

CHAPTER 482

GALLE MUNICIPAL STAFFS BENEVOLENT ASSOCIATION

Act No. 23 of 1970. AN ACT TO INCORPORATE THE GALLE MUNICIPAL STAFFS BENEVOLENT ASSOCIATION.

[24th March, 1970.]

Short title.

1. This Act may be cited as the Galle Municipal Staffs Benevolent Association (Incorporation) Act.

4. (1) All permanent monthly paid employees of the Galle Municipal Council, and members of the Local Government Service attached to the Galle Municipal Council, who are over twenty-one and under fifty years of age, shall be eligible for admission as members, and may, in the discretion of the Committee of Management, be admitted as members. The members of the Local Government Service who are members of the Corporation may continue their membership of the Corporation after their transfer from the Galle Municipal Council to any other local authority in the Island.

Galle Municipal Staffs Benevolent Association incorporated.

2. On and after the passing of this Act, such and so many persons as are now members of the Galle Municipal Staffs Benevolent Association or shall hereafter be admitted members of the said Association (hereinafter referred to as the "said Association") and whose names shall be inscribed in the register mentioned in section 11 (I), shall be, and become a Corporation with continuance for ever under the name of "The Galle Municipal Staffs Benevolent Association" (hereafter referred to as "the Corporation") and by that name shall sue and be sued in all courts, and shall have full power and authority to have and to use a common seal and to change and alter the same at their will and pleasure.

(2) Every member shall pay an enrolment fee of Re. 1 on enrolment.

General objects.

3. The general objects for which the Corporation is constituted are hereby declared to be, to promote thrift, to give relief to its members in times of sickness, indebtedness and distress, to give to members on retirement, resignation or dismissal from the service of the Galle Municipal Council or the Local Government Service or on withdrawal from membership his accumulated savings, to give to each member on retirement, resignation or dismissal from any such service a death donation and retiring allowance, or in the event of the death of any member while in any such service to give to his nominee or nominees, if any, or to his legal heirs his accumulated savings and the death donation and retiring allowance, and to do all other acts which the Committee of Management may think necessary for the economic advantage of the members.

5. (1) Every member shall contribute monthly a sum of not less than Rs. 5 and not exceeding Rs. 100. Such contributions shall be deducted monthly from the salary payable to such member from the Galle Municipal Council or other local authority commencing from the month following that in which he is admitted by the Committee of Management as a member:

Contributions.

Provided that, in the event of the death of a member while in service, no deduction shall be made from any salary due to him at the time of his death.

(2) Any member may on admission make an initial payment not exceeding Rs. 100.

6. (1) Every person seeking membership shall give, in the form approved by the Committee of Management, from time to time, an authority to the Municipal Commissioner of the Galle Municipal Council and in the Authority to make deductions from salary of members.

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event of his transfer to any other local authority to the Municipal Commissioner or Chairman of such local authority, as the case may be, to deduct from his monthly salary all amounts due from him to the Corporation in the event of his election as a member. A receipt issued by the Honorary Treasurer of the Corporation shall be a valid discharge of the amount deducted from such person's salary-

(2) No person shall be admitted as a member of the Corporation until he has given the aforesaid authority.

Committee of Management.

7. (1) The affairs of the Corporation shall, subject to the provisions of this Act and the rules of the Corporation, for the time being in force, be administered by a Committee of Management consisting of six members to be elected at each Annual General Meeting, in accordance with the provisions of this Act and the rules of the Corporation for the time being in force.

(2) At every first meeting of the members of the Committee of Management after their election, a President, a Vice-President, an Honorary Treasurer and an Honorary Assistant Treasurer shall be elected by each such Committee from among their number.

(3) The Honorary Secretary of the Corporation shall function as Honorary Secretary to the Committee of Management.

First Committee of Management.

