



TRINIDAD AND TOBAGO

No. 22—1956

[L.S.]

I ASSENT,

E. B. BEETHAM

Governor.

26th September, 1956.

AN ORDINANCE to amend further the Agricultural Credit Bank Ordinance, Ch. 23. No. 5.

[4th October, 1956.]

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

1. This Ordinance may be cited as the Agricultural Credit Bank (Amendment) Ordinance, 1956, and shall be read as one with the Agricultural Credit Bank Ordinance, hereinafter referred to as the Principal Ordinance.

Commence-
ment.

Enactment.

Short title.

Ch. 23. No. 5.
Laws 1951-
1953, Vol. 1.
p. 377.
Ord. No. 33—
1955.

Section 2
of Principal
Ordinance
amended.

2. Section 2 of the Principal Ordinance is hereby amended by inserting in their appropriate alphabetical order the following definitions:—

“agriculture” includes horticulture, arboriculture and silviculture, animal husbandry and the production of dairy produce and the produce respectively thereof and any product derived or manufactured respectively therefrom;

Ord. No. 6—
1954.

“Agricultural Credit Society” means any society registered or deemed to have been registered under the provisions of the Agricultural Credit Societies Ordinance, 1954;

“borrower” means a person or Society to whom a loan or advance is made under this Ordinance;

“commercial fishing” means—

(a) the capturing or catching of fresh fish in any manner or by any method whatsoever;
or

(b) the processing, preserving, canning, distributing or marketing of fish or fish products,

for gain or reward;

Ch. 38. No. 5.

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

Ch. 38. No. 5.

“Co-operative Society” means any society registered or deemed to have been registered under the Co-operative Societies Ordinance;

“fish” includes shell-fish, crustaceans, other marine animals and marine plants;

“fish products” includes fish which is frozen, salted, dried, canned, preserved in oil, or otherwise processed or preserved, and the oil, skins, scales, teeth and bones or other parts of any fish;

“fishing vessel” means any description of craft of any size and in whatever way propelled which is habitually used for the purpose of commercial fishing;

“Society” means an Agricultural Credit Society or a Co-operative Society.

Section 3
of Principal
Ordinance
amended.

3. Section 3 of the Principal Ordinance is hereby amended by inserting immediately after the word “Colony” the words “and industries connected therewith and commercial fishing”.

4. Subsection (1) of section 5 of the Principal Ordinance is hereby amended—

Section 5
of Principal
Ordinance
amended.

- (a) by inserting immediately before the comma occurring after the expression “the Commissioner for Co-operative Development” the words “or any other officer of the Department of Co-operative Development acting for him at his request”; and
- (b) by inserting immediately before the comma occurring after the expression “the Director of Agriculture” the words “or any other officer of the Department of Agriculture acting for him at his request.”

5. Section 6 of the Principal Ordinance is hereby amended—

Section 6
of Principal
Ordinance
amended

- (a) by renumbering the section as subsection (1) of section 6; and
- (b) by inserting as subsections (2) and (3) thereof the following subsections:—

“(2) The Board 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 Bank.

(3) The Board may enter into contracts, institute and defend actions and other legal proceedings touching the rights, property and obligations of the Bank.”

Contracts
and legal
proceedings.

6. Subsection (1) of section 8 of the Principal Ordinance is hereby amended by substituting for the words “such officers and servants” the words “a Manager and such other officers and servants”.

Section 8
of Principal
Ordinance
amended.

7. Section 10E of the Principal Ordinance, as enacted by the Agricultural Credit Bank (Amendment) Ordinance, 1955, is hereby amended by inserting after paragraph (b) thereof, the following paragraph:—

Section 10E
of Principal
Ordinance
amended.
Ord. No. 33—
1955.

“(bb) such sums as may be deposited under section 45 of this Ordinance;”.

8. Section 10F of the Principal Ordinance, as enacted by the Agricultural Credit Bank (Amendment) Ordinance, 1955, is hereby amended by inserting after paragraph (d) thereof the following paragraph:—

Section 10F
of Principal
Ordinance
amended.
Ord. No. 33—
1955.

“(dd) the payment of interest on sums deposited under section 45 of this Ordinance and the repayment of any such sum;”.

