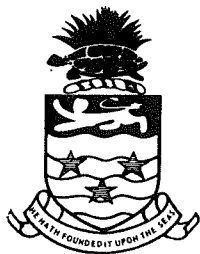


CAYMAN ISLANDS



Supplement No. 3 published with Gazette No. 26 of 1978.

**THE AGRICULTURAL
AND INDUSTRIAL AID
LAW, 1978
(Law 24 of 1978)**

Date of operation:
Notice of non-disallowance published in Gazette No. of 1979.

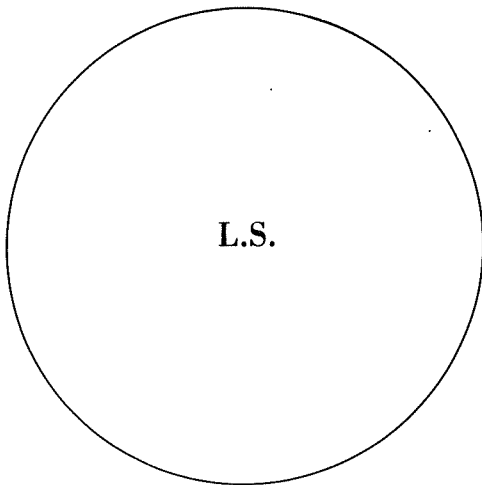
CAYMAN ISLANDS

THE AGRICULTURAL AND INDUSTRIAL AID LAW, 1978

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CAYMAN ISLANDS



Law 24 of 1978.

I assent

T. RUSSELL

Governor.

7th December, 1978

A LAW to establish a corporate body to promote agricultural and industrial development in the Islands and to define its powers in that behalf.

ENACTED by the Legislature of the Cayman Islands.

Short title.

1. This Law may be cited as the Agricultural and Industrial Aid Law, 1978.

Interpretation.

2. In this Law unless the context otherwise requires —
“agriculture” includes the use of land for any purpose of husbandry, including the rearing and breeding of livestock and the growing and marketing of vegetables, root crops, fruits and other agricultural products and includes fisheries, forestry, horticulture and mariculture;
“Board” means the Agricultural and Industrial Development Board established by section 3;
“Caymanian” means a person having Caymanian Status;
“Chairman” means the Chairman of the Board;
“Deputy Chairman” means the Deputy Chairman of the Board;
“Governor” means the Governor in Council;

“industry” includes manufacturing and craftwork, processing, assembly, installing, cleaning, packaging, transporting, warehousing of goods, overhauling, reconditioning, altering repairing the same and includes hotels, guest houses, catering and sporting activities; and such businesses as the Governor may, from time to time, appoint;

“member” means a member of the Board; and

“Secretary” means the Secretary of the Board.

Establishment of
Development
Board.

3. There is hereby established a body corporate called the Agricultural and Industrial Development Board having perpetual succession and a common seal, with power to sue and be sued, and to enter into such contracts as it considers expedient for performing its functions under this Law.

Membership and
constitution.

4. (1) The Board shall consist of not less than five nor more than seven members as the Governor may from time to time determine.

(2) The members shall be appointed by the Governor from amongst persons appearing to be qualified by reason of having experience of matters relating to industry, trade, finance, science, administration or agriculture and a majority of the members shall be Caymanians.

(3) The Governor shall appoint members to be Chairman and Deputy Chairman of the Board.

(4) Members shall hold office for such period, not exceeding three years, as the Governor may direct, and shall be eligible for re-appointment.

(5) The Governor may appoint any person appearing to have the qualifications necessary for appointment under the provisions of subsection (2) as a member to act temporarily in the place of any member absent or unable to act.

(6) The Board may in its discretion invite any person or persons to attend any meeting of the Board and such person or persons may take part in the proceedings of that meeting but shall not be entitled to vote.

(7) The Chairman may at any time resign his office by instrument in writing addressed to the Governor and a member other than the Chairman may at any time resign his office by instrument in writing addressed to the Chairman.

(8) The Governor may at any time revoke the appointment of a member.

(9) The appointment of, and the termination of office of a member by death, resignation, revocation, effluxion of time or otherwise, shall be gazetted.

(10) A member shall cease to hold office if he –

(a) resigns in accordance with subsection (7); or

- (b) his appointment is revoked by the Governor; or
- (c) the Board declares by resolution that he has been absent from three consecutive meetings without the leave of the Board; or
- (d) he is adjudged bankrupt or enters into a composition or arrangement with his creditors.

Functions of the Board.

5. (1) The functions of the Board are to promote agricultural and industrial development in the Islands and in the performance thereof it may acquire and dispose of property and business and interests therein. *am.*

(2) In the performance of its functions the Board shall have regard to the economic and commercial merits of any undertaking it plans to initiate, assist or expand.

Powers of the Board.