8. (1) The first Committee of Management shall consist of the following members:—

- Mr. H. P. de Silva, President
- Mr. D. A. Baduge, Vice-President
- Mr. E. W. de Z. Abeyasekera, Honorary Treasurer
- Mr. H. de S. Dhannawickreme, Honorary Assistant Treasurer
- Mr. S. M. Jiffrey, Member
- Mr. F. E. A. Vanderputt, Member.

(2) Mr. G. C. Nanayakkara shall function as the Honorary Secretary to the first Committee of Management.

Who shall preside at, and quorum for, meetings of the Committee of Management.

9. (1) The President of the Corporation or in his absence, the Vice-President or in the absence of both the President and the Vice-President, a member of the Committee of Management elected

for the purpose by the members present at such meeting of the Committee shall preside.

(2) The quorum for a meeting of the Committee of Management shall be three members of such Committee.

10. (1) In the event of any casual vacancy occurring in the Committee of Management, other than a vacancy referred to in subsection (2), it shall be lawful for the remaining members of the Committee of Management to appoint another member of the Corporation to fill the vacancy, and any person so appointed to fill a casual vacancy, shall hold office for the unexpired portion of the term of the person in whose place he was appointed.

(2) When a member of the Committee of Management is removed from office consequent on the passing of a resolution expressing lack of confidence, at a Special General Meeting convened for the purpose, the vacancy or vacancies thus created shall be filled at the same Special General Meeting, and any person so elected shall hold office for the unexpired portion of the term of office of the person in whose place he was elected.

(3) The resignation of a member of the Committee of Management shall be by written notice given to the President, or in his absence to the Vice-President, and the resignation of such member of the Committee shall take effect from the date specified by him in such notice.

(4) In the event of any member of the Committee of Management absenting himself from three consecutive meetings of the Committee without reasonable excuse in writing, such member of the Committee shall *ipso facto* forfeit his membership of the Committee. Any vacancy thus created, shall be filled as specified in subsection (1).

11. (1) The Committee of Management shall cause a register to be kept in which every person who at the date of the passing of this Act is a member of the said Association, and every person thereafter duly admitted a member of the Corporation, shall have his name inscribed.

(2) The register shall contain the following particulars:—

- (a) the name, age on admission, address and official designation of each member;
- (b) the date on which any person commenced or ceased to be a member;
- (c) such other information as the Committee of Management may, from time to time, decide that the register should contain.

(3) All members of the said Association at the date of the coming into operation of this Act and whose names are duly inscribed in the register shall be deemed to have been members of the Corporation from the said date.

(g) the regulation of extraordinary loans to be given to members under section 34 and the prescribing of the conditions applicable to such loans including their nature and the guarantors to be accepted; and

(h) generally for the management of the affairs of the Corporation and the accomplishment of its objects.

(2) Pending the making of such rules, the rules of the said Association in force at the date of the coming into operation of this Act shall continue to be in force.

(3) No rule made and no decision come to at any General Meeting of the members shall be altered, added to, amended or cancelled, at any subsequent General Meeting except by a majority of two-thirds of the members present and voting.

(4) The rules of the Corporation for the time being shall bind the Corporation and all members thereof and all persons claiming through them respectively to the same extent as if each member had subscribed his name thereto and there were contained in such rules a covenant on the part of himself, his nominees, his heirs, executors and administrators to conform thereto subject to the provisions of this Act.

Rules.

12. (1) It shall be lawful for the Corporation from time to time, at any General Meeting of the members, and by a majority of votes, without prejudice to the generality of the powers hereby conferred, to make rules for any of the following purposes and for giving effect to the provisions of this Act;—

- (a) the admission, withdrawal or expulsion of members;
- (b) the determination and collection of contributions or other calls payable by members and the payment of moneys due to them;
- (c) the imposition of penalties and forfeitures for breach of rules;
- (d) the election, the powers, conduct and duties of the Committee of Management, and of the various officers, agents and servants of the Corporation;
- (e) the procedure in the transaction of business;
- (f) the withdrawal or refunding of any contributions;

13. It shall be lawful for the Corporation, by resolution passed at any General Meeting, to remunerate the services of any member or members of the Committee of Management, and of the Auditor or Auditors to be appointed in accordance with the provisions of this Act and the rules of the Corporation, and from time to time, to fix the amount of such remuneration, and to require such security from such member or members of the Committee of Management so remunerated as may be deemed sufficient.