Section 12 of Principal Ordinance repealed and replaced.

9. Section 12 of the Principal Ordinance and the caption thereto "LOANS AND ADVANCES" are hereby repealed and replaced as follows:—

"AGRICULTURE AND LANDS.

Board empowered to make loans and advances for agriculture.

12. It shall be lawful for the Board, out of the funds of the Bank, to make loans and advances to owners, and advances to any person cultivating lands whether as lessee or tenant thereof for any of the purposes respectively set out in sections 13 and 17 of this Ordinance."

Sections 13 and 17 of Principal Ordinance amended.

10. Sections 13 and 17 of the Principal Ordinance are hereby amended by inserting between the word "under" and the word "this" occurring in the first lines thereof the words "this Part of".

Section 14 of Principal Ordinance amended.

11. Section 14 of the Principal Ordinance is hereby amended—

(a) in subsection (1), by inserting between the word "loan" and the word "shall" occurring in the first line thereof the words "made under this Part of this Ordinance"; and

Laws 1951-1953. Vol. I, p. 377.

(b) in subsection (2), by substituting for paragraph (cc), as enacted by the Agricultural Credit Bank (Amendment) Ordinance, 1952-1953, the following paragraph:—

"(cc) a mortgage bill of sale on agricultural equipment or agricultural implements as respectively defined in the Agricultural Credit Societies Ordinance, 1954;".

Ord. No. 6—1954.

Sections 16 and 19 of Principal Ordinance amended.

12. Section 16 and subsection (1) of section 19 of the Principal Ordinance are hereby amended by inserting between the word "of" and the word "this" occurring in the second lines thereof the words "this Part of".

New Part IVA added to Principal Ordinance.

13. The following provisions shall be inserted after Part IV of the Principal Ordinance as Part IVA thereof:—

"PART IVA.

COMMERCIAL FISHING AND INDUSTRIES CONNECTED WITH AGRICULTURE

COMMERCIAL FISHING

Board empowered to make loans and advances for commercial fishing.

34A. (1) It shall be lawful for the Board, out of the funds of the Bank, to make loans and advances to any person for the purpose of carrying on or engaging in commercial fishing.

(2) The Board may, without prejudice to the generality of the foregoing, make loans and advances to any person for such other purposes relating to commercial fishing as may be prescribed.

Powers of
inspection
by Bank's
officers.

34B. (1) An Inspector of the Bank may, subject to his producing, if required, evidence of his authority, enter any fishing vessel in respect of which a loan or advance has been made by the Board at any time and may examine every part of the said vessel to ascertain whether any breach of the provisions of this Part of this Ordinance or of any instrument charging the vessel to the Bank has been committed.

(2) An Inspector of the Bank may require the master or captain of any fishing vessel, in respect of which a loan or advance has been made by the Board, to appear at the office of the Bank and give to the Manager thereof any explanation required concerning the same, his crew, and any person found on board the said vessel, and concerning the certificate of registration, licences, official log book, official papers, articles of agreement, records or other documents of or belonging to such vessel.

(3) The owner, master, captain or other person in charge of a fishing vessel in respect of which a loan or advance has been made by the Board shall, if required by an Inspector of the Bank so to do, produce to him the certificate of registration, if any, of the vessel, and permit him to examine and copy the certificate, and shall furnish him with such assistance and means as he may require for the purpose of his entry in and departure from the vessel and his examination thereof.

(4) Any person who neglects or refuses to comply with a requisition made by an Inspector under this section or hinders, impedes or obstructs any Inspector in the carrying out of any of his duties hereunder shall be guilty of an offence under this Ordinance.

(5) For the purposes of this section the Board may appoint a co-operative officer to be an Inspector of the Bank.

INDUSTRIES CONNECTED WITH AGRICULTURE

Board
empowered to
make loans
and advances
for purposes of
or connected
with the
development
of industries
connected
with agri-
culture.

