer oaths, and may require the attendance of all parties concerned, and witnesses, and the production of all books, documents and material objects relating to the matter in question.

(b) The Commissioner, arbitrator, or arbitrators, as the case may be, shall also have power to order the expenses of determining any dispute as aforesaid including fees to legal practitioners to be paid either out of the funds of the society or by such parties to the dispute as he or they, as the case may be, in his or their absolute discretion may think fit.

(7) The decision given in respect of every dispute under this section shall be recorded in the prescribed form or as near thereto as the circumstances of the case may require, and a copy thereof shall be issued to each and every party to the dispute.

(8) Where the Commissioner in pursuance of a decision by him under subsection (2) or on an appeal under subsection (3) of this section makes an order affecting the liability of a member or person the Commissioner may add directions as he may think fit or proper for the purpose of giving effect to such decision, and in particular for making the liability of the person or member a charge in priority to all other claims, legal or equitable, under any law upon any moneys, dividends, bonuses, credits, debts or obligations due to or to accrue from a registered society to the member or person or upon any share in or of a registered society held by or standing in the name of

the member or person and may from time to time make such further order as may be necessary for the purpose of enforcing any charge imposed under this section.

(9) Every order made by the Commissioner or an arbitrator or arbitrators hereunder shall if not carried out, be executed on a certificate signed by the Commissioner, by any civil court in the same manner as a decree or order of such court.

#### CANCELLATION AND DISSOLUTION

Recommendation of cancellation following audit or enquiry, &c.

**58.** (1) If the Commissioner from his audit or the reports of a person authorised by him to audit the accounts of a registered society, or from the report by a co-operative officer upon any inspection, inquiry or examination into the affairs of a registered society, or on receipt of an application made by two-thirds of the members of a registered society, or of his own motion in the case of a registered society that has not commenced working or has ceased working, is of opinion that the registration of a society ought to be cancelled, he may recommend to the Governor in Council the cancellation of the registration of the society, and the Governor in Council shall, if he thinks fit, have power to proceed to the cancellation thereof in manner provided under subsection (2) of this section.

Governor may cancel registration

(2) The Governor in Council shall have power, for such reason as may appear good and sufficient to him, at any time, to cancel the registration of a registered society and the society shall upon cancellation of its registration be deemed to have been dissolved, but notice of intention to cancel the registration of a society shall be given to the committee thereof, a reasonable time being allowed in which representations may be made against such cancellation:

Provided that such cancellation shall not be taken to affect the joint and several liabilities of the trustees and every member of the society at the time of its dissolution, for the repayment of all outstanding loans made to, or obligations incurred by the society during its term of registration or the liability of any member of the society for the repayment of all outstanding loans made to such member by the society or debts incurred by such member to the society during its term of registration. A notification of any such cancellation shall without undue delay, be published in the *Royal Gazette* and in one at least of the local daily newspapers.

(3) Where a registered society has resolved in accordance with its rules that it be dissolved the Governor in Council shall on the recommendation in writing of the Commissioner cancel the registration of the society and the society shall be deemed to have been dissolved from the date of such cancellation.

Cancellation following dissolution

(4) When a registered society is deemed to have been dissolved under this section the Governor in Council may authorise the Commissioner or his nominee to sue for and recover all loans from the members liable for the repayment of the same as if they had been originally advanced by the Commissioner or his nominee to such members and thereupon the powers and rights conferred on the society or any officer thereof by or under sections 19 to 26 inclusively shall devolve on and be vested in the Commissioner or his nominee so authorised. The balance of all moneys so recovered after payment thereof of all proper and necessary costs, charges and expenses incurred, shall be applied by the Commissioner in manner provided by paragraph (f) of subsection (5) of this section.

Recovery of loans from members

(5) When a registered society is deemed to have been dissolved under this section—

Officers to deliver up books, &c.

