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CHAPTER 357
BAHAMAS DEVELOPMENT BANK

An Act to provide for the establishment of a financial institution to be known as The Bahamas Development Bank, for the functions of the institution and for matters connected therewith or incidental thereto.

*18 of 1974**14 of 1989**46 of 1999**[Assent 18th October, 1974]**[Commencement 30th March, 1978]*

**PART I
PRELIMINARY**

1. This Act may be cited as the Bahamas Development Bank Act. Short title.

2. (1) In this Act, unless the context otherwise requires — Interpretation.

“agriculture” includes fisheries, forestry, horticulture, and use of land for any purpose of husbandry including the keeping or breeding of livestock, poultry and bees and the growing of vegetables or fruits and the like;

“agricultural enterprise” means an enterprise in The Bahamas in which is carried on the business of agriculture;

“approved enterprise” means an agricultural enterprise, an industrial enterprise, a tourist industry enterprise or any other enterprise that may from time to time be approved by the Minister by order;

“Bank” means the Bahamas Development Bank established by section 3;

“Board” means the Board of Directors of the Bank as constituted under section 7;

“Chairman” means the Chairman of the Board;

“debenture” includes debenture stock;

“financial year” in relation to the Bank means the period of twelve months beginning on the first day of January in any year:

Provided that the period beginning on the date of the commencement of this Act and ending on the 31st day of December next following shall be deemed to be a financial year;

“functions” includes powers and duties;

“Government” means the Government of The Bahamas;

“industrial enterprise” means an enterprise in The Bahamas in which is carried on the business of

- (a) manufacturing, processing, transforming, assembling, installing, overhauling, reconditioning, altering, repairing, cleaning, packaging, transporting or warehousing of goods;
- (b) drilling, construction, engineering, technical surveys or scientific research;
- (c) exploiting natural resources;
- (d) operating a mine or quarry;
- (e) generating, supplying or distributing electricity;
- (f) operating a commercial transport service;
- (g) supplying premises, machinery or equipment, for any business mentioned in paragraph (a), (b), (c), (d), (e) or (f) of this definition under a lease, contract, or other arrangement whereby title to the premises, machinery or equipment is retained by the supplier;

“managing director” means the managing director of the Bank;

“Minister” means the Minister of Finance;

“securities” include any stock, equity holding, debenture, instrument of indebtedness, warrant or similar document;

“subsidiary” means any body corporate in which the Bank owns or controls more than fifty per centum of the voting rights;

“tourist industry enterprise” means an enterprise in The Bahamas in which is carried on the business of:

- (a) supplying hotel accommodation or other facilities principally intended for visitors to The Bahamas; or
- (b) supplying premises or equipment for any business referred to in paragraph (a) of this definition under a lease, contract or other arrangement whereby title to the premises or equipment is retained by the supplier.

(2) Unless the contrary intention appears, references in this Act to a Part or section or Schedule are references to a Part or section of, or a Schedule to, this Act and reference in a section to a subsection are references to a subsection of that section.

PART II

ESTABLISHMENT, GENERAL FUNCTIONS AND RESPONSIBILITIES OF THE BANK

3. (1) There is hereby established for the purposes of this Act a Bank to be known as the Bahamas Development Bank.

Establishment of
Bahamas
Development
Bank.

(2) The Bank shall be a body corporate having perpetual succession and a common seal and, subject to the provisions of this Act, with power to acquire, hold and dispose of movable and immovable property of whatever kind and to enter into contracts and to do all things necessary for the purposes of its functions.

(3) The Bank may sue and be sued in its corporate name.

(4) The seal of the Bank shall be authenticated by the signature of the Chairman and one other director authorised to act in that behalf and shall be judicially and officially noticed.

(5) All documents, other than those required by law to be under seal, made by, and all decisions of, the Board may be signified under the hand of the Chairman or any director or officer authorised to act in that behalf.

4. Subject to the provisions of this Act, the principal functions of the Bank shall be —

Principal
functions of
Bank.

- (a) to promote industrial, agricultural and commercial development in The Bahamas through the financing of, or the investing in, approved enterprises;

- (b) to encourage the participation in approved enterprises by citizens of The Bahamas; and
- (c) generally to promote and enhance the economic development of The Bahamas.

General powers
of Bank.