34C. It shall be lawful for the Board, out of the funds of the Bank, to make loans and advances to any person for all or any of the following purposes—

- (a) the manufacture or processing within the Colony of any goods, articles or merchandise relating to or connected with agriculture;
- (b) the grading, packing, transporting, distributing, shipping, exporting, marketing or advertising of goods, articles or merchandise relating to or connected with agriculture;
- (c) the purchase, construction or repair of any building, factory, mill, machinery, plant or equipment used or intended to be used for or in connection with any industry or enterprise related to or connected with agriculture;
- (d) any purpose, subsidiary or ancillary, to any of the above purposes;
- (e) the liquidation of any debt or the discharge of any liability already incurred in any business, industry or enterprise relating to or connected with any of the above purposes.

Inspection of
premises,
factory,
plant, &c.,
by Bank.

34D. (1) During the continuance of any loan or advance made by the Board under this Part of this Ordinance any business, factory, plant, enterprise or undertaking which is the subject of any such loan or advance shall be open to an Inspector of the Bank for observation of the materials used, the process of any manufacture or the products or produce used or worked in or in connection with such business, factory, plant, enterprise or undertaking; and the Inspector shall be at liberty to require, obtain or secure information in connection with materials used, the individual cost of items relating to each of the various types of the goods, articles, or merchandise manufactured in or at such business, factory, plant, enterprise or undertaking, and to inspect and examine the cost, records or data relating thereto, and to verify such inquiries by reference to any relevant books, records, memoranda, documents, papers or correspondence of or relating to the same, and the borrower shall furnish to the Inspector all such information as may be requested by him in connection respectively therewith.

(2) Any person who neglects or refuses to comply with a requisition made by an Inspector under this section or hinders, impedes or obstructs any Inspector in the carrying out of any of his duties hereunder shall be guilty of an offence under this Ordinance.

(3) For the purposes of this section the Board may appoint a co-operative officer to be an Inspector of the Bank.

GENERAL PROVISIONS RELATING TO LOANS AND ADVANCES

Security for
loans.

34E. Every loan under section 34A or 34C of this Ordinance shall, subject to the provisions of section 42 of this Ordinance, be secured and released in the manner and form set out in sections 14 to 16 of this Ordinance:

Provided that a mortgage of a fishing vessel which is insured or insurable may be accepted as security for the repayment of a loan made under section 34A of this Ordinance, and where such fishing vessel is a registered ship within the meaning of the Merchant Shipping Act, 1894, the said loan shall be secured in the manner and form provided by the said Act and shall have effect accordingly.

57 and 58
Vict. c. 60.

Security for
advances.

34F. (1) Every advance made under section 34A or 34C of this Ordinance shall, subject to the provisions of subsection (3) of this section and of section 42 of this Ordinance, be secured by an instrument of charge, on such property as may be accepted by the Bank as security for the repayment of the advance, in such form as may be prescribed:

Provided that where the said property is a fishing vessel which is a registered ship within the meaning of the Merchant Shipping Act, 1894, the said advance shall be secured in the manner and form provided by the said Act and shall have effect accordingly.

57 and 58
Vict. c. 60.

(2) Every advance made under section 34A or 34C of this Ordinance shall, with interest thereon, become due and payable on such date as may be fixed by the Board not exceeding five years from the date of such advance:

Provided that the Board may, at its discretion, from time to time postpone the date of repayment.

(3) The repayment of an advance made under section 34A or 34C of this Ordinance may be secured by a bond with such surety or sureties as may be required and approved by the Board, and in such form as may be prescribed; and any conditions therein expressed relating to the repayment of any such advance 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.

(4) A charge under this section shall include and be deemed to include the property comprised in the said charge whether the same is or is not in existence or has not been acquired by the borrower at the time of the execution of the said charge, so however that no such charge shall be effective in relation to any property until such property has been acquired by the borrower.

(5) A charge under this section shall be deemed to be duly executed in the case of an individual or a firm if signed by such individual or the partners of such firm in the presence of a Justice or a co-operative officer. In the case of a body corporate, a charge shall be deemed to be duly executed if executed in manner prescribed by the articles of association, charter, by-laws, rules or regulations governing the same and in the presence of a barrister, solicitor, Justice or co-operative officer.

(6) Subject to the provisions of this section a charge under this section shall, when duly executed and registered in accordance with the provisions of this Part of this Ordinance, constitute in favour of the Bank a good and effectual charge and security which shall have priority as against third parties and over all rights subsequently acquired in, on or in respect of the property covered by such security and also over the claim of any unpaid vendor.