Remuneration to member or members of Committee and Auditors.

14. The Honorary Secretary shall, upon the request of the Committee of Management or upon the written requisition of fifteen or more members of the Corporation, indicating the nature of the business to be transacted, call a Special General Meeting of the Corporation by giving seven clear days' notice thereof to the

Special General Meetings.

members, specifying the time and place of such meeting and the purpose for which it is to be held.

Mismanagement by members of Committee of Management.

15. (1) If at any time it appears to the members that the affairs of the Corporation are mismanaged by a member or members of the Committee of Management, it shall be lawful for the members at a meeting convened under section 14, at which not less than one-third of the total membership of the Corporation on that date are present and by a majority of votes to pass a resolution expressing lack of confidence in any member or members of such Committee.

(2) Where a resolution expressing lack of confidence in any member of such Committee is passed, such member shall forthwith cease to be a member of such Committee.

Annual General Meeting.

16. (1) An Annual General Meeting of the members of the Corporation shall be held in Galle not later than the thirty-first day of March in each year when there shall be submitted,—

- (a) a report of the Committee of Management on the working of the Corporation during the twelve months ending on the thirtieth day of September of the preceding year;
- (b) a balance sheet containing a statement of assets and liabilities of the Corporation on the thirtieth day of September of the preceding year and a statement of income and expenditure of the Corporation during the twelve months ending on the said thirtieth day of September; and
- (c) the Auditors' report.

(2) The balance sheet and the aforesaid statement of income and expenditure shall be prepared by the Honorary Treasurer and shall be duly examined by the Auditors who shall certify as to the correctness of such balance sheet and statement. The report of the Auditors shall include reference to any irregularities that they may have discovered and to any loans which may have been granted contrary to the rules of the Corporation.

(3) The following business shall be transacted at an Annual General Meeting:—

- (a) confirmation of the minutes of the previous meeting;
- (b) adoption of the report of the Committee of Management and audited statement of accounts;
- (c) election of a Committee of Management and an Honorary Secretary for the ensuing year;
- (d) determination of the remuneration to be paid to the Honorary Secretary, the Honorary Treasurer and the Auditors ; and
- (e) any other business of which due notice shall have been given to the Honorary Secretary.

17. Notice of resolutions to be proposed and questions to be raised at the Annual General Meeting shall reach the Honorary Secretary at least seven days prior to the date on which such meeting is due to be held.

Notice of resolutions and questions at Annual General Meeting.

18. The quorum of members required to constitute any Annual General Meeting or any Special General Meeting shall be fifteen:

Quorum for Annual General Meetings and Special General Meetings.

Provided that the quorum of members required to constitute a Special General Meeting convened for the purpose of discussing a resolution expressing lack of confidence in a member of the Committee of Management shall be one-third of the total membership of the Corporation.

19. The President of the Corporation shall vacate the Chair at each Annual General Meeting, or at any meeting held to discuss a resolution expressing lack of confidence in him. The members present at such meeting shall, by a majority vote, elect a Chairman *pro tern*.

Who shall preside at General Meetings.

20. No member of the Corporation who is two months in arrears with his monthly contributions under the rules of the Corporation shall be entitled to vote at any General Meeting, or Special General

Voting.

Meeting, of the Corporation, or if he is a member of (he Committee of Management at any meeting of that body.

Time limit for reconsideration of decision of General Meetings.

21. No decision arrived at by an Annual General Meeting or a Special General Meeting shall be reconsidered at a Special General Meeting within a period of twelve months unless the Committee of Management decides that it is a matter of importance and urgent necessity that such decision should be superseded.

