

PARLIAMENT OFFICE,
Public Buildings,
Georgetown.
26th November, 1973.

The following Private Bill which will be introduced in the National Assembly by Mrs. L. E. Willems, M.P., is published for general information.

F. A. NARAIN,
Clerk of the National Assembly.



GUYANA

BILL No. 24 of 1973

DEMERARA MUTUAL LIFE ASSURANCE SOCIETY (AMENDMENT)
BILL 1973

Arrangement of Sections

Section

1. Short title.
2. Amendment of section 2 of the Principal Ordinance.
3. Repeal and re-enactment of section 5 of the Principal Ordinance.
4. Amendment of section 8 of the Principal Ordinance.
5. Repeal and re-enactment of section 10 of the Principal Ordinance.
6. Repeal and re-enactment of section 11 of the Principal Ordinance.
7. Insertion of section 15A in the Principal Ordinance.
8. Repeal and re-enactment of section 22 of the Principal Ordinance.

An Act to amend the Demerara Mutual Life Assurance Society Ordinance.

Enacted by the Parliament of Guyana:—

A.D. 1973

1. This Act may be cited as the Demerara Mutual Life Assurance Society (Amendment) Act 1973 and amends the Demerara Mutual Life Assurance Society Ordinance, hereinafter referred to as the Principal Ordinance.

Short title.

Cap. 211

2. Section 2 of the Principal Ordinance is hereby amended by the substitution of the following definitions respectively for the definitions of the expressions "special resolution" and "actuary" —

Amendment of section 2 of the Principal Ordinance.

"special resolution" means a resolution passed by a majority of not less than three-fourths of the members present and entitled to vote in person or by proxy at a general meeting of the Society of which not less than twenty-one days' notice specifying the intention to propose the resolution as a special resolution has been duly given; "actuary" means a person possessing such actuarial qualifications as may be approved by the Minister for the purposes of this Ordinance and includes a body comprising persons possessing actuarial qualifications as aforementioned and providing actuarial services.

3. Section 5 of the Principal Ordinance is hereby repealed and the following section substituted therefor —

Repeal and re-enactment of section 5 of the Principal Ordinance.

"The Society to be a mutual one.

5. The Society shall be a mutual society and its members shall be entitled to participate in the profits of the Society in such proportions and in such manner as may, from time to time, be prescribed by regulations made pursuant to section 20."

4. Section 8 of the Principal Ordinance is hereby amended by the substitution of a full stop for the colon after the word "directors" in subsection (2) and by the deletion of the proviso to that subsection.

Amendment to section 8 of the Principal Ordinance.

Repeal and
re-enactment
of section 10
of the
Principal
Ordinance.

5. Section 10 of the Principal Ordinance is hereby repealed and the following section substituted thereof —

“Limitation
of policies.

10. Policies of life assurance shall be issued for not less nor more than such sum as the directors may from time to time prescribe by regulations made pursuant to section 20.”

Repeal and
re-enactment
of section 11
of the
Principal
Ordinance.

6. Section 11 of the Principal Ordinance is hereby repealed and the following section substituted therefor —

“Power of the
Society to
re-assure and
to engage
in other
activities

11. The Society shall have power to carry on the business of life insurance in all its forms and, without prejudice to the generality of the foregoing provision, it shall have power —

- (a) to re-assure or counter-assure;
- (b) to acquire and undertake the whole or any part of the business, property or liabilities of any life assurance company wheresoever situate;
- (c) to amalgamate, merge or enter into any agreement for the sharing of profits, union of interest, co-operation, joint adventure, reciprocal concession or otherwise, with any person carrying on or engaged in or intending to carry on or engage in any life assurance business or transaction or about to discontinue any part of its business or to transfer any of the Society's business to any other person;
- (d) to enter into any contract and to execute instruments necessary for all or any of the aforesaid purposes.”

Insertion of
section 15A
of the
Principal
Ordinance.

7. The Principal Ordinance is hereby amended by the addition of the following section as section 15A immediately after section 15 before the heading “BORROWING POWERS” —

“Donations
by the
Society.

15A. Anything in this Ordinance to the contrary notwithstanding, the Society may, in general meeting, approve of —

- (a) a donation of money being made to the Government for public purposes;
- (b) the appropriation annually of a sum of money out of which the directors may make donations in such proportions as they may determine to such charitable institutions or organisations or purposes as they think fit, or to any institution or organisation of a national character prescribed for the purposes of section 25A of the Income Tax Ordinance."

8. Section 22 of the Principal Ordinance is hereby repealed and the following section substituted therefor —

Repeal and re-enactment of section 22 of the Principal Ordinance.

"Periodical division of profits.

22. (1) After the expiration of every period of three years or such other period as may be prescribed by regulations made pursuant to section 20 or by any other law the directors shall cause an investigation to be made into the financial condition of the Society, and the profits of the Society to be ascertained by an actuary.

(2) After providing such reserves for future charges and contingencies and for future division of profits as the directors think proper, the net profits available for distribution or division shall be apportioned amongst the members of the Society and allotted to their policies as and by way of bonus in the manner from time to time prescribed by regulations made pursuant to section 20.

(3) Any profits allotted to a policy by way of bonus shall not vest until two annual premiums have been paid or secured thereon."

EXPLANATORY MEMORANDUM

This Bill contains amendments to the Demerara Mutual Life Assurance Society Ordinance, Chapter 211, approved by the Board of Directors of the Society and passed by Special Resolution of the members of the

Society, for the purpose of increasing the powers of the Society. In particular, clause 6 of the Bill repeals and re-enacts section 11 of the Principal Ordinance to widen the powers of the Society to include reinsurance and counterinsurance. The Bill also seeks to empower the Society to declare differential rates of bonus in those territories in which the Company operates and to make donations to the Government for public purposes and to charities.