(a) every officer having the custody of any books, ledgers, vouchers, registers, bills or documents belonging to the society or relating to its business or affairs, shall forthwith deliver up to the Commissioner or his nominee such books, ledgers, vouchers, registers, bills and documents;

(b) every officer having receipt or charge of money or other personal property of the society shall forthwith deliver the same to the Commissioner or his nominee who shall realise by sale all such other personal property as a whole or in lots or parcels as he may think fit by public auction or private contract; such money and proceeds of sale shall be applied by the Commissioner in the manner provided by paragraph (f) of this subsection;

Realisation and marshalling of assets

(c) the committee shall forthwith deliver to the Commissioner full particulars of all claims outstanding against the society, of all securities and of all property held by the society and the Crown Grants

or other documents of title, deeds or other assurances in the possession of the trustees or other member or members of the said committee;

- (d) the Commissioner shall on the direction of the Governor in Council have power to dispose of the said property by sale and in the case of mortgage securities to exercise the power of sale or seizure which, but for dissolution of the society, would otherwise be exercisable by the society or its trustees and to execute in favour of the purchaser a deed of conveyance, memorandum of transfer, assignment or other appropriate instrument for vesting title in such purchaser; the purchase money shall be deposited with the Commissioner to be applied by the Commissioner in the manner provided by paragraph (f) of this subsection. The Commissioner shall also have power to sue in his own name in any court of competent jurisdiction for the recovery of any sums due to the society;
- (e) the Commissioner shall upon realisation of all the available property of the society publish an advertisement in a local newspaper once in each week for a period of two consecutive weeks requiring creditors of the society to submit their claims to him, such claims shall be in detail and be verified by affidavit to the satisfaction of the Commissioner;
- (f) upon the expiration of twenty-one days from the date of the last publication of the said advertisement the Commissioner shall apply all the moneys of the society in hand in the manner and in the order following—
- (i) in payment of all expenses of and incidental to the realisation of the property and of the following fees to the Commissioner:—
- |  |     |   |        |
|--|-----|---|--------|
| on the cancellation of the registration of the society   | ... | ...   | \$2.40 |
| on the application of moneys in hand following the cancellation of the registration of the society | ..  | A commission of five per cent of the moneys to be applied by the Commissioner in manner herein provided |        |
- (ii) in payment of all local rates and all assessed taxes on lands and buildings and other taxes or sums of any kind whatsoever assessed on the society;

- (iii) in settlement of the amount due, if any, by the society for not more than six months house or land rent;
- (iv) in satisfaction of claims submitted for salaries or other remuneration payable to clerks or employees (not being officers) in the service of the society;
- (v) in satisfaction of the claims, if any, of the Agricultural Credit Bank of Trinidad and Tobago or any co-operative society or credit union or any bank or source approved by the Commissioner under section 27 of this Ordinance;
- (vi) in satisfaction of all debts and liabilities, due or to become due in the future, certain or contingent, to which the society was subject at the date of dissolution or to which it may have become subject by reason of any obligation incurred before such date:

Provided that no demand in the nature of unliquidated damages not determinable under section 57 of this Ordinance shall be admissible;

- (vii) in payment to members of the paid-up share capital contributed or subscribed by them at a rate not exceeding in any event the par value thereof together with interest or dividend payable thereon;
- (viii) in payment to members of any bonus payable to members under the rules or of any profits payable under bye-laws, if any, made pursuant to section 37 of this Ordinance; and
- (ix) the balance of moneys (if any) in the hands of the Commissioner shall be devoted—
  - (a) in the case of a society the registration of which has been cancelled in pursuance of subsection (3) of this section, to some special public purpose in the County in which

the society operated, to be determined upon by the meeting at which the dissolution of the society shall take place. Failing such determination, then to such purpose in the said County as the Commissioner shall deem fit;

- (b) in the case of a society the registration of which has been cancelled pursuant to subsection (1) or subsection (2) of this section, to any object of public utility or to a charitable purpose anywhere in the Colony as the Governor in Council may direct.

#### MISCELLANEOUS

Bonds and securities

**59.** (1) All bonds and other securities entered into by any person or persons for the performance of any condition, order or matter relative to a registered society or incidental thereto shall be valid in law and upon breach of any of the conditions thereof may be sued and proceeded upon; all such bonds or securities shall be taken to or for the use of the society; and all bonds and securities given under any of the provisions of this Ordinance by persons under twenty-one years of age shall be valid; and it shall not be necessary for the validity of any of such bonds or securities that it shall be sealed or that it shall be prepared by a barrister or solicitor or that it shall be delivered as a specialty; but it shall be signed in the presence of a functionary who shall be either a justice of the peace, a co-operative officer, a barrister-at-law or a solicitor and all such bonds may after the expiration of six years from the date thereof be cancelled by the Commissioner by endorsement thereon to such effect.