Security from officers and servants.

22. It shall be lawful for the Committee of Management to require security to be given by any of the officers and servants appointed by such Committee, and to determine the nature and value of such security.

Debts due by and payable to Association.

23. All debts and liabilities of the said Association existing at the time of the coming into operation of this Act shall be paid by the Corporation hereby constituted, and all debts due to and subscriptions, contributions, fines and amounts of loans and advances payable to the said Association shall be paid to the Corporation for the purposes of this Act.

Funds of the Corporation, how to be kept and invested.

24. The funds of the Corporation shall be placed in the name of the Corporation in one or more of the local banks, and it shall be lawful for the Committee of Management, from time to time, to invest such part of the said funds as is not required for loans, withdrawals, and other current expenses in fixed deposits in one or more of the local banks, or in debentures, stock or other securities of the Government of Sri Lanka.

Funds of the Corporation, how operated on.

25. All cheques and orders against the said funds shall be signed by at least two members of the Committee of Management authorized in that behalf by the rules of the Corporation.

Powers of the Committee of Management.

26. The Committee of Management shall have the power—

- (i) to receive and recover all moneys due to the Corporation and to pay out of its funds in the manner provided for in the rules of the Corporation ;

- (ii) to enter into contracts or agreements on behalf of the Corporation and to determine who shall sign such contracts or agreements on behalf of the Committee of Management;

- (iii) to receive donations, contributions or grants made under any legal enactments of Sri Lanka or any voluntary contributions made by any person for promoting the objects of the Corporation;

- (iv) to incur such expenditure as may be necessary for the administration of the affairs of the Corporation;

- (v) to appoint, if necessary, any fit and proper person or persons, residing within the Galle Municipal limits on entering into a bond and on furnishing such security as the Committee of Management may determine from time to time, for the performance of clerical or accounting duties of the Committee of Management and to remunerate any such person or persons or any other persons for such services rendered at the express request of the Committee of Management;

- (vi) to make rules from time to time, by resolution with regard to the order of precedence which shall be followed in granting loans, the period within which such loans shall be repaid, the nature of the agreement which shall be entered into by the borrower and to decide on all matters connected with the grant of loans and their repayment not provided for in the rules of the Corporation;

- (vii) to impose duties on and assign functions to the Honorary Treasurer and Honorary Assistant Treasurer in addition to any duties and functions imposed on and assigned to them by this Act or by rules made thereunder;

- (viii) to consider and decide on applications received for the grant of loans;

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- (ix) to initiate legal action or other proceedings that it deems fit, against those who default in payment of loan balances due to the Corporation;
- (x) to suspend or expel any member who behaves in an unruly manner at a meeting of the Corporation;
- (xi) to determine what penalties should be imposed on any member who is expelled, suspended or discontinued or found guilty of breach of the rules, for any reason considered sufficient by the Committee of Management;
- (xii) to check accounts and balance of cash in hand at every monthly meeting of the Committee of Management and scrutinize the overdue loans.

Books of Accounts.

27. The Committee of Management shall cause the following Books of Accounts to be kept;—

- (i) Cash Book.
- (ii) General Ledger.
- (iii) Journal.
- (iv) Loans Register.
- (v) Register of Members.
- (vi) Register of Death Donation and Retiring Allowance paid to members.
- (vii) Register of Administrative Refunds.
- (viii) A Pass Book for each member.

Inspection of Books of Accounts,

28. The Books of Accounts shall be open at all reasonable times for inspection by members of the Corporation, after reasonable notice is given to the President.

Functions of Honorary Secretary.

29. The Honorary Secretary shall convene meetings, keep the books relating to the secretarial duties and attend to all correspondence of the Corporation and any other work entrusted to him by the Committee of Management.

