

PARLIAMENT OF CEYLON

5th Session 1951



Lady Lochore Loan Fund (Board of Trustees) Act, No. 38 of 1951

Date of Assent: September 24, 1951

*Printed on the Orders of Government
and published as a Supplement to Ceylon Government
Gazette Part II of September 28, 1951*

Printed at the CEYLON GOVT. PRESS, COLOMBO. To be
purchased at the GOVT. PUBLICATIONS BUREAU, COLOMBO
Annual Subscription (including Bills) Rs. 25, payable in
advance to the SUPERINTENDENT, GOVERNMENT PUBLICATIONS
BUREAU, POST OFFICE BOX 500, Secretariat, Colombo 1

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L. D.—O. 29/51.

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.

[Date of Assent: September 24, 1951.]

BE it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Representatives of Ceylon in this present Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the Lady Lochore Loan Fund (Board of Trustees) Act, No. 38 of 1951.

Short title.

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.

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

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

- (a) the said Reverend C. E. V. Nathanielsz; and
- (b) seven persons appointed as members by the Minister of Finance, one of whom shall be an officer of the General Treasury:

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 sub-section.

(3) Where an appointed member is or is likely to be absent from Ceylon 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 of Finance may, subject to the provisions of sub-section (5), appoint some other person to act in place of such member.

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

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(5) A person appointed as a member under sub-section (3) or sub-section (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.

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

Term of office
of members.

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

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

(3) A person who is appointed to act as a member under sub-section (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.

(4) A person appointed as a member under sub-section (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 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 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.

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.

Transfer of
assets and
liabilities of
the Fund 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 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 of Finance, determine.

Managing
Trustee.

11. 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 of Finance, determine.

Officers and
servants.

12. All monies received by the Board as gifts or as income from any property of the Board or otherwise shall be credited to the Fund.

Payments to the
Fund.

13. (1) The Fund shall be utilised 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

Purposes to
which the
Fund may be
applied.

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.

(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.

14. (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.

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

- (a) The accepted sum shall be deposited in the Fund in a separate account.
- (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.
- (c) The rate of interest, the terms of repayment of the principal and any 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.
- (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.

Accounts of the
Fund.

15. 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

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auditor elected annually by the Board and paid such fees as the Board may, with the concurrence of the Minister of Finance, determine.

16. 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.

17. (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.

(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.

18. Nothing in this Act shall affect the rights of the Crown or be deemed to affect the rights of His Majesty the King, His heirs and successors, 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.

Saving of the
rights of the
Crown, etc.

19. In this Act unless the context otherwise requires:—

Interpretation.

“appointed member” means a member other than the said Reverend C. E. V. Nathanielsz;

“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.