Surety under a bond to be deemed a principal debtor

(2) Without prejudice to any rights of a surety under any bond required by any of the provisions of this Ordinance against the person for whom he is surety, a surety shall, under the bond executed by him, be deemed a principal debtor and not merely a surety and accordingly shall not be discharged, nor shall his liability be affected by any giving of time for payment or by any omission to enforce the bond or by any other act or omission or means whereby the liability of the surety would not have been discharged if he had been a principal debtor.

(3) Whenever any person bound under a bond given under or required by any provision under this Ordinance— Removal of bond on certain circumstances

- (a) dies; or
- (b) becomes bankrupt or enters into any arrangement or composition with or for the benefit of his creditors; or
- (c) departs from the Colony without leaving sufficient property therein to satisfy the amount for which he is bound; or
- (d) for any other reason is in the opinion of the Commissioner unable or likely to be unable to satisfy the bond if called upon,

the Commissioner may, if he thinks fit, require a new bond to be executed in the same amount as the original bond.

(4) Any registered society or the committee thereof or the Commissioner may at any time during the existence of a bond call upon the surety or sureties thereof to satisfy it or him, as the case may be, as to his or their means and for the purpose may require a statutory declaration justifying such means.

**60.** Notwithstanding anything herein contained, a registered society may for any purpose under this Ordinance— Power to mortgage

- (a) borrow money from the Agricultural Credit Bank of Trinidad and Tobago, a credit union, co-operative society or any other bank or source approved by the Commissioner on the security of a mortgage or charge of freehold property or leasehold property owned or held by it; or
- (b) offer as collateral security real or personal property for the repayment of a loan made to it by the Agricultural Credit Bank of Trinidad and Tobago in manner provided under the Agricultural Credit Bank Ordinance.

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**61.** The Commissioner shall pay all fees received by him under this Ordinance to the Accountant General, and the same shall be credited to the general revenue of the Colony. Fees payable into Treasury

**62.** (1) Where a registered society is unwilling or unable to pay, meet or satisfy any claim or demand on it, or has made default in the payment of any moneys due for or in respect of a loan made to it by the Agricultural Credit Bank of Trinidad and Tobago or by any co-operative society or credit union or Special powers of Commissioner for recovery of loans

bank or source approved under section 27 of this Ordinance, the Commissioner may, at the request of the Agricultural Credit Bank of Trinidad and Tobago or of the co-operative society or credit union or bank or source approved as aforesaid and without proceeding to liquidation of the registered society—

- (a) make any compromise or arrangement with creditors or persons claiming to be creditors of the society or having or alleging themselves to have any claim whereby the society may be rendered liable;
- (b) order the society to pay the Agricultural Credit Bank of Trinidad and Tobago or any co-operative society or credit union or any bank or source approved as aforesaid or any creditor, class or classes of creditors in full, or in part, as he may deem fit;
- (c) levy or distrain upon any property, real or personal, of any member of the society for the recovery of all moneys payable by such member to the society;
- (d) irrespective of all other powers, privileges, duties and obligations attaching to the society under the provisions of this Ordinance sell the property, real or personal, assets and things of a member or members of the society the subject of any charge or charges given under section 19 or section 24 of this Ordinance, without notice, as a whole, or in lots or parcels, on such terms as he may think fit, by public auction or private contract, for the purpose of paying the Agricultural Credit Bank of Trinidad and Tobago or any co-operative society or credit union or any bank or source approved as aforesaid or any creditor or creditors;
- (e) sell without notice the property, assets and things of the society as a whole or in lots or parcels on such terms as he may think fit by public auction or private contract, for the purpose of paying the Agricultural Credit Bank of Trinidad and Tobago or any co-operative society, or credit union or any bank or source approved as aforesaid or any creditor or creditors;
- (f) make such order for the reconstitution or reconstruction of the society as may appear necessary or proper:

Provided that the Commissioner may at any stage issue an order staying all proceedings under this section and may recommend to the Governor in Council that the registration of the society shall be cancelled under section 58 of this Ordinance.

