

UNIVERSITY STUDENTS (GUARANTEE FUND) ACT

CHAPTER 39:08

Act
12 of 1994
Amended by
35 of 1998

Current Authorised Pages

<i>Pages</i> <i>(inclusive)</i>	<i>Authorised</i> <i>by L.R.O.</i>
1-7	.. 1/2006

L.R.O. 1/2006

Note on Subsidiary Legislation

This Chapter contains no subsidiary legislation.

Note on Schedule to the Act

Please note that some of the names of the Lending Banks listed in the Schedule have been changed.

CHAPTER 39:08

UNIVERSITY STUDENTS (GUARANTEE FUND) ACT

ARRANGEMENT OF SECTIONS

SECTION

1. Short title.
2. Interpretation.
3. Power to establish the Fund.
4. Maintaining level of the Fund.
5. Review of performance of the Fund and other matters.
6. Lending banks may claim against the Fund.
7. Trustee to keep proper records.
8. Power of Auditor General.
9. Financial year and annual statement.

SCHEDULE.

CHAPTER 39:08

UNIVERSITY STUDENTS (GUARANTEE FUND) ACT

12 of 1994. **An Act to establish a Guarantee Fund for the purpose of facilitating certain loans to University Students, and for matters incidental thereto.**

Commencement. [22ND AUGUST 1994]

Preamble. WHEREAS the Government has agreed in principle with certain commercial banks listed in the Schedule, that it would facilitate the guarantee of loans made by the said commercial banks to University students towards the payment of tuition fees for the academic year commencing in 1993 and onwards:

And whereas the terms of a proposed agreement and proposed deed of trust to be executed after the coming into force of this Act have been agreed upon with such commercial banks:

And whereas a term of the said agreement is that the Government would establish a Guarantee Fund that would be managed by an independent trustee in accordance with the proposed deed of trust:

And whereas it is necessary for Government to be empowered to establish such a Fund and to provide for other matters relating to the Fund.

Short title. **1.** This Act may be cited as the University Students (Guarantee Fund) Act.

Interpretation. [35 of 1998]. **2.** In this Act—
“Agreement” means the agreement among the Government, the University and the lending banks for the establishment of the Fund to be executed after the coming into force of this Act;

Ch. 79:09. “financial institution” means a financial institution within the meaning of the Financial Institutions Act;

“lending banks” means the banks listed in the Schedule;

“Minister” means the member of the Cabinet to whom responsibility for finance is assigned;

“professional law schools” means the Hugh Wooding Law School and the Norman Manley Law School;

“trustee” means an independent financial institution agreed upon between the Minister and the lending banks;

“University” means the University of the West Indies, its Institute of International Relations and the professional law schools;

“University Student” or “student” means a national of Trinidad and Tobago who—

(a) is registered for a full-time certificate, undergraduate, diploma, post graduate or professional course at the University; or

(b) has been accepted by the University, to pursue any of the courses identified at paragraph (a).

3. (1) The Government shall cause the University Students Guarantee Loan Fund (hereinafter called “the Fund”) to be established by a deed of trust after the coming into force of this Act. Power to establish the Fund.

(2) The purpose of the Fund is to facilitate the grant of loans by lending banks to University students for the payment of tuition fees.

(3) The terms of the trust deed establishing the Fund as well as the terms of the disbursement of the loans to the students shall be such as are agreed upon among the Government, the University and the lending banks.

(4) The selection, appointment or reappointment of the trustee, the terms of the management of the Fund, and the obligations of the Government and trustee shall be such as are agreed upon among the Government, the lending banks and the proposed trustee.

(5) After the execution of any Agreement or trust deed in pursuance of this section, the Minister shall cause such Agreement or trust deed to be laid in both Houses of Parliament.

4. (1) As soon as the Fund is established, the Minister shall cause the sum agreed upon by the parties to the Agreement in accordance with the formula contained therein for this purpose, to Maintaining level of the Fund.

be transferred to the Fund, and every three months thereafter the Minister shall where necessary, make disbursements to the trustee to maintain the Fund at the level required by the Agreement.

(2) Where at the end of any quarter, the amount of money standing to the credit of the Fund is in excess of the amount calculated in accordance with subsection (1), the Government may reduce its contribution to the Fund accordingly, until it is restored to no more than the amount specified by the Agreement.

Review of performance of the Fund and other matters.

5. (1) Notwithstanding section 4(1), on June 30, 1998, and every year thereafter, the Minister and the trustee shall ensure that an actuarial report on the performance of the Fund and the performance of loans from the lending banks is prepared by an actuary, to determine whether the proportion of the monies in the Fund to the total outstanding loans and interest thereon, should be altered, and the Government shall thereafter maintain the Fund in accordance with such proportion as shall be recommended by the actuary to be fair and reasonable.

(2) The actuary shall be appointed in accordance with terms specified in the Agreement.

Lending banks may claim against the Fund. [35 of 1998].

6. (1) A claim may be made by a lending bank or a financial institution upon the Fund for the amount due and owing by a student, in addition to legal expenses incurred in the attempted recovery of the debt.

(2) Before any payments are made out of the Fund, to a lending bank or a financial institution the trustee shall ensure that the lending bank takes all steps that are reasonable in each particular case to recover the debt due and owing to it.

(3) After disbursement to the lending bank or a financial institution in accordance with subsection (2), the trustee shall have and exercise in its own name all the rights of the lending bank for the purpose of recovering from the student, monies paid to the lending bank or a financial institution and a certificate from the trustee as to such disbursement shall in the absence of proof to the contrary be sufficient proof of such disbursement.

7. The trustee shall keep proper accounts and other records relative to the Fund, and shall prepare annually a statement of accounts in a form acceptable to the Minister and the actuary.

Trustee to keep proper records.

8. Notwithstanding any other law relating to commercial banks or financial institutions, the Auditor General shall have and exercise in relation to the trustee as a holder of public funds, power to audit the accounts of the Fund.

Power of Auditor General.

9. (1) For the purposes of the accounts of the Fund, the financial year shall be January 1, to December 31, but the first financial year shall be from the date of commencement of this Act to December 31, next following.

Financial year and annual statement.

(2) The annual statement of accounts shall be audited at the end of each financial year, and a copy shall be submitted to the Minister as soon as possible after it has been audited.

(3) The trustee shall at the end of each financial year, submit to the Minister a report dealing with the activities of the Fund during the preceding financial year, and containing financial statements and such information relating to the operations of the Fund as the Minister may require.

(4) Within thirty days after receiving the audited statement of accounts and the report of the activities of the Fund, the Minister shall cause them to be laid in both Houses of Parliament.

***SCHEDULE**

(Section 2).

List of Lending Banks

Citibank (Trinidad and Tobago) Ltd.
Republic Bank Ltd.
The Bank of Nova Scotia Trinidad and Tobago Ltd.
The First Citizens Bank Ltd.
The Royal Bank of Trinidad and Tobago Ltd.
Bank of Commerce Trinidad and Tobago Ltd.

*See Note on page 2.

L.R.O. 1/2006