30. The Honorary Treasurer shall be in charge of all Books of Accounts and receive all moneys on behalf of the Corporation. On the direction of the Committee of Management, he shall make disbursements. He shall sign Pass Books and Ledgers. He shall place all the moneys received on behalf of the Corporation, in the Bank of Ceylon, Galle, or in any other bank approved by the Committee of Management. He shall sign the Cash Book and testify as to its accuracy and produce the cash balance whenever called upon to do so by the Committee of Management or by the Auditors.

Functions of Honorary

31. The Honorary Assistant Treasurer shall assist the Honorary Treasurer whenever requested to do so and act for him in his absence.

Functions of Honorary Assistant Treasurer.

32. Subject to the rules of the Corporation, a loan not exceeding a sum equivalent to the total contributions lying to the credit of a member and one month's advance of basic salary, may be granted to a member of the Corporation after he has contributed to the funds of the Corporation for a period exceeding three months. Applications for such loans shall receive priority in the order in which they are received:

General Loan scheme-

Provided that the amount of any loan to be granted under this section to any member drawing a basic monthly salary exceeding rupees four hundred and fifty shall not exceed two-thirds of such salary.

33. Where on the production of a death certificate the Committee of Management is satisfied that a death has occurred in a family of a member, the Committee may grant such member a special loan not exceeding rupees two hundred carrying interest at six *per centum* per annum and repayable in twenty monthly instalments-

Special loan scheme.

34. For the purpose of redeeming any debt, the Corporation may, on the guarantee of any other member, grant to any member a special loan not exceeding rupees one thousand, or such sum as may be decided at any Annual General Meeting.

Special loans to redeem indebtedness of members.

35. Every loan granted to a member under sections 32 and 34 shall carry interest at half *per centum* per calendar month or

Interest on loans.

part thereof and such interest shall be deducted monthly, from the salary of such member.

payment of a penalty of three rupees and an entrance fee of one rupee:

Provided, however, that no person shall be re-enrolled if he has resigned voluntarily on more than two occasions.

36. With the approval of the Committee of Management, a member may, where no loan or part thereof is due from him to the Corporation, withdraw a sum not exceeding half the total contributions lying to his credit, on completion of two years continuous membership. Such withdrawal shall not preclude a member at the same time or thereafter from obtaining a loan under section 32.

40. On the retirement, resignation or dismissal of a member from the Galle Municipal Service or the Local Government Service or on his withdrawal from membership of the Corporation he shall be paid the amount lying to his credit after deducting any sums of money due from him to the Corporation. In the event of the death of a member while in such service, the amount lying to the credit of the member shall, after deducting any sums due from him to the Corporation, be paid to the person nominated in the member's application for enrolment, or in a subsequent notification, or in the absence of such nominee, to the legal heirs of the deceased member.

Death, retirement, dismissal, &c.

37. No subsequent withdrawal of contributions by a member shall be authorized, until two years have elapsed from the date of the previous withdrawal.

38. (1) The accounts of the Corporation shall be audited by two Joint Auditors appointed by the Corporation. In the absence of any such appointment the accounts of the Corporation for any year ending on the thirtieth day of September, shall be audited by an Auditor appointed for the purpose by the Committee of Management.

41. (1) Every member on his retirement, resignation or dismissal from the Galle Municipal Service or the Local Government Service, after having regularly subscribed for twenty-four months shall be entitled to receive a death donation and retiring allowance calculated at the rates set out in the Schedule hereto. In the event of a member dying while in such service after having continuously subscribed for twenty-four months, the death donation and retiring allowance shall be paid to his nominee or nominees, or his legal heirs or dependants. The amount of any donation, so paid may be recovered equally from every member in such sums not exceeding five rupees per month.

Payment of Death Donation and Retiring Allowance.

(2) No person shall be appointed as Auditor unless he is—

- (a) a member of the Institute of Chartered Accountants of England and Wales or of any Society incorporated by Royal Charter whose members are entitled to use the designation "Chartered Accountant"; or
- (b) a member of the Society of Incorporated Accountants and Auditors of Great Britain; or
- (c) a public auditor appointed under section 18 of the Societies Ordinance.

