

THE AGRICULTURAL LOANS ACT

Cap. 4.
Act
9 of 1970.

[21st May, 1887.]

1. This Act may be cited as the Agricultural Loans Act. Short title.

2. In this Act—

Interpreta-
tion.
9/1970
S. 2.

“owner” means any person, other than a leaseholder or tenant for life, for the time being receiving the rack-rent of the lands or premises in connection with which the word is used, whether on his own account or as agent or trustee for any other person, or who would so receive it if such lands or premises were let at a rack-rent;

“tenant” means a lessee, tenant for life or any person lawfully in possession of land other than an owner.

3. Should any person, being in the possession of any land as owner, incumbrancer, or tenant, desire, for the purpose of cultivating the said land, or for reaping the crops thereof, or for the working of any agricultural industry thereon, or, in the case of sugar estates, for the purchase of canes to be manufactured into sugar or rum, or for all or any such purposes, to procure advances from any other person, company, or body corporate, whether in a single sum, or by advances from time to time during the currency of the security to be given for the same, it shall be lawful for such person to pledge, by writing under his hand, or by deed in the form, or to the effect in the First Schedule to the lender, for the due payment of the advances and interest to be agreed in such contract, and for the due performance of any agreement or covenants in such contract contained, the whole or any part of the crops growing or to grow on and be produced from such land, or the produce to be manu-

Power to
give prefer-
ential
charges on
crops.

First
Schedule.

9/1970
S. 3.

factured on such land from the working of the agricultural industry thereon, within a limited period, not exceeding eighteen months, to be expressed in such contract; and such contract, if duly stamped with an agreement stamp of twenty cents, and recorded in the Record Office within thirty days of the making thereof, shall form a preferential charge, in respect of such advances and interest, on the crops and produce, and on the products of the agricultural industry so charged, so long as the same are growing on the said land, or are being produced by the agricultural industry, and for three months after the same are gathered in or produced, if the same be under the control of the borrower.

And such charge shall be valid against all trustees in bankruptcy, trustees under any deed or assignment for the benefit of creditors, and against all bailiffs or other officers (except Revenue Bailiffs appointed by Collectors of Taxes for the purpose of making a distress for taxes and duties under the Tax Collection Act) executing any civil process, and execution creditors, and any mortgagee, or incumbrancer, or subsequent purchaser of such land.

First
Schedule.

The form of deed in the First Schedule may be varied or altered according to the terms of the agreement.

Loans for
the purpose
of planting
sugar cane.

9/1970
S. 4 (a).
Second
Schedule.

4.—(1) Where any advance is made under the provisions of this Act to any person, being in the possession of any land as owner or tenant, for the purpose of cultivating the said land in any of the crops specified in the Second Schedule, or of reaping any such crop grown upon the said land, section 3 shall have effect as if for the words “within a limited period, not exceeding eighteen months, to be expressed in such contract” there were substituted the words—

“in the case of an owner until such time as the full amount of the advances and interest has been duly paid to the lender and in the case of a tenant until such time as the full amount of the advances and interest has

been duly paid to the lender or the expiration of the tenant's interest in the land at the time the contract was made whichever shall be the earlier".

(2) The Minister may from time to time by order vary or amend the Second Schedule.

9/1970
S. 4 (b).
Second
Schedule.

5. Breach of any agreement or covenant by the giver of such security, his executors, administrators or assigns, shall entitle the lender to immediate possession of the crops and other products, or such portions as have been secured to him, and if necessary, and so far as may be necessary, to the possession of the lands, with all the machinery, live and dead stock and other things, for the purpose of enabling him to take off, reap and make, such crops and products :

Power to
lender on
breach of
contract to
enter on
land and
reap crops.

Provided that the taking possession of such lands shall not render the person liable to expend any money in respect of any future crops or products not secured to him as aforesaid.