(2) Where the Commissioner acts under paragraph (c) or paragraph (d) of subsection (1) of this section, he shall, after paying out of the proceeds all expenses incidental to such action and all debts and obligations of such member or members having priority under this Ordinance, make such distribution of the net proceeds, if any, as may appear to him to be just and equitable, towards the satisfaction of any debt or debts due by the society to the Agricultural Credit Bank of Trinidad and Tobago any co-operative society, any credit union, or any bank or source approved as aforesaid and any other creditor or creditors, and shall pay any balance remaining over to such member or members of the society.

(3) Where the Commissioner acts under paragraph (e) of subsection (1) of this section, he shall, after paying out of the proceeds all expenses incidental to such action and all debts and obligations of the society having priority, make such distribution of the net proceeds, if any, as may appear to him to be just and equitable, towards the satisfaction of any debt or debts due by the society to the Agricultural Credit Bank, any co-operative society, any credit union, or any bank or source approved as aforesaid and any other creditor or creditors, and shall pay any balance remaining over to the society.

(4) Where at the time of the death of a member of a registered society any moneys remain due or owing to the society in respect of any loan made by the society to the member, the Commissioner may forthwith take possession of and appoint a receiver of any property of the member upon which a charge has been created pursuant to section 19 or section 24 hereof in favour of the society pending repayment of the loan, and the costs and expenses in connection with or arising out of the appointment of a receiver as aforesaid shall be added to and form part of the moneys due and payable by the estate of the deceased member in respect of such loan. Notwithstanding that the said loan or any part thereof shall not be at such time repayable under the charge in favour of the society the Commissioner may in his discretion exercise and put into effect the powers and authorities vested in him under paragraphs (c) and (d) of subsection (1) of this section and shall in the event

of any levy or any levy and sale thereunder pay out of the proceeds thereof all the expenses of such sale and realisation as may be incurred in connection with the recovery of the said loan and all debts and obligations of such deceased member having priority under this Ordinance, and shall then apply the net proceeds thereof towards the satisfaction of any debt due to the society by such deceased member, and shall hold any balance to the use of the legal personal representative of such deceased member.

(5) The Commissioner at any time before or after the time for the repayment of a loan made by a registered society to a member shall fall due, on being satisfied that the member is about to quit the Colony for the purpose of evading repayment of the said loan or any part thereof or of any debt due to the society exceeding forty-eight dollars or otherwise to abscond, or to remove from the place where it is usually kept or conceal in any part of the Colony any of his property charged to the society for the repayment of the said loan with any such intent may cause the property or any part thereof to be seized and the same to be safely kept; and in the event of the member not repaying the said loan or settling his debt as aforesaid within thirty days, the Commissioner shall be at liberty to exercise and put into effect all or any of the provisions of the powers vested in him under paragraphs (c) and (d) of subsection (1) of this section and shall in the event of any levy or any levy and sale thereunder pay out of the proceeds thereof all expenses of such sale and realisation as may be incurred in connection with the recovery of the said loan, and all debts and obligations of such member having greater priority under this Ordinance, and shall then apply the net proceeds towards the satisfaction of any debt due to the society by such member, and shall pay any balance to such member.

(6) Every order made by the Commissioner under subsection (1) of this section shall be in writing and shall be immediately carried out by the society or member or members, as the case may be, and every officer or member of a society who shall in any way disobey or shall not carry into effect such written order shall be guilty of an offence under this Ordinance.

Seal

**63.** (1) Every registered society shall have a seal which shall bear legibly engraved on it at length the registered name of the society. The seal shall not be affixed to any instruments other than cheques issued by the society except by the written authority, general or special, of the Commissioner. The

secretary of the society shall be charged with the safe keeping of the seal. The device and type of such seal shall be such as the Commissioner shall approve.

(2) If any officer or member of a registered society or any person on its behalf uses any seal purporting to be a seal of the society whereon its name is not engraved as aforesaid or signs or authorises to be signed on behalf of the society any cheque, document or instrument without lawful authority or otherwise than in accordance with the authorisation of the Commissioner, he shall be liable on summary conviction to a fine of four hundred and eighty dollars or to imprisonment for a term of six months.