6. The Board shall have power — *am.*

(a) to promote the carrying on of agricultural and industrial activities by bodies or individuals, and for that purpose to establish, expand or promote the establishment of such activities either under the control partial or otherwise of the Board or independently and to give assistance to such bodies or individuals appearing to the Board to have facilities for the carrying on of any such activities, including financial assistance by the taking up of share or loan capital, or by direct loan or by issue of a guarantee or otherwise;

Provided that where the exercise by the Board of any of its powers under this section involves the Board entering into any new activity or transaction, the Board shall obtain the prior approval of the Governor;

(b) to carry on any such activities in association with other bodies or persons (including Government authorities) or as managing agents or otherwise on their behalf;

(c) to enter into any transaction (whether or not involving expenditure, borrowing, granting of loans or guarantees or investment of money) in accordance with the provisions of this Law in that behalf and to acquire or dispose of property or rights calculated to facilitate the proper discharge of its functions;

(d) to appoint such agents as the Board may consider necessary;

(e) to pay any fees, expenses, costs, or other expenditure properly incurred or accepted by it in the discharge of its functions;

(f) to exercise such other like powers as the Governor may from time to time confer upon it by notice published in the Gazette; and

(g) to exercise such supplementary powers as may be necessary or expedient in achieving the above.

Borrowing powers. 7. (1) The Board may borrow such amounts as may be required for the purpose of meeting any of its obligations or discharging any of its functions.

(2) The power of the Board to borrow shall be exercised only with the approval of the Governor.

Power to lend money. 8. (1) Subject to such conditions as it may impose and subject to satisfactory security being provided, the Board may, out of its funds and resources, make loans in accordance with this Law in the discharge of its functions, and in making such loans may charge such rates of interest as it deems fit.

(2) Subject to the provisions of subsection (3) every loan shall be repaid to the Board in accordance with the terms and conditions under which it was made.

(3) With the approval of the Financial Secretary the Board may extend the time for the repayment of any loan and interest due thereon or may compound, release or vary the terms of repayment or the interest due or payable thereon subject to the loan remaining satisfactorily secured and the observation of such conditions as it may impose.

(4) The Board may at any time accept repayment of the whole or any part of the principal of a loan and interest thereon before the time when such repayment is due upon such terms and conditions as it thinks fit.

Application of loans. 9. (1) Where the Board has made a loan under this Law it shall —

(a) from time to time, make or cause to be made such examination as may be necessary to ensure that the loan is being applied to the purpose for which it was made and for this purpose may authorise in writing any of its officers or any other person to make such examination, and an officer or person so authorised shall be entitled to demand the production of all such books, documents and other matters and things as he may consider necessary for the purpose of making such examination;

(b) require financial statements in such detail as it may determine to be submitted by the person in receipt of the loan bi-annually or at shorter intervals at the discretion of the Board, and such person shall comply with such request.

(2) Whoever fails to submit any financial statement or to produce any book, document or other matter or thing demanded in accordance with subsection (1) is guilty of an offence.

(3) Where upon an examination made under the provisions of paragraph (a) of subsection (1) it appears to the Board that any sum being the whole or any part of the loan has not been applied to the purpose for which the loan was made, without prejudice to any other power or remedy, it may order that any such sum be applied to such

purpose within the time mentioned in the order or that such sum together with any interest due thereon be repaid to the Board at the expiration of the time mentioned.

(4) If any such loan has been secured by mortgage or otherwise, and the borrower defaults in complying with the order made in accordance with subsection (3), the Board may by notice in writing addressed to the borrower demand repayment of the said loan or any part thereof on such date as is specified in the notice and the payment of all interest due on such loan or part thereof on the date of the notice and in default of payment on such specified date the Board may sell all or part of the land or other assets mortgaged for the purpose of the loan and take steps to enforce any other security provided by the borrower for the purpose of the loan.

(5) Where any security for a loan under this Law is sold for the purpose of the enforcement of the security the Board may acquire the whole or part of the property concerned and may hold and manage such property.

Offences in respect
of loans.

10. Whoever —

- (a) for the purpose of obtaining a loan from the Board makes any statement or representation in the truth of which he does not believe the proof of his belief being upon him; or
- (b) applies any loan made to him by the Board for a purpose other than that for which the loan was made; or
- (c) having obtained a loan from the Board without the Board's consent wilfully jeopardises any security given in relation to any such loan,

is guilty of an offence and liable on summary conviction to a fine not exceeding two thousand five hundred dollars, or to imprisonment for a term not exceeding one year or both.

Penalties.

11. Whoever contravenes this Law in a case for which no special penalty is provided is liable on summary conviction to a fine not exceeding five hundred dollars or to imprisonment for a term not exceeding six months or both.

Minutes.

12. Minutes made of meetings of the Board shall, if purporting to be duly signed by the Chairman or another member acting in that capacity, be receivable in evidence in all legal proceedings without further proof and every meeting of the Board in respect of the proceedings of which minutes have been made shall be deemed to have been duly convened and held and all members thereof to have been duly qualified to act.