5. Subject to the provisions of this Act, the Bank shall have power to do anything or to enter into any transaction whether or not involving expenditure, making or guaranteeing of loans or investing of money, the acquisition of any property or rights, which in its opinion is calculated to facilitate the proper discharge of its functions or is incidental or conducive thereto, and, in particular, but without limiting the generality of the foregoing, may —

- (a) provide finance in the form of loans, long, medium or short term, or by the purchase of securities or by participating in any share issue of any approved enterprise;
- (b) obtain funds from international agencies, financial agencies of the governments of countries outside The Bahamas, banks, other financial institutions or the public for the purpose of re-lending such funds within The Bahamas;
- (c) invest moneys standing to the credit of the Bank by ways of loans, the purchase of securities, participation in any share issue of any approved enterprise or in such other manner as the Bank may from time to time think proper.
- (d) guarantee loans from other investment sources to persons wishing to establish or modernise any approved enterprise;
- (e) act as agents for the sale and purchase of any shares or securities or for any other monetary or mercantile transaction;
- (f) negotiate or pay in advance coupons and interests on public loans or securities;
- (g) contract for public and private loans and negotiate and issue the same;
- (h) act as agents for any Government or other authority and for public and private bodies and persons;
- (i) promote, effect, induce, guarantee, underwrite, participate in, manage, or carry out any issue of Government or other loans or of shares or

securities of any company, corporation or association, and lend money for the purposes of any such issue;

- (j) issue common or preferred stock and other equity securities;
- (k) accumulate reserves, pay dividends, issue warrants or otherwise distribute profits.

6. The Bank shall have its principal place of business in the City of Nassau and may establish such branch offices elsewhere within The Bahamas and may appoint such agents and correspondents as may be required.

Place of business.

7. (1) There shall be a Board of Directors of the Bank who, subject to the provisions of this Act, shall be responsible for the policy of the Bank and the general administration of its affairs and business.

Board of Directors.

(2) The Board shall consist of a Chairman, who shall be a person having in the opinion of the Minister considerable knowledge and experience of banking and financial matters, and not less than six other directors of whom —

- (a) one shall be the managing director;
- (b) five shall be persons having, in the opinion of the Minister, knowledge and experience of the economy of The Bahamas.

(3) The Chairman and every director shall be appointed by the Minister by instrument in writing.

(4) The managing director shall be the chief executive of the Bank and shall be responsible to the Board for —

- (a) the day to day administration of the Bank's affairs; and
- (b) the provision of technical advice and guidance in matters of policy.

(5) No action, suit, prosecution or other proceeding shall be brought or instituted personally against the Chairman or any other director in respect of any act done *bona fide* in pursuance or execution or intended execution of the provisions of this Act.

(6) Where any director is exempt from liability by reason only of the provisions of subsection (5), the Bank shall be liable to the extent that it would be if that director were a servant or agent of the Bank.

Schedule.

(7) The provisions of the Schedule shall have effect as to the tenure of office of the directors and the operations of the Board and otherwise in relation thereto.

Appointment of officers, servants and agents.

8. The Board may, subject to the approval of the Minister, appoint and employ at such remuneration and on such terms and conditions as it thinks fit, such officers, servants and agents as it thinks necessary for the proper performance of its functions under this Act.

Minister may give policy directions.

9. (1) The Minister may, after consultation with the Chairman, give to the Bank such directions in writing as to the policy to be followed by the Bank in performance of Its functions as appear to the Minister to be requisite in the public interest, and the Bank shall give effect to any such directions.

(2) The Bank shall furnish the Minister with such returns, accounts and other information as he may require with respect to the property and activities of the Bank, and shall afford to him facilities for verifying such information in such manner and at such times as he may reasonably require.

PART III SPECIAL FUNCTIONS AND POWERS OF BANK IN RELATION TO SMALL BUSINESS

Interpretation.

10. For the purposes of this Part, “small business” or “business” means an enterprise of an industrial, commercial, agricultural, manufacturing or servicing character.

Functions of Bank in relation to small businesses.

11. (1) Subject to the provisions of this Part, it shall be the duty of the Bank to assist persons who are citizens of The Bahamas in establishing, carrying on or expanding small businesses by granting loans and other forms of financial assistance and generally by giving advice and technical assistance to such persons.

(2) For the purpose of the discharge of its duty under subsection (1) the Bank shall have power to —

- (a) grant loans on such terms as to security, rate of interest, repayment of principal and other similar matters as the Bank may think fit;
- (b) guarantee loans where the purpose of a loan is one for which the Bank would have power to make a loan under this Part;

- (c) purchase, for the purpose of reselling, or letting on hire or hire-purchase to persons establishing or carrying on business to which this Part applies, equipment, plant, tools and other articles necessary for establishing or carrying on such business;
- (d) make loans to or make investments in registered co-operative societies for the purpose of enabling such societies to perform the same functions in regard to the businesses to which this Part applies as the Bank is required by this Part to perform.