Execution
and registra-
tion of
charge.

34G. Every charge and every assignment thereof duly executed in accordance with the provisions of section 34F of this Ordinance shall be registered with the Registrar General within fourteen clear days after the execution thereof or, if it is executed in any place out of the Colony, then within fourteen clear days after the time at which it would in the ordinary course of post arrive in the Colony if posted immediately after

the execution thereof, and shall truly set forth the consideration for which it was given; otherwise such charge or assignment shall be void in respect of the property comprised therein.

Renewal of charge.

34H. (1) The registration of a charge under this Part of this Ordinance shall be renewed once at least every three years, and if a period of three years elapses from the registration or renewed registration of a charge without a renewal or further renewal, as the case may be, the registration shall become void.

(2) The renewal of a registration shall be effected by registering an affidavit stating the date of the charge and of the last registration thereof, and the names of the parties thereto as stated therein, and that the charge is still a subsisting security.

Judge may extend time for registration.

34I. Any Judge, on being satisfied that the omission to register a charge or assignment thereof or an affidavit of a renewal of a charge thereof within the time respectively prescribed by sections 34H and 34I of this Ordinance was accidental or due to inadvertence may, in his discretion, extend the time of such registration on such terms and conditions (if any) as to the security, notice by advertisement, or otherwise or as to any other matter as he thinks fit to direct.

Duties of Registrar General respecting charges.

34J. (1) The Registrar General shall number consecutively every charge received by him and shall endorse thereon the number and the hour and date of receiving it and shall file the same and enter, in alphabetical order, in a book to be kept by him to be called the Register Book of Fishery and Industrial Agricultural Development Charges the name of every person who has given such charge, with the number endorsed thereon opposite to each name.

(2) Any person shall be entitled to inspect the Register Book of Fishery and Industrial Agricultural Development Charges and take extracts therefrom on payment of a fee of twelve cents.

(3) Every charge to secure an advance under this Part of this Ordinance registered with the Registrar General may be vacated by a receipt in the prescribed form under the seal of the Bank, duly authenticated. The Registrar General shall on production of such receipt endorse upon the charge and make an entry in the Register Book of Fishery and Industrial

Agricultural Development charges that such charge has been satisfied, which entry shall have the effect of clearing the register or record of such charge.

(4) Every person upon payment of a fee of sixty cents shall be entitled to a certified copy under the hand and seal of the Registrar General of any document registered or entry made in the office of the Registrar General under this Part of this Ordinance.

Lien on
fishing
vessels.

34K. (1) Without prejudice to the operation of any other provision of this Ordinance, where moneys have been loaned or advanced by the Board for, towards, or in aid of the building of any fishing vessel under this Ordinance, or of the installation of engines or equipment therein or of the repair or alteration of any fishing vessel or its engines or equipment or in connection with any other purpose relating to commercial fishing as may be prescribed, the Bank shall have and be deemed to have a lien for securing repayment of the amount of the loan or advance before and during such building, installation, repair, or alteration or the carrying out of any such purpose as aforesaid, and after the completion thereof.

(2) The following property shall be subject to the lien, that is to say, the fishing vessel and all engines and equipment therein and all or any other property purchased, constructed, installed, repaired or altered, or to be purchased, constructed, installed, repaired or altered, in whole or in part, from the moneys loaned or advanced by the Board as aforesaid.

(3) Except with the written consent of the Board none of the property subject to the aforesaid lien shall during the currency of the loan or advance be sold or disposed of or be removed, except during the ordinary course of the operations or business of the borrower from his premises.

(4) None of the property subject to the aforesaid lien shall be sold by the borrower except with the written consent of the Board, and where a sale is permitted by the Board, all the proceeds of the sale of any such property or so much thereof as may be necessary to repay the amount of the loan or advance with any arrears of interest shall be paid to the Bank on account of the loan or advance.

(5) The lien shall take effect immediately upon the registration of the mortgage bill of sale or instrument of charge, as the case may be, relating to such loan or advance.

