

CHAPTER 88

THE CO-OPERATIVE AND RURAL DEVELOPMENT BANK (REPEAL AND TRANSITIONAL PROVISIONS) ACT

[PRINCIPAL LEGISLATION]

ARRANGEMENT OF SECTIONS

<i>Section</i>	<i>Title</i>
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- | | |
|----|---|
| 1. | Short title. |
| 2. | Interpretation. |
| 3. | Establishment of Company. |
| 4. | Objects and functions of Bank. |
| 5. | Transitional period. |
| 6. | Provisions regarding former Bank employees. |
| 7. | Repeal. |

CHAPTER 88

THE CO-OPERATIVE AND RURAL DEVELOPMENT BANK (REPEAL AND TRANSITIONAL PROVISIONS) ACT

An Act to repeal the Co-operative and Rural Development Bank and to provide for a transitional period and related matters.

[1st July, 1996]

[s. 1]

Act No.
5 of 1996

Short title **1.** This Act may be cited as the Co-operative and Rural Development Bank (Repeal and Transitional Provisions) Act.

Interpretation **2.** In this Act, unless the context requires otherwise-
“assets” means real and personal property of every kind including-
 (a) rights under contract and agreement;
 (b) books, books of accounts and records; and
 (c) all other rights, interest and claims in or to, real or personal property, whether liquidated or unliquidated, certain or contingent, accrued or accruing;

Act No.
7 of 1971

“Bank” means the Co-operative and Rural Development Bank;
“Company” means the company incorporated under the provisions of section 3;
“liabilities” means all obligations under contract or agreement including savings and deposits of all kinds;
“Minister” means the Minister responsible for finance; and
“transitional period” means a period of not less than six months commencing from the effective date.

Establishment of
Company

3.—(1) [Omitted.]
(2) The Company shall be a body corporate and shall-
 (a) have perpetual succession and a common seal;
 (b) in its corporate name be capable of suing and being sued;

- (c) be capable of purchasing and otherwise acquiring or alienating any movable or immovable property; and
- (d) have power to exercise and perform any other powers and functions which are conferred by or under this Act or other written law.

(3) The Company shall, with effect from the 1st day of July, 1996, subject to this Act, take over the assets, liabilities and business of the Bank in relation to co-operative and rural development banking services.

(4) The assets, rights and liabilities in respect of banking services to which the Bank was entitled or subject to shall, with effect from the effective date, be vested into the company in accordance with the provisions of this Act.

Objects and
functions of Bank

4. The objects of the bank shall be-
- (a) to make available long and medium term finance for rural development;
 - (b) to provide technical assistance and advice for purposes of promoting rural development; and
 - (c) to undertake such other activities as may be necessary or advantageous for purposes of furthering the foregoing objects.

Transitional
period

5. There shall be a transitional period of not more than six months within which, subject to this Act, all necessary measures shall be taken to facilitate the winding up of the affairs and business of the Bank and the effectual transfer and vesting of its assets and liabilities.

Provisions
regarding former
Bank employees

6.-(1) Subject to this Act, the employees of the Bank shall, with effect from the effective date, be transferred to and be employed by the Company.

(2) With effect from the effective date, every employee transferred from the Bank shall be employed by the new employer on terms not less favourable than those applicable to him before his transfer.

(3) Until such time as new schemes and terms and conditions of service are drawn up by the Company, the schemes and terms and conditions of service in the Bank shall continue to apply to every person transferred under subsection (1) to the service of the company as if they were still in the service of the Bank.

(4) Where a person who is transferred to the service of the Company under subsection (1) is a member of any statutory or voluntary pension scheme or provident fund, he shall, for the purposes of this Act, continue to be governed by the same regulations under those schemes or funds as if he had not been transferred to the service of the Company and for the purposes of the regulations governing those schemes, his or her service with the Company shall be deemed to be service of the Bank.

(5) The Company shall continue to be liable to former employees of the Bank or its predecessor, who have retired on or before the first day of July, 1996 for any pension benefits payable which they are entitled to under the regulations of those pension schemes.

Repeal

7. [Repeals the Co-operative and Rural Development Bank Act, No. 7 of 1971]