(3) In addition to any powers possessed by the Bank under this or any other Act, the Bank shall have power, subject to the provisions of this Act and of any regulations made thereunder, to do anything and to enter into any transaction which, in the opinion of the Bank, is necessary to ensure the proper discharge of its functions under this Part.

12. (1) There shall be a standing committee of the Board to be known as the “Small Business Advisory Committee” (hereafter in this Part referred to as “the Committee”) which shall consist of —

Small Business
Advisory
Committee.

- (a) the Chairman or Acting Chairman of the Board;
- (b) one other director appointed by the Board; and
- (c) the managing director.

(2) The Committee shall have power —

- (a) to co-opt as members of the Committee not more than two persons who are not directors or officers of the Bank;
- (b) to invite persons who are not members of the Committee to attend meetings thereof and to advise the Committee on any particular matter;
- (c) to regulate its own procedure.

(3) It shall be the duty of the Committee to advise and make recommendations to the Bank on all matters relating to the functions of the Bank under this Part.

13. (1) No loan or other financial assistance may be granted by the Bank under this Part unless the application for the loan or other financial assistance has first been referred to the Committee and received a favourable recommendation from the Committee.

Limitation on
operations of
Bank under this
Part.

(2) In granting a loan or other financial assistance under this Part, the Bank shall have regard to the availability of finance from other sources and shall not, as a general rule, itself grant a loan or other financial assistance under this Part if such assistance is available from other sources on terms and conditions which are not less favourable than the Bank itself would impose.

(3) No loan or other financial assistance shall be granted by the Bank under this Part for the sole purpose of enabling goods to be purchased in order that they may be resold in the same condition as that in which they were purchased but, notwithstanding the foregoing provisions of this subsection, the Bank may grant a loan to a person engaged in the retail trade if the purpose of the loan is to enable such a trader to acquire premises in which to establish a business or to enable such a trader to acquire or improve equipment or plant necessary for the purpose of establishing or carrying on his business.

PART IV FINANCIAL PROVISIONS

A: General

Authorised
capital.

14 of 1989, s. 2.

14. (1) The authorized capital of the Bank shall be fifty million dollars divided into ten million shares of the par value of five dollars.

14 of 1989, s. 2.

(2) The Government and such institutions as may be approved by the Minister from time to time may subscribe for the said ten million five dollars shares in such amounts as the Minister may from time to time determine at par; and the Minister shall set a limit on the percentage of the total share capital which shall be offered for subscription to such institutions, which limit shall not exceed forty-nine per centum.

(3) Subject to the approval signified by resolution of the House of Assembly the authorised capital of the Bank may from time to time be increased by resolution of the Board.

Declaration of
dividends.

14 of 1989, s. 3.

15. Where the Bank has complied with the requirements of section 19, the Board may with the concurrence of the Minister declare dividends on all shares issued to

institutions approved by the Minister under subsection (2) of section 14 and such dividends shall be paid to such institutions out of the profits arising from the business of the Bank.

16. (1) Subject to the provisions of this Act and with the prior approval of the Minister, the Bank may borrow money required by it for meeting any of its obligations or performing any of its functions.

Borrowing powers.

(2) The aggregate of the liabilities of the Bank outstanding at any one time, including direct liabilities such as bonds and debentures issued by the Bank and the contingent liabilities of the Bank in the form of guarantees given or underwriting agreements entered into by it, shall not at any time exceed seven times the aggregate amount of the paid up capital and the reserve fund for which provision is made in section 19.

17. (1) With the prior approval signified by resolution of the House of Assembly, the Minister may guarantee, in such manner and on such conditions as he may think fit, the payment of the principal and of interest on any authorised borrowings of the Bank.

Guarantee of borrowings by Government.

(2) Where the Minister is satisfied that there has been default in the repayment of any principal moneys or interest guaranteed under the provisions of this section he shall direct the repayment from the Consolidated Fund of the amount in respect of which there has been such default.

18. The Bank shall make to the Treasurer at such times and in such manner as the Minister may direct, payments of such amounts as may be so directed in or towards repayment of advances made to the Bank by Government and of any sums issued at such rate as the Minister may direct and different rates of interest may be directed as respects different advances and sums and as respects interest for different periods.