(6) Upon repayment or satisfaction of the loan or advance the lien shall automatically cease and be of no effect.

Conditions of
sale.

34L. (1) In the event of the non-payment at maturity of any advance secured by a charge in favour of the Bank in manner in this Part provided the Bank may seize, take possession of and sell the property mentioned therein or covered thereby, either as a whole or in lots, or so much thereof as will suffice to pay any advance, with interest and expenses, returning the surplus, if any, to the person by whom such charge was executed; but such power of sale shall, unless such person has agreed to the sale thereof otherwise than as herein provided, be exercised subject to the following provisions of this section.

(2) Every sale of such property shall be by public auction after—

- (a) notice of the time and place of the sale has been given by registered letter posted pre-paid to the last known address of the person by whom such security was given, at least ten days prior to the sale; and
- (b) publication, on two separate occasions, of an advertisement of the sale at least two days prior to such sale in at least one local daily newspaper, has been made stating the time and place thereof.

(3) The proceeds of such sale, after deducting all reasonable and necessary expenses in connection with the seizure of the property sold and sale thereof, shall, notwithstanding any law to the contrary, first be applied to satisfy any encumbrances having priority over the charge given to the Bank and for which claims have been filed with the person conducting the sale, and the balance shall be applied in payment of the advance with interest and expenses, and any surplus remaining thereafter shall be paid to the grantor of the charge or other persons entitled to the same according to law.

Charge not
to be Bill
of Sale.
Ch. 31. No. 8.

34M. Notwithstanding any provisions to the contrary contained in the Bills of Sale Ordinance, any charge or instrument contemplated by or of the nature referred to in this Part of this Ordinance shall not be deemed to be a bill of sale for the purpose of the Bills of Sale of Ordinance."

Part V of
Principal
Ordinance
repealed and
replaced.
Laws 1951-
1953, Vol. 1
p. 377.

14. Part V of the Principal Ordinance, as enacted by the Agricultural Credit Bank (Amendment) Ordinance, 1952-1953, is hereby repealed and replaced by the following:—

"PART V

LOANS TO SOCIETIES

Board
empowered
to make
loans to
Societies.

35. (1) It shall be lawful for the Board, out of the funds of the Bank, to make loans to any Society for any of the purposes for which the Society is authorised to borrow money or to make loans to its members, in accordance with such terms and conditions as may be prescribed, and without prejudice to the generality of the foregoing loans may be made to a Society for any of the following purposes:—

- (a) the payment of marine insurance premiums on the property of the Society or its members given by the Society as security for a loan or advance of which the whole or any part thereof remains outstanding;
- (b) the payment of life, life savings or loan protection insurance premiums where default has been made in the payment of such premiums by the members of the Society or the Society itself in cases in which the Board may require the policy or policies of insurance in respect of which such premiums are payable to form part of the security for any loan or advance made by the Bank.

Security for
loans to
Society.

35A. (1) Every loan made to a Society shall, subject to the provisions of section 42 of this Ordinance, be secured—

- (a) by a mortgage or charge of freehold property or leasehold property owned or held by the Society; or

Ord. No. 6—
1954.

(b) notwithstanding the provisions of section 60 of the Agricultural Credit Societies Ordinance, 1954, by an agreement made between the Society and the Bank in such form and in accordance with such terms and conditions as may be prescribed.

(2) The provisions of sections 15 and 16 of this Ordinance shall apply *mutatis mutandis* to loans made by the Bank to a Society by virtue of this section.

Power to
call in
loans.

(3) The Board shall have power, on being satisfied that there is good and sufficient reason therefor to call in a loan made under section 35 of this Ordinance at any time.

Recovery
of moneys
due to
Bank.

(4) All sums due from any Society in respect of a loan made under section 35 of this Ordinance may be recovered according to law and under the provisions for the recovery of arrears of taxes contained in the Lands and Buildings Taxes Ordinance.

Ch. 33. No. 7.

Society to
have power to
sub-mortgage,
charge, assign
or transfer
property
given to it
to secure
loan by a
member as
security for
loan to it
by the Board.

