

CHAPTER 508

LADY LOCHORE LOAN FUND

Acts
Nos. 38 of 1951
4 of 1953.

AN ACT TO ESTABLISH AND INCORPORATE A BOARD OF TRUSTEES OF THE FUND KNOWN AS THE LADY LOCHORE LOAN FUND, TO DECLARE THE PURPOSES TO WHICH THAT FUND SHALL BE APPLIED, AND TO MAKE PROVISION FOR MATTERS CONNECTED THEREWITH.

[24th September. 1951]

Short title.

1. This Act may be cited as the Lady Lochore Loan Fund (Board of Trustees) Act.

provisions of subsection (5), appoint some other person to act in place of such member.

Establishment of Board of Trustees of the Lady Lochore Loan Fund.

2. (1) A board, constituted as hereinafter provided, is hereby established as the Board of Trustees of the Lady Lochore Loan Fund which was formed by the Reverend C. E. V. Nathanielsz of Colombo, with money donated by Lady Jean Lochore formerly of Ceylon and with contributions from the public, for the purpose of granting relief to persons in debt.

(4) Where an appointed member ceases to hold office at any time prior to the expiration of his term of office, the Minister in charge of the subject of Finance may, subject to the provisions of subsection (5), appoint some other person to be a member in his place.

(2) The board shall consist of the following eight members :—

(5) A person appointed as a member under subsection (3) or subsection (4) shall, if he is appointed to act for or succeed the member who is an officer of the General Treasury, be such an officer.

(a) the said Reverend C. E. V. Nathanielsz; and

(6) Any member vacating office by the effluxion of time shall be eligible for reappointment as a member.

(b) seven persons appointed as members by the Minister in charge of the subject of Finance, one of whom shall be an officer of the General Treasury:

3. (1) The said Reverend C. E. V. Nathanielsz shall, unless he vacates office as provided in section 4, hold office for his lifetime. Term of office of members.

Provided however that, if the said Reverend C. E. V. Nathanielsz ceases to be a member, the board shall consist of the seven members mentioned in paragraph (b) of this subsection.

(2) Every appointed member other than an appointed member referred to in subsection (3) or subsection (4) shall, unless he vacates office as provided in section 4, hold office for two years commencing on the date of his appointment.

(3) Where an appointed member is or is likely to be absent from Sri Lanka for a period exceeding one month or is unable to discharge the duties of his office for such a period by reason of ill health or for any other cause, the Minister in charge of the subject of Finance may, subject to the

(3) A person who is appointed to act as a member under subsection (3) of section 2 shall, unless he vacates office as provided in section 4, hold office until the resumption of duties by the member for whom he is appointed to act.

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(4) A person appointed as a member under subsection (4) of section 2 shall, unless he vacates office as provided in section 4, hold office during the remainder of the term of office of the member whom he succeeds.

Vacation of office by members.

4. A member shall vacate office—

- (a) if his appointment is terminated by order made by the Minister in charge of the subject of Finance, or
- (b) if he is adjudged by a competent court to be of unsound mind, or
- (c) if he is adjudged insolvent or bankrupt by a competent court, or
- (d) if he resigns office by writing under his hand addressed to the Minister in charge of the subject of Finance.

President of the board.

5. The member who is an officer of the General Treasury shall be the president of the board. He shall, if he is present, preside at every meeting of the board. If he is absent from any meeting of the board, a member elected from among the members present shall preside at that meeting.

Incorporation of the board.

6. The board shall be a body corporate with the name " The Board of Trustees of the Lady Lochore Loan Fund " and shall have perpetual succession and a common seal and may sue and be sued in such name.

Seal of the board.

7. (1) The board may at any time alter the seal of the board.

(2) The seal of the board shall not be affixed to any instrument except in the presence of two members who shall sign the instrument in attestation of their presence.

Transfer of assets and liabilities of the fund to the board.

8. All the assets of the fund as at the date on which this Act comes into operation, held in the name of the fund or in the name of the said Reverend C. E. V. Nathanielsz or of any other person in trust for the fund, and all the liabilities of the fund as at that date are hereby transferred to the board.

9. (1) It shall be the duty of the board to administer the fund in accordance with the provisions of this Act.

Duties and powers of the board.

(2) The board may-

- (a) acquire any property, whether movable or immovable, by right of purchase, gift, grant, testamentary disposition or otherwise;
- (b) sell, mortgage, exchange or otherwise dispose of, or deal with any property, whether movable or immovable, to which the board may become entitled; and
- (c) perform all such acts as may be necessary for the discharge of the duties of the board.