Repayment of and interest on advances and sums issued to meet guarantee.

19. The Bank —

Securities.

- (a) may issue debentures or bonds for the purpose of exercising its borrowing powers under section 15;
- (b) shall establish a sinking fund for the redemption of any security so issued;
- (c) may postpone sinking fund contributions for such period or periods of time as may be approved by the Minister.

46 of 1999, s. 2.

Reserve fund.

20. The Bank shall set aside in each year out of the net profits (if any) of the Bank a minimum of twenty-five per centum of such profits towards a reserve fund to meet contingencies and for such other purposes as the Bank may think fit until the total amount standing to the credit of such reserve fund shall amount to a sum equal to its paid up capital.

Accounts and audit.

21. (1) The Bank shall keep proper accounts and other records in relation to the business of the Bank and shall prepare annually a statement of accounts in a form satisfactory to the Minister, being a form which shall conform with the best commercial standards.

(2) The accounts of the Bank shall be audited by an auditor or auditors appointed annually by the Bank and approved by the Minister.

(3) So soon as the accounts of the Bank have been audited, the Bank shall send the statement of the accounts referred to in subsection (1) to the Minister together with a copy of any report made by the auditors on that statement or on the accounts of the Bank.

(4) The auditor's fees and expenses of the audit shall be paid by the Bank.

(5) The auditor shall be entitled, on the direction of the Minister, at all reasonable times to examine the accounts and other records in relation to the business of the Bank and the Bank shall provide the auditor with all necessary and proper facilities for such an examination.

(6) The members of the Board, officers and servants of the Bank, shall grant to an auditor appointed under subsection (2) to audit the accounts or to the auditor in the exercise of his functions under subsection (5), access to all books, documents, cash and securities of the Bank and shall give to him on request all such information as may be within their knowledge in relation to the operations of the Bank.

(7) Any person who fails without reasonable excuse to comply with the provisions of subsection (6), shall be guilty of an offence and shall be liable on summary conviction to a fine not exceeding three hundred dollars or to a term of imprisonment not exceeding six months.

22. (1) The Bank shall, not later than four months after the end of each financial year, cause to be made and transmitted to the Minister a report dealing with the activities of the Bank during the preceding financial year, and containing such information relating to the proceedings and policy of the Bank as can be made public without detriment to the interests of the Bank.

Annual report.

(2) The Minister shall cause a copy of the report together with the annual statements of accounts and the auditor's report thereon to be laid on the table of both Houses of Parliament.

(3) Copies of the Bank's report together with the annual statement of accounts and the auditor's report on that statement or on the accounts of the Bank shall be published in such manner as the Minister may direct and shall be made available to the public by the Bank at a reasonable price.

23. (1) Except as expressly authorised by this Act the Bank may not —

Prohibited activities.

- (a) without the approval signified by resolution of the House of Assembly in each case, sell, pledge, distribute or otherwise dispose of more than twenty-five per centum of its ordinary shares or common stock of any subsidiary of the Bank;
- (b) except as it becomes necessary through bankruptcies, defaults in performance of agreements or covenants, or other similar events, engage directly in manufacturing, agriculture or any similar business activity.

(2) In computing the percentage of the ordinary shares or common stock specified in paragraph (a) of subsection (1) account shall not be taken of any such shares or stock held by other agencies of the Government.

B: Operational Powers

24. (1) Subject to the provisions of this section, every loan made by the Bank shall be repaid to the Bank in accordance with the terms and conditions under which such loan was made.

Repayment of loans made by the Bank.

(2) The Bank may at any time accept payment of the whole or part of the amount representing the principal of a loan and interest thereon, before the time when such payment is due, upon such terms and conditions as it thinks fit.

Examination
as to application of
moneys lent.

25. (1) Where the Bank has made or guaranteed a loan of money under the provisions of this Act, it shall —

- (a) from time to time make or cause to be made such examination as may be necessary to ensure that the loan is being applied to the purposes for which it is made;
- (b) require the person to whom the loan was made to give either immediately or periodically such information to the Bank as the Bank may require, and such person shall comply with the requirements of the Bank.

(2) The Bank may authorise in writing any of its officers or any other person to make such examination, and any officer or person so authorised shall be entitled to demand production of all such books, documents and other matters and things as he considers necessary for the purpose of making such examination.