35B. Notwithstanding any provisions of this Ordinance to the contrary, a Society to which a loan has been or is to be made by the Board under this Part of this Ordinance may sub-mortgage, charge, assign or transfer, as the case may be, to the Bank as security for such loan any property which has been mortgaged, charged, assigned or transferred to such Society by any member thereof for the securing of any loan or advance which has been or is to be made by the Society to such member.

Board to
have power
to require
Society to
insure
against
liability
to pay
Workmen's
Compensa-
tion.
Ch. 22. No. 14.

35C. The Board may, as a condition precedent to making any loan or at any time after making a loan require the Society to which such loan is to be or has been made to be fully insured against all liability under the Workmen's Compensation Ordinance for injury to any workman arising out of or in the course of his employment with the Society."

15. Subsection (1) of section 41 of the Principal Ordinance is hereby amended—

Section 41
of Principal
Ordinance
amended.

(a) in paragraphs (e) and (j) by deleting the word "Agricultural" occurring immediately before the words "Co-operative Societies"; and

(b) by substituting for paragraph (h) thereof the following paragraph:—

“(h) prescribing a scale of legal charges to be made in connection with mortgages and other forms of security to secure loans and advances made under this Ordinance;”

New sections
added to
Principal
Ordinance.

16. The following sections shall be inserted in Part VI of the Principal Ordinance after section 41 thereof:—

“Alternative
security for
loans and
advances.

42. (1) Notwithstanding anything to the contrary contained in this Ordinance, the Bank may for any of the purposes of Part IVA or Part V of this Ordinance take, accept or acquire and may hold security of any kind and in any form for the repayment of any loan or advance made by the Board pursuant to Part IVA or Part V as aforesaid, and, without limiting the generality of the foregoing, may for such purpose take, accept or acquire and hold as security:—

- (a) bills of exchange, promissory notes and other negotiable securities;
- (b) shares, stock, bonds and debentures of municipal corporations, whether secured by mortgage or otherwise, or British, Dominion, Commonwealth, Colonial Government or other public securities;
- (c) mortgages of any real or leasehold property;
- (d) mortgage bills of sale on personal property or chattels;
- (e) the assignment of any life, life savings, loan protection, fire or marine policy or policies of insurance.

(2) The shares, stock, bonds, debentures, policies of insurance or securities acquired and held by the Bank as security may, in the case of default in the payment of the debt for the securing of which they were so acquired and held, be dealt with, sold, assigned, surrendered and transferred in like manner and subject to the same restrictions under which a private individual might in like circumstances deal with, sell, assign, surrender and transfer the same.

(3) The right so to deal with and dispose of such shares, stock, bonds, debentures, policies or securities in manner aforesaid may be waived or varied by the Bank.

(4) (a) on the breach of any condition or provision contained in any agreement made pursuant to the provisions of this Ordinance or in the event of any default in the repayment of any loan or advance made by the Board under the provisions of this Ordinance the Bank may sell, assign and transfer any shares, stock, bonds, debentures, policies of insurance or securities acquired and held by it under this section in the manner and subject to the conditions following, namely—

- (i) the Board shall give notice to the borrower of its intention to sell the shares, stock, bonds, debentures or securities or to surrender any policy of insurance by posting a prepaid notice to the last known address of the borrower as shown by the records of the Bank;
- (ii) the Board may, on the expiration of thirty days after the posting of such notice, sell the shares, stock, bonds, debentures or securities or surrender such policy of insurance;
- (iii) upon such sale being made, the Manager or other officer of the Bank authorised in that behalf may execute a transfer or assignment of the shares, stock, bonds, debentures, policies of insurance or securities to the purchaser thereof in any appropriate form and manner.

(b) A transfer or assignment executed under the authority of this section shall vest in the purchaser all rights in or to the said shares, stock, bonds, debentures, policies of insurance or securities which were possessed by the borrower therein with the same obligation or warranty on the part of such borrower as if such borrower were the vendor thereof, but without any warranty from the Bank or by the Manager of the Bank.

Amortiza-
tion.

43. Subject to the provisions of sections 34E and 34F of this Ordinance, every mortgage, charge or agreement made in relation to a loan or advance by the Board pursuant to the provisions of Part IVA or Part V of this Ordinance may contain a provision for the repayment of the loan or advance on an amortization plan by means of a fixed number of monthly, quarterly,

semi-annual or annual instalments, sufficient to cover the interest on the loan and such amounts to be applied towards the principal as will extinguish the debt within an agreed period of not more than ten years.