10. The board may delegate such of its powers or duties as it may determine to the managing trustee alone or to the managing trustee and to one or more of the other members of the board, and may from time to time revoke any such delegation either wholly or in part. Any act done under the authority of a delegation under this section shall have the like force and effect as if done by the board.

Delegation of powers and duties of the board.

11. The board may appoint one of the members to be the managing trustee who shall carry out the directions of the board for the administration of the fund. The managing trustee may be paid such remuneration for his services as the board may, with the concurrence of the Minister in charge of the subject of Finance, determine.

Managing trustee.

12. The board may appoint such officers and servants as may be necessary for the administration of the fund on such remuneration and on such other conditions of service as the board may, with the concurrence of the Minister in charge of the subject of Finance, determine.

Officers and servants.

13. The board may authorize two or more officers of the board to exercise and perform jointly any power or duty of the managing trustee under this Act.

Delegation of powers and duties of managing trustee to officers of the board.

Payments to the Fund.

14. All moneys received by the board as gifts or as income from any property of the board or otherwise shall be credited to the Fund.

other condition applicable to a loan made out of the accepted sum shall be determined by the board having regard to the conditions, if any, specified in that behalf by the grantor or lender of that sum.

Purposes to which the fund may be applied.

15. (1) The fund shall be utilized by the board for the purpose of lending to such persons in debt as the board may consider deserving of help such sums of money for the settlement of their debts, at such rates of interest, and on such terms of repayment of the principal, as the board may determine. The decision of the board on any application for a loan of money shall be in the absolute discretion of the board and shall not be liable to be questioned in any court.

(d) Any money received or recovered by the board as the interest or principal due on any loan made out of the accepted sum shall be credited to the separate account in which that sum is deposited.

(e) Where the accepted sum consists of a loan to the board, any money for the time being in the separate account in which that sum is deposited may be applied in payment of the interest and principal due on that loan.

(2) The remuneration of the managing trustee and of all the officers and servants employed by the board and the auditor's fees and all other expenses of administering the fund shall be paid out of the fund.

Grants and loans to the board subject to conditions.

16. (1) The board may accept from the Government or from any person or body of persons a grant or loan of any sum of money subject to the condition that it shall be applied for the purpose of settling the debts of persons of the description or class specified by the grantor or lender and to such other conditions as may be so specified.

17. The board shall cause accounts of the fund to be kept regularly and shall cause the accounts in respect of each year to be audited by a competent auditor elected annually by the board and paid such fees as the board may, with the concurrence of the Minister in charge of the subject of Finance, determine.

Accounts of the fund.

(2) Where in terms of subsection (1) the board accepts any sum of money (hereinafter in this subsection referred to as the "accepted sum"), the following provisions shall, notwithstanding anything to the contrary in this Act, apply in relation to that sum :—

18. (1) The board may maintain in its name accounts in any banks in Sri Lanka.

Bank accounts of the board

(2) The board may authorize the managing trustee or any other member of the board or two or more officers of the board jointly to operate on the funds lying to the credit of the board in any bank.

(a) The accepted sum shall be deposited in the fund in a separate account.

19. No act done by the board shall be invalid by reason only of the fact that at the time the act was done there was a vacancy in the board or there was any defect in the appointment of any member.

Matters not invalidating acts of the board.

(b) No loan out of the accepted sum shall be made to any person other than a person of the description or class specified by the grantor or lender of that sum.

20. (1) The board may make rules regarding the meetings of the board, accounts of the fund and all other matters for which rules are considered necessary by the board.

Rules.

(c) The rate of interest, the terms of repayment of the principal and any

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(2) Every rule made by the board under this section shall come into effect from the date on which it is published in the Gazette.

(3) Any rule made by the board may be amended or rescinded by the board by a rule made and published in the manner provided by the preceding provisions of this section.

Saving of the rights of the Republic and other

21. Nothing in this Act shall affect the rights of the republic or of any body corporate, or of any other persons, except such as are mentioned in this Act, and those claiming by, from, through, or under them.

22. In this Act, unless the context otherwise requires—

"appointed member" means a member other than the said Reverend C.E.V. Nathamelsz;

"board" means the board of trustees established and incorporated by this Act;

"fund" means the Lady Lochore Loan Fund mentioned in section 2; and

"member" means a member of the board.