Funds and
resources of the
Board.

13. (1) The funds and resources of the Board shall consist of —

- (a) amounts provided for the purpose in the estimates of revenue and expenditure of the Islands;
- (b) all moneys from time to time received by or falling due to the Board in respect of the repayment of loans and interest payable thereon;

- (c) monies earned or arising from any property, investments, mortgages and debentures acquired by or vested in the Board;
- (d) monies borrowed by the Board for the purpose of meeting any of its obligations or discharging its functions;
- (e) such amounts as the Governor may advance;
- (f) all other monies or property which may in any manner become payable to or vested in the Board in respect of any matter incidental to its functions.

(2) Monies standing to the credit of the Board may from time to time be invested in securities approved either generally or specifically by the Governor, and the Board may, from time to time with the like approval sell or deal with any such securities.

Powers of the
Governor.

14. (1) In the exercise of its powers and the discharge of its functions the Board shall conform with any general or special directions given by the Governor.

(2) If the Governor instructs the Board to initiate, assist or expand any undertaking which the Board considers economically or otherwise unsound the Board shall not be required to proceed with such initiation, assistance or expansion until the Governor has in writing undertaken to reimburse the Board for any losses thereby incurred.

Procedure at
meeting of the
Board.

15. (1) The Board shall meet at least once a quarter and at such other times as it may be convened by the Chairman.

(2) The Chairman may at any time call a special meeting of the Board and shall do so within seven days of a requisition for that purpose addressed to him by three or more members.

(3) In the absence of the Chairman and his deputy the members present shall appoint one of their number to preside.

(4) Three members shall form a quorum.

(5) The decisions of the Board shall be arrived at by a majority of votes the person presiding having a casting but not an original vote.

(6) Minutes of meetings shall be kept by the Secretary and confirmed at the next meeting.

(7) In other respects the Board shall have power to regulate its own procedure.

(8) The Board may appoint a committee of its members to examine and report to it on any matter arising out of its functions.

(9) Such a committee shall consist of at least two members together with such other persons as the Board may desire.

(10) The Board may delegate its administrative function to any

member or committee of members.

Officers of the Board.

16. (1) The Board on such terms and conditions as it thinks fit may employ a Secretary and such other officers and servants as are necessary for properly carrying out its duties.

(2) No act or thing done by any member, or any officer or servant of the Board shall, if the act or thing is done in good faith and without gross negligence for the purpose of this Law, render that member, officer or employee, or any person acting by his directions, personally liable to any action, proceeding, claim or demand whatsoever.

(3) The Governor may provide for the expenses and remuneration of the members from funds voted by the Legislative Assembly.

(4) Every member who is or is likely to be concerned in, or who participates in the profits of any contract with which the Board is directly or indirectly concerned otherwise than in his capacity as a member shall, on the matter coming before the Board, immediately declare his interest therein, and shall unless the Board otherwise agrees, retire from the meeting and shall in any case abstain from voting on the matter.

Execution of documents.

17. (1) The common seal of the Board shall be authenticated by the signature of the Chairman or another member authorised to act in that behalf, together with the signature of some other member or officer of the Board so authorised.

(2) Documents made by the Board, other than those required by law to be under seal, shall be executed, and all decisions of the Board shall be signified, under the hand of the Chairman or of a member, officer or servant of the Board authorised in that behalf.

Power to make bye-laws.

18. The Board, with the approval of the Governor may make bye-laws

- (a) governing the proceedings of the Board and the manner and transaction of its business;
- (b) prescribing the limits of net worth of borrowers in respect of certain categories of loans, the limits within which loans may be made, the methods of disbursement, and of securing the loans made under this Law;
- (c) prescribing the periods within which loans made under this Law shall be repayable;
- (d) prescribing the manner in which documents, cheques and instruments of any description shall be signed or executed;
- (e) prescribing the circumstances in which members may receive travelling and subsistence allowances and fixing the rates of such allowances;
- (f) imposing fees in such cases as may be determined by the Board;
- (g) generally for the exercise of its functions under this Law.

Accounts and audits.

19. (1) The Board shall keep accounts of its transactions to the

satisfaction of the Financial Secretary and such accounts shall be audited annually by the Government auditor.

(2) The Secretary shall send to the Governor a copy of the audited accounts thereof together with a copy of any report thereon by the auditor.

(3) The Board may write off bad debts.

Report.

20. (1) The Board shall within six months from the end of each calendar year, submit to the Governor a report containing an account of its transactions throughout the preceding calendar year in such detail as the Governor may direct.

(2) A copy of the report together with a copy of the annual accounts and auditor's report shall be gazetted.

Passed the Legislative Assembly this 28th day of November, 1978.

T. RUSSELL
President

SYBIL McLAUGHLIN
Clerk of the Legislative Assembly.

Price: \$1.20

Printed by the Northwester Co. Ltd., by order of the Government of the Cayman Islands.