(3) Where any person is convicted of an offence under this section there may be imposed on him in addition to any fine a penalty equal to such amount as the society or any member or other person shall have lost or become liable for or by reason of the misapplication or misuse of such seal and such penalty shall be paid to such society, member or person incurring such loss, and where the court has imposed such a penalty and such penalty is not paid, the court may order the defendant who is convicted of such offence in default of payment of the penalty adjudged to be paid to be imprisoned for six months.

64. Cheques on any banking account of a registered society shall bear the seal of the society and shall be signed by the president or other duly authorised officer, and the secretary, and shall be countersigned by the treasurer. Cheques

65. (1) Every registered society—

(a) shall paint or affix or keep painted or affixed its registered name on the outside of its office or any place in which its business is carried on, in a conspicuous position in letters easily legible;

(b) shall have its name mentioned in legible characters on all notices, advertisements, and other official publications of the society and in all agreements, promissory notes, cheques, orders or requisitions for moneys, goods or services, receipts or other documents of or affecting the society.

(2) If a registered society fails in any manner to carry out any of the provisions of paragraphs (a) or (b) of subsection (1) of this section it shall be liable on summary conviction to a fine not exceeding twenty-four dollars for every day

Affixing of  
registered  
name and  
number

during which such default continues and every officer and member of the committee who knowingly or wilfully authorises or permits the default shall be liable to the like penalty.

Special  
power of  
society  
to hold  
mortgages

66. (1) Notwithstanding anything herein contained a registered society may with the consent of the Commissioner lend its money on mortgages on real or personal property to any of its members.

(2) A registered society shall be authorised and empowered to bid for and purchase at any foreclosure or other sale by public auction or private contract or otherwise to acquire real or personal property mortgaged to it under this Ordinance; to accept and hold title to any property so purchased or acquired; and to sell by public auction or private contract or otherwise deal with such property in such manner and upon such terms as the committee of such society shall in their discretion deem reasonable.

Exemption  
from stamp  
duty

67. (1) Stamp duty shall not be chargeable upon any of the following documents :—

- (a) any bill of exchange or order or receipt given by or to a registered society in respect of money payable by virtue of its rules or of this Ordinance;
- (b) any bond given to or on account of a society or by the secretary, treasurer or other officer thereof;
- (c) any policy of insurance, or appointment or revocation of appointment of an agent of a registered society, or any other document required or authorised by this Ordinance or by the rules of a registered society;
- (d) any other instrument executed in pursuance of this Ordinance or of any regulation made thereunder or on account of any registered society.

(2) No duty other than stamp duty, and no fee whatsoever, shall be chargeable in respect of any instrument executed in pursuance of this Ordinance or of any regulation made thereunder or on account of any registered society, and no charge shall be made by the Commissioner or the Registrar General for certifying copies of any forms or agreements made under the provisions of this Ordinance.

(3) Any affidavit or statutory declaration required or authorised by this Ordinance or by the rules of a registered society shall not be chargeable with the fee of forty-eight cents required to be paid by the affixing of stamps thereto.

68. Every document purporting to be signed by the Commissioner under this Ordinance shall, in the absence of any evidence to the contrary, be received in evidence without proof of the signature. Evidence

69. (1) Every registered society shall prepare annually and transmit to the Commissioner in such form or forms as he may approve statements of the assets and liabilities, funds and effects of the society, the lands, crops, buildings, livestock, dead stock, agricultural equipment, agricultural implements and farm supplies and other property of its members charged to the society and the value respectively thereof, the insurance relating thereto, the loans made to, and repayments made by, the members, the share capital of members in the society and other matters incidental to its rules together with particulars and dates respecting the same as may be required. Annual statements to be furnished by registered societies

(2) The statements shall be signed by the president and secretary of the society and shall be made up to the end of the financial year of the society or such other day as the Commissioner may in the case of a society or class of societies fix to meet the special circumstances of that society or class of societies.

(3) Every registered society shall forward to the Commissioner two copies of each such statement not later than thirty days after the completion of the audit of the financial year for which the statement is made up and shall also keep one copy on its files for the use of the society or information of its members.

(4) If any registered society fails without good cause to prepare and transmit in accordance with this section any such statement as is hereby required, the president and secretary shall each be liable on summary conviction to a fine not exceeding ten dollars for every day during which the default continues.

(5) If any statement prepared and forwarded under this section is false in any particular to the knowledge of any person who signs the statement that person shall be liable on summary conviction to a fine of two hundred and forty dollars or to imprisonment for six months.