(3) Any person who fails without reasonable cause to give any information as required in accordance with paragraph (b) of subsection (1), or to produce a book, document or other matter or thing as demanded in accordance with subsection (2), shall be guilty of an offence and shall be liable on summary conviction to a fine not exceeding three hundred dollars or to a term of imprisonment not exceeding six months.

Order of Bank
upon such
examination.

26. Where on any examination made under section 24 it appears to the Bank that any sum, being the whole or any part of the loan made or guaranteed by the Bank, has not been applied to the purposes for which the loan was made, it may order that any such sum be, within the time mentioned in the order, applied to such purposes or, if the loan was made by the Bank, that such sum, together with any interest due thereon on the date of the order, be repaid to the Bank within the time mentioned on the order, and any sum with the interest thereon so ordered to be repaid to the Bank shall thereupon become a debt due to the Bank.

27. (1) If any loan made under the provisions of this Act or any part of such loan has been misapplied the Bank may —

Misapplication of loan secured by mortgage or otherwise,

- (a) where the loan has been secured by mortgage, by notice in writing addressed to the mortgagor, recall the said loan or any part thereof and may require the loan or that part together with any interest due on the loan or part thereof on the date of the notice, to be repaid on a date to be specified in the notice and in default of payment on such specified date any security given for the purpose of the loan may thereupon be realised;
- (b) where the loan has been secured otherwise than by way of mortgage, by notice addressed to the borrower, require the loan, or any part thereof, together with any interest due on the loan or part thereof on the date of the notice to be repaid on a date to be specified in the notice, and in default of payment on such specified date any security given for the purpose of the loan may thereupon be realised.

(2) The provisions of subsection (1) shall be in addition to any other proceedings which may be taken by the Bank under any other Act.

28. Where any property mortgaged as security for a loan under the provisions of this Act is sold for the purpose of the enforcement of the security, the Bank may buy such property and may either manage and hold such property or carry on any business with such property or sell or otherwise dispose of it as the Bank thinks fit.

Enforcement of securities.

29. (1) Notwithstanding that a loan granted by the Bank may not have been secured by a mortgage within the meaning of the Conveyancing and Law of Property Act, the Bank may, if a borrower defaults in respect of a loan made by the Bank, appoint a receiver in respect of the business in connection with which the loan was made, and a receiver so appointed shall have the same powers *mutatis mutandis* as a receiver appointed pursuant to the power conferred on a mortgagee by section 21 of the Conveyancing and Law of Property Act.

Power to appoint a receiver, etc.

Ch. 138.

Ch. 138.

(2) A person appointed by the Bank to be a receiver pursuant either to the power conferred on a mortgagee by section 21 of the Conveyancing and Law of Property Act

Ch. 138.

or to the power conferred on the Bank by subsection (1), shall, if the Bank so appoint, be also the manager of the business in respect of which the loan was made and the effect of such an appointment shall be the same as if the person so appointed had been appointed by the Supreme Court to be the receiver and manager of such business.

(3) No person appointed by the Bank to be a receiver or a receiver and manager under this section shall be deemed to be an officer of the Court.

Offences in
respect of loans.

30. Any person who —

- (a) obtains a loan or other financial assistance from the Bank by means of any false representation;
- (b) wilfully applies any loan made to him by the Bank or guaranteed by the Bank under the provisions of this Act to any purpose other than the purpose for which the loan was made;
- (c) having obtained a loan from the Bank or the guarantee by the Bank of a loan under the provisions of this Act, wilfully destroys any security given in relation to any loan or guarantee,

shall be guilty of an offence and shall be liable on summary conviction to a fine not exceeding one thousand five hundred dollars, or to imprisonment for a term not exceeding twelve months or to both such fine and imprisonment.

PART V MISCELLANEOUS

Power to
delegate.

31. Subject to the provisions of this Act, the Bank may —

- (a) delegate to any director or to the managing director or any other officer of the Bank the power to carry out on behalf of the Bank such duties as the Bank may determine;
- (b) delegate to the management of any subsidiary such of the Bank's powers in relation to that subsidiary as are consistent with the provisions of the legislation under which the subsidiary is established; and any such delegation —

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- (i) shall be made subject to such restrictions and conditions as the Bank thinks fit;
 - (ii) while in force shall not prevent the exercise by the Bank of the power thereby delegated;
 - (iii) may at any time be revoked by the Bank.

32. Minutes made of meetings of the Board shall, if duly signed by the Chairman or other director presiding at the meeting, be receivable in evidence in all legal proceedings without further proof and every meeting of the Board in respect of which minutes have been so signed shall be deemed to have been duly convened and held and all the directors present thereat to have been duly qualified to act.