Board
authorised
to pay
insurance.

44. (1) The Board may meet or pay the cost of any premium or premiums in respect of any insurance of any kind whatsoever effected by the Board during the continuance of a loan or advance made by it pursuant to the provisions of Part IVA or Part V of this Ordinance, and all or any such moneys properly so paid by the Board shall, together with interest thereon, be added to and form part of any such loan or advance and be repaid to the Bank at the agreed rate of such loan or advance.

(2) Where any policy of insurance of any kind has been assigned to the Bank by a borrower to whom such a loan or advance has been made by way of security under this Ordinance, all of the rights, powers and authorities of the borrower under such policy of insurance shall forthwith become vested in the Bank and the Bank shall be entitled to receive or apply all the benefits arising under any such policy to or for the reduction or liquidation of any loan or advance due and owing by the borrower, as the case may be, to the Bank and of all costs, charges or expenses incidental thereto allowable under this Ordinance.

Board to
accept
deposits.

45. (1) The Board may accept deposits from Societies to any amount and may pay out of the funds of the Bank interest on any such deposit at such rate or rates as the Board may from time to time determine.

(2) The Board may accept deposits from any Societies or persons who are debtors of the Bank in respect of loans or advances made pursuant to the provisions of Part IVA or Part V of this Ordinance on such terms and conditions as the Board may from time to time determine.

No fees to
be charged.

46. No instrument executed in pursuance of this Ordinance to or by any Society shall be chargeable with any stamp duty or registration fee.

Bonds.

47. (1) All bonds entered into by any person or persons for the performance of any condition, order or matter relative to the provisions of this Ordinance, shall be valid in law and upon breach of any of the

conditions thereof may be sued and proceeded upon by the Manager of the Bank at the instance of the Board; all such bonds shall be taken to or for the use of the Bank; and all bonds given under the provisions of subsection (3) of section 34F 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 such bond 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, a co-operative officer, a barrister or a solicitor; and such bonds may after the expiration of six years from the date thereof be cancelled by the Manager of the Bank at the instance of the Board by endorsement thereon to such effect.

(2) Without prejudice to any rights of a surety under any bond made pursuant to 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—

- (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 Board unable or likely to be unable to satisfy the bond if called upon,

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

(4) The Board may at any time during the existence of a bond call upon the surety or sureties thereof to satisfy it as to his or their means and for the purpose may require a statutory declaration justifying such means.

Unauthorised
sale.

48. Any borrower who disposes of, sells or deals with or attempts to dispose of, sell or deal with any property comprised in any agreement, mortgage or charge in force made with or in favour of the Bank pursuant to the provisions of Part IVA or Part V of this Ordinance without first obtaining the leave in writing of the Bank shall be liable on summary conviction to a fine of four hundred and eighty dollars.

Diminution
of security.

49. Any borrower who shall wilfully and maliciously do any act calculated to diminish the security held by the Bank in relation to the loan or advance made to him under this Ordinance shall be liable on conviction on indictment to a fine of one thousand dollars or to imprisonment for two years or to both such fine and imprisonment or, on summary conviction, to a fine of four hundred and eighty dollars or to imprisonment for six months or to both such fine and such imprisonment.

General
penalty.

50. Any borrower guilty of an offence under this Ordinance for which no other penalty is expressly provided shall be liable on summary conviction to a fine of two hundred and forty dollars.

Offences by
societies
and bodies
of persons
to be also
offences by
officers.

51. Where a Society, firm, or body corporate is guilty of an offence under this Ordinance—

- (a) every member of the Committee of the Society,
- (b) every partner of the firm, and
- (c) every director, manager, secretary or other officer of the body corporate,

unless any such individual is proved to have been ignorant of and to have attempted to prevent the commission of the offence, shall be liable to the same penalty as if he had committed the offence.”

Passed in Council this eleventh day of May, in the year of Our Lord one thousand nine hundred and fifty-six.

G. E. L. LAFOREST
Clerk of the Council