70. (1) A registered society may subscribe out of its funds to the Government or to any hospital, infirmary, charitable or provident institution any annual or other sum for the purpose of securing to members of the society and their families the Subscriptions to hospitals, &c.

benefits of Government hospitals or of any other hospital, infirmary, or other institution, in accordance with bye-laws made under this Ordinance.

Society may  
subscribe to  
health  
co-operative  
society

(2) A registered society may subscribe out of its funds to, or become a shareholder of, any health co-operative society, association or undertaking which has as one of its main objects the prevention of sickness and disease, the securing of medical and surgical aid, the wholesale or retail purchasing of drugs, medical apparatus, equipment and other necessities or the providing of medical, surgical, dental and optical advice and treatment for the members of the societies and their families, in accordance with the terms and conditions contained in the bye-laws of such health co-operative society, association or undertaking.

Education

71. A registered society may apply or donate from its funds such annual or other sum for or towards the encouragement or promotion of education of or among members of the society and their children, either solely or jointly with others, as to such society may seem fit and proper.

Saving of  
Commissioner  
and staff  
from personal  
liability

72. The Commissioner shall not in his personal capacity nor shall a co-operative officer or any other person acting under the provisions of this Ordinance be liable to any action, suit or proceeding for or in respect of any act or matter *bona fide* done or omitted to be done under this Ordinance.

Regulations

73. (1) The Governor in Council may from time to time make regulations and rules not inconsistent with this Ordinance for the better carrying into effect of the purposes and provisions of this Ordinance and, without prejudice to the generality of the foregoing—

(a) prescribing the terms and conditions under which the members of registered societies and their families shall be entitled to medical and surgical care and treatment in Colonial and District Hospitals of the Colony, including specialist and consultant services, and arrangements under which registered societies or their members may subscribe and pay for the provision of such services;

(b) prescribing forms and anything which is to be or may be prescribed under this Ordinance.

(2) Regulations made by the Governor in Council under this section may prescribe for any breach thereof a penalty not exceeding three months imprisonment with or without hard labour or a fine not exceeding two hundred and fifty dollars or both such fine and imprisonment.

74. (1) The Agricultural Credit Societies Ordinance and the Agricultural Credit Societies (Amendment) Ordinance, 1952-1953 (in this section referred to as the repealed Ordinances) are hereby repealed :

Repeal  
Ch. 23. No. 4  
(Laws 1951-1953,  
Vol. 1, p. 366)

Provided that such repeals shall not prejudice or affect the validity or operation of any document executed before the coming into operation of this Ordinance :

Provided further that—

- (a) anything done or suffered under the provisions of the repealed Ordinances shall be deemed to have been done or suffered under the provisions of this Ordinance; and
- (b) any act done or document executed by a member of a registered society or the committee thereof under any of the repealed Ordinances shall be deemed or construed to have been done or executed by the member of the society or committee, as the case may be, under this Ordinance;
- (c) any reference to the repealed Ordinances or to any society or committee registered or constituted thereunder in any law or document (whether passed or made before or after the commencement of this Ordinance) shall, unless the context otherwise requires, be construed to be, and always to have been, a reference respectively to this Ordinance or to a society or committee registered or constituted, as the case may be, under this Ordinance.

(2) Every society registered under the Agricultural Credit Societies Ordinance shall be deemed to be registered under this Ordinance, and the rules of such society shall, so far as they are not inconsistent with the express provisions of this Ordinance, continue in force until altered or rescinded.

Ch. 23. No. 4

(3) All directions, authorisations and decisions lawfully made or given under the repealed Ordinances shall be lawful and valid for all purposes under this Ordinance : Provided that all such directions, authorisations and decisions may be

revoked, amended or superseded, as the case may be, by any further direction, authorisation or decision, lawfully made or given under this Ordinance.

(4) All appointments, elections and orders made, notifications and notices issued, and suits and other proceedings instituted, or deemed to have been made, issued or instituted, under the repealed Ordinances, shall, so far as may be, be deemed to have been respectively made, issued or instituted under this Ordinance.

Passed in Council this fifth day of February, in the year of Our Lord one thousand nine hundred and fifty-four.

T. F. FARRELL

*Clerk of the Council.*