(2) During the first twelve months of enrolment, no member shall be called upon to pay any contributions towards the death donation and retiring allowance scheme.

(3) Any member who has completed ten years of continuous membership in the Corporation, shall, at the time of retirement from the Galle Municipal Service or the Local Government Service, be entitled to receive five years added to his membership for the purpose of calculating the death donation and retiring allowance.

39. Any person who has resigned from membership of the Corporation shall be eligible for re-enrolment as a member on

Re-enrolment of members.

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(4) The contributions of any member towards the death donation and retiring allowance scheme, shall cease on the completion of twenty-one years of membership of the Corporation.

(5) No member shall be paid such donation and retiring allowance if he voluntarily resigns from the Corporation unless he has been re-enrolled.

Member's Pass Book-

42. Every member shall be given a Pass Book in which all his transactions with the Corporation shall be entered. A Pass Book lost by a member shall be replaced on payment of one rupee.

Consolidated Benefit Fund.

43. Every member shall contribute monthly to the Corporation, a sum not less than five rupees towards the Consolidated Benefit Fund, which amount shall be refunded only on retirement, resignation or dismissal from the Galle Municipal Service or the Local Government Service or in the event of his death while in such service to his nominees, if any, or legal heirs.

Forfeiture of membership,

44. Any member who fails to contribute gn sums due from him to the Corporation for a period exceeding three consecutive months, shall forfeit his membership and all the rights and privileges of a member;

Provided that the Committee of Management may at its discretion restore his membership and all the rights and privileges of a member on sufficient proof that the member failed to contribute to the Corporation due to sickness or similar circumstances and on payment of all arrears of dues to the Corporation.

45. Where a member forfeits his membership of the Corporation in terms of section 44 of this Act, all sums of money due from the member shall be deducted in monthly instalments as agreed upon in the agreement entered into by the member, and any balance remaining to the credit of such member after such deductions shall be refunded to him.

Amounts due from a member who has forfeited his membership.

46. A member may resign from membership of the Corporation after giving one calendar month's notice. The Committee of Management at its discretion, may accept the resignation without prejudice to any steps that the Committee of Management may take to recover all amounts due from such member.

Voluntary resignation.

47. On any matter not provided for in this Act or in the rules of the Corporation, the decision of the Committee of Management shall be final.

Decision of Committee of Management to be final.

48. The seat of the Corporation shall not be affixed to any instrument whatsoever, except in the presence of any two members of the Committee of Management, who shall sign their names to the instrument in token of their presence and such signing shall be independent of the signing of any person as a witness.

Seal of the Corporation how affixed.

49. Nothing in this Act contained shall affect or be deemed to affect the rights of the Republic, or of any body politic or corporate, or of any other persons, except such as are mentioned in the foregoing provisions of this Act, and those claiming by, from or under them.

Saving of rights of the Republic and others.

SCHEDULE

[Section 41.]

Rates of death donation and retiring allowance payable to retiring members.

Period of membership of member

Amount of death donation and retiring allowance payable so a member for each year of membership

	Rs. c.
1 Year	Nil
2 Years	0 50
3 Years	0 75

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*Period of membership
of member*

*Amount of death donation
and retiring allowance
payable So a member for
each year of membership*

	<i>Ss. c.</i>
4 Years	1 00
5 Years	1 25
6 Years	1 50
7 Years	1 75
8 Years	2 00
9 Years	2 25
10 Years	2 50
11 Years	2 75
12 Years	3 00
13 Years	3 25
14 Years	3 50
15 Years	3 75
16 Years	4 00
17 Years	4 25
18 Years	4 50
19 Years	4 75
20 Years	5 00
21 Years	5 25
22 Years	5 50
23 Years	5 75
24 Years and over	6 00