Minutes
receivable in
evidence.

33. (1) Except in so far as may be necessary for the due performance of his functions under this Act, or as may be required by the provisions of any agreement into which the Bank has entered, every director, officer and employee of the Bank shall preserve and aid in preserving secrecy with regard to all matters relating to the affairs of the Bank or any customer of the Bank or of any person who has any dealings with the Bank, that may come to his knowledge in the course of his duties.

Secrecy.

(2) Any director, officer or employee of the Bank who —

- (a) communicates any matter referred to in subsection (1) to any person other than the Board, a director, an officer or employee of the Bank authorised in that behalf by the managing director of the Bank or a person to whom any such matter is required to be communicated under the provisions of any agreement into which the Bank has entered; or
- (b) suffers or permits any unauthorised person to have access to any books, papers or other records relating to the Bank or any customer of the Bank or other person having dealings with the Bank,

shall be guilty of an offence and shall be liable on summary conviction to a fine not exceeding two thousand five hundred dollars or to imprisonment for a term not exceeding one year.

(3) No officer or employee of the Bank shall be required to produce in any court any book or document or to divulge or communicate to any court any matter or thing coming under his notice in the performance of his duties under this Act, except on the direction of the court or in so far as may be necessary for the purpose of carrying into effect the provisions of this Act.

Verifying false statements.

34. Any director, officer, employee or auditor of the Bank who verifies any statement, account or report required to be furnished to the Minister pursuant to this Act, or who is concerned with delivering or transmitting the same to the Minister, knowing the same to be false in a material particular, shall be guilty of an offence and shall be liable on summary conviction to a fine not exceeding five thousand dollars or to imprisonment for a term not exceeding two years.

Regulations.

- 35.** The Minister may make regulations —
- (a) prescribing the maximum amount of any loan which may be made or guaranteed in respect of any one business under Part III; and
 - (b) prescribing any other thing which may be or is required to be prescribed under this Act.

SCHEDULE (Section 7(7))

Tenure of office.

1. The term of office of every director shall be specified in the instrument appointing him and —

- (a) for the Chairman shall not exceed five years; and
- (b) for every other director shall not exceed three years,

but any director retiring on the expiration of his term of office shall, subject to paragraph 2 of this Schedule, be eligible for reappointment.

Disqualification of directors.

2. A person may not be appointed or remain a director who is a Member of Parliament.

Temporary appointment.

3. The Minister may appoint any person who might be appointed a director to act temporarily in the place of any director who is absent or unable to act.

Resignation.

4. (1) Any director other than the Chairman may at any time resign his office by instrument in writing addressed to the Minister and transmitted through the Chairman, and from the date of the receipt by the Minister of such instrument such director shall cease to be a director of the Bank.

(2) The Chairman may at any time resign his office by instrument in writing addressed to the Minister and such resignation shall take effect on the date of the receipt of such instrument by the Minister.

5. The Minister may at any time by instrument in writing revoke the appointment of any director if he thinks it expedient so to do. Revocation of appointments.

6. If any vacancy occurs in the membership of the Board, such vacancy shall be filled by the appointment of another member who shall, subject to the provisions of this Schedule, hold office for the remainder of the period for which the previous member was appointed. Filling of vacancies.

7. The names of all members of the Board as first constituted and every change in the membership thereof shall be published in the *Gazette*. Publication of membership.

8. (1) The Board shall meet as often as it deems necessary or expedient for the due performance of its functions and of the functions of the Bank (but not less frequently than ten times in each year) and such meetings shall be held at such places, on such days and at such times as the Chairman determines. Procedure at meetings.

(2) The Chairman, or, in the event of the absence or inability to act of the Chairman, a director elected by the directors present to act in that behalf, shall preside at a meeting of the Board and the Chairman or director so presiding shall, where the voting is equal, have a casting vote.

(3) The quorum of the Board shall be such number as the Board may fix from time to time being not less than one-half of the total number of members of the Board.

(4) The validity of any proceedings of the Board shall not be affected by any vacancy amongst the directors or by the defect in the appointment of a director.

(5) Subject to the provisions of this Schedule the Board may regulate its own proceedings.

9. There shall be paid to the Chairman and the other directors such remuneration, if any, as the Minister may determine. Remuneration.

10. The Bank shall not make an investment in or otherwise transact business with any enterprise in which a director of the Bank is a partner, director or shareholder or is in any way directly or indirectly interested. Prevention of conflict of interest.