

Act No. 36 of 1940**MONTAGU BEACH HOTEL***36 of 1940*

An Act to confirm an agreement concluded between the government of The Bahama Islands of the one part and the Waterloo Hotel Company, Limited, of the other part.

[Commencement 19th December, 1940]

Short title.

1. This Act may be cited as the Montagu Beach Hotel Act.

Interpretation.

2. For the purpose of this Act:

“Appointed period” means the period between such date after the 1st October, 1940, as the Governor shall appoint for the opening of the Hotel and such date not being later than the 30th day of September, 1941, as the Governor may appoint for the closing thereof.

“Hotel” means the property known as the Montagu Beach Hotel and includes all the buildings thereon used in connection therewith together with all equipment, furnishings and accessories.

“Committee” means the committee of three persons constituted as provided in clause one of the Agreement set forth in the Schedule of this Act.

Advance to
Committee by
Treasurer.

3. (1) For the purpose of opening and operating the Hotel for the appointed period the Treasurer may advance to the Committee a sum not exceeding ten thousand pounds.

(2) The Committee shall be responsible to the Governor in Council for the application of any sum so advanced and shall at the end of the appointed period, whenever required to do so by the Governor in Council, render to the Governor in Council an account showing how such sum has been applied.

Duties of
Committee.

4. (1) The Committee out of the sum advanced, or to be advanced, by the Treasurer and out of the monies received from operation the Hotel shall pay all expenses incurred in the operation and management of the Hotel

including the cost of auditing the books of the Committee and of maintaining the insurances mentioned in clause 1(c) of the Agreement set forth in the Schedule to The Waterloo Hotel Company Limited Confirmation of Agreement Act. *3 of 1938.*

(2) After payment of the expenses as provided in subsection (1) of this section the Committee shall pay to the Treasurer the balance of all monies in hand at the expiration of the appointed period, and such monies shall be disposed of as provided in clauses 4 and 5 of the Agreement set forth in the Schedule to this Act.

(3) The Committee shall keep proper books of accounts and such accounts shall be audited at the termination of the appointed period by such competent auditor as may be agreed upon between the Governor in Council and the Committee and appointed by the Committee.

(4) (a) The Committee shall prepare and keep an inventory of the furniture, effects, utensils and things together with all fixtures and fittings in the Hotel and such inventory shall be deemed to be inventory of the Company for the purposes of the second schedule to the Indenture of Mortgage dated the 4th day of December, 1937, and made between The Waterloo Hotel Company Limited, of the one part, and The Treasurer of the Bahama Islands, of the other part, and recorded in the Registry of Records in Book F14, at pages 212 to 218.

(b) In lieu of preparing an inventory the Committee may adopt any existing inventory as correct and keep the same for the purpose of this subsection

(5) At the expiration of the appointed period the Committee shall deliver up possession of the Hotel to the Company in good condition and repair, fair wear and tear excepted. For the purpose of this subsection “fair wear and tear” shall include breakages or deficiencies of crockery or similar small or fragile articles.

5. In the event of the operation of the Hotel not earning in the appointed period sufficient revenue to pay for the expenses of such operation the Treasurer shall pay the Committee the amount of such insufficiency.

Treasurer to be liable for deficit upon operation of hotel.

6. The agreement made on the 14th day of November 1940, set forth in the Schedule to this Act is hereby confirmed.

Confirmation of Agreement.

SCHEDULE**BAHAMA ISLANDS,
NEW PROVIDENCE.**

AN AGREEMENT made on the 14th day of November, 1940, BETWEEN The Waterloo Hotel Company Limited, a company incorporated under the laws of the Bahama Islands and having its registered office at number 443 on the north side of Bay Street in the City of Nassau, in the Island of New Providence, one of the Bahama Islands (hereinafter together with its successors and assigns referred to as the Company) of the one part AND The Treasurer of the Bahama Islands, a corporation sole under and by virtue of the The Treasurer Corporation Sole Act for and on behalf of the Government of the Bahama Islands (hereinafter together with his successors in office referred to as the Government) on the other part:

19 of 1926.

WHEREAS by an Indenture of Mortgage dated the 4th day of December, 1937, made between the Company, of the one part AND The Treasurer of the Bahama Islands, for and on behalf of the Government of the Bahama Islands, of the other part, in consideration of the sum of Two Hundred and Twenty Thousand Pounds (£220,000) and a further sum of Five Thousand Pounds (£5,000) due by the Company to the Treasurer the Company conveyed to the Treasurer subject to the equity of redemption the property set forth in the first and second schedules to the said Indenture, hereinafter referred to as “the Hotel.”

AND WHEREAS the terms and conditions upon which the Company should operate the Hotel and diverse other matters relating thereto were agreed upon between the parties hereto by an Agreement (hereinafter referred to as the principal Agreement) set forth in the schedule to The Waterloo Hotel Company Limited Confirmation of Agreement Act 1937.

3 of 1938.

AND WHEREAS in accordance with the provisions of clause 1(a)(i) of the principal Agreement the Company has satisfied the Government before the 1st day of October, 1940, that it is unlikely to be able to operate the Hotel during the ensuing season without incurring substantial loss.

NOW it is HEREBY AGREED BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. The Hotel during the period hereinafter provided shall be operated by a Committee of three persons, consisting of George Murphy, Esquire, as Chairman and two other persons, to be appointed by the Government and any vacancy caused by the death or retirement of the Chairman or of a member of the Committee shall be filled by such other person as the Government may appoint.

2. The said period (hereinafter referred to as the appointed period) shall extend from such date after 1st day of October, 1940, as the Government shall appoint for the opening of the Hotel until such date not being later than the 30th day of September, 1941, as the Government may appoint for the closing thereof.

3. During the appointed period the operation of the principal Agreement, save as in this Agreement hereinafter provided shall be suspended.

4. Any monies received from the Treasurer by the Committee pursuant to section three of The Montagu Hotel Act 1940, and from the revenue derived from operating the Hotel, shall be applied in the repayment of any sums advanced by the Government and in the payment of the sum of Four Thousand Six Hundred Pounds (£4,600) being interest payable under the said Indenture of Mortgage.

5. The profits available after the payment specified in clause four shall be distributed as follows:

- (a) To the Government, half the profits so available not exceeding the sum of Four Thousand Four Hundred Pounds (£4,400) in consideration for the financial assistance and risks given and undertaken by the Government in operating the Hotel.
- (b) To the Company, a sum not exceeding Two Thousand Eight Hundred and Ninety-seven Pounds, Eight Shillings sterling (£2,897 8s. 0d.) for the purpose of paying such dividends to the shareholders as the Company shall declare; and
- (c) To the Government, any profits remaining after the said payment of dividends to form part of the “Reserve Fund” constituted under the principal Agreement.

6. In the event of the operation of the Hotel not earning during the appointed period sufficient revenue to pay the said sum of Four Thousand Six Hundred Pounds (£4,600) as interest, then such sum as may together with the available earnings, be necessary to pay the said sum of Four Thousand Six Hundred Pounds (£4,600), or such lesser sum as may be standing to the credit of the “Reserve Fund,” shall become a charge against the “Reserve Fund.”

7. The Government may invest the whole or any part of the monies in the “Reserve Fund” in such investments as the Government may think fit and any interest from the investment of the monies in such Fund shall be paid into the general revenue of the Colony.