6. After possession has been obtained of such crops and products, or either of them, or of any portion of them respectively, or of such lands, by the last preceding section, by the lender, his executors, administrators or assigns, the money to be realized for such crops and products shall be applied, first to pay the expenses (if any) of getting the possession of such crops, products, or lands, and of cultivating, reaping, manufacturing or otherwise producing, such crops or products, and of the care and maintenance of the lands and other things (if any) taken possession of as aforesaid, and of the expenses incident to the sale of the said crops and products, next to the payment of the said advances and interest, and lastly any balance to be paid over to the borrower.

Application
of proceeds
of crops.

This Act to be referred to in all writings thereunder.

7. All writings and deeds intended to be made under the provisions of this Act shall state that they are made under the provisions of this Act, otherwise the provisions of this Act shall not apply to such writings and deeds.

Frauds by the borrower how punishable.

8. Any person who obtains an advance under such a contract by means of any false representation, any person to whom an advance is made under such a contract for particular purposes specified therein, who wilfully applies the money so advanced to any other use or purpose than the purposes so specified, and any person who having obtained an advance under such a contract afterwards sells or disposes of, or converts to his own use, or wilfully destroys, any of the crops or products, the subject of the charge created under such contract, without the consent of the lender, shall be guilty of a misdemeanour, and being convicted thereof in any Court of Record in this Island shall be imprisoned with or without hard labour for a term not exceeding one year :

Provided that no prosecution of any such offence shall be begun or proceeded with after the secured advances and interest shall have been satisfied.

Rights of Crown and Government of the Island reserved.

9. Nothing in this Act shall be construed to affect the rights of the Crown, or of the Government of this Island, in respect to the recovery of moneys due from the owners, mortgagees, tenants or occupiers, of any lands, chargeable on and leviable out of the lands, or the products thereof.

FIRST SCHEDULE

(Section 3) Form of charge.

JAMAICA S.S.

This Indenture, made under and subject to the provisions of the Agricultural Loans Act, this _____ day of _____ in the year of our Lord, 19____, between *A.B. (name and description of borrower)*, of the one part and *C.D. (name of company, association or other lender)*, of the other part:

Whereas the said *A.B.* is in possession of all (*recite that piece or parcel of land situated in, etc., and known as, etc.*):

And whereas the said *A.B.* has applied to the said *C.D.* for a loan of \$ _____ for the purpose of (*here state the purpose, which must be connected with the cultivation of the land*), and has offered to secure the repayment of the said loan by pledging the crops (*or such part of them as may be agreed upon*) to be grown and produced upon the said land within the next _____ calendar months after the date hereof (*here, if desired, the nature of the crops may be described*):

And whereas the said *C.D.* has agreed to make the said advance on the express condition that the said money be applied to the purpose for which the said *A.B.* has applied for the same, and on the security of the crops and produce to be grown and produced upon the said land within a period of _____ calendar months from the making hereof (*or a definite portion of such crops*), and on condition that the said *A.B.* do either on the _____ day of _____, 19____, repay the said loan, with interest thereon as hereinafter stated, or do on the said day deliver to the said *C.D.* in repayment of such advance and interest (*here describe the crops, etc., to be delivered*), in order that the said *C.D.* may realize the same, and pay his said debt and interest, together with all expenses attending the said sale, out of the proceeds thereof:

Now this Indenture witnesseth that the said *C.D.* doth this day make the advance of \$ _____, and the said *A.B.* receives the same, for the purposes and on the conditions aforesaid, and the said advance is to bear interest at the rate of _____ per cent per annum, from the date thereof until repayment of the same; and the said *A.B.* hereby for himself, his heirs, etc., covenants with the said *C.D.* that he has not done any act or thing, and knows of no reason why he cannot give the security aforesaid on the said crops aforesaid, and further that on the _____ day of _____, he will either repay the said sum of \$ _____ with interest thereon as aforesaid, or will peaceably give up to the said *C.D.* the crops and produce on the security of which the said *C.D.* has made the said advance, in order that the said *C.D.* may realize the same and apply the proceeds thereof as aforesaid.

SECOND SCHEDULE

(Section 4 (1)) 9/1970 S. 5.

Sugar cane
Coffee
Cocoa

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