



SUPPLEMENT No. 2

TO

THE CYPRUS GAZETTE No. 3322 OF 21st AUGUST, 1947.

LEGISLATION.

THE STATUTE LAWS OF CYPRUS

No. 18 of 1947.

A LAW TO RATIFY AND CONFIRM A NEW AGREEMENT ENTERED INTO BETWEEN THE GOVERNOR OF THE FIRST PART, THE OTTOMAN BANK OF THE SECOND PART AND THE AGRICULTURAL BANK OF CYPRUS LIMITED OF THE THIRD PART.

WINSTER,] [14th August, 1947.
Governor.

WHEREAS an Agreement was made on the sixteenth day of June, 1947, between the Governor of the first part, the Ottoman Bank of No. 20/22, Abchurch Lane in the City of London whose principal place of business in the Colony is situate in Nicosia of the second part and the Agricultural Bank of Cyprus Limited a company incorporated in the Colony under the Companies (Limited Liability) Laws, 1922 to 1944, whose registered office is situate in Nicosia of the third part, which Agreement is set out in the Schedule :

AND WHEREAS the said Agreement must, in accordance with its provisions, be ratified and confirmed by legislation :

AND WHEREAS it is desirable that the said Agreement and all its provisions should be so ratified and confirmed :

BE it therefore enacted by His Excellency the Governor and Commander-in-Chief of the Colony of Cyprus as follows :—

Short title.

1. This Law may be cited as the Agricultural Bank of Cyprus Limited Agreement (Ratification) Law, 1947.

Ratification of Agreement and conferment of powers.

2. The Agreement set out in the Schedule and all its provisions are hereby ratified and confirmed and all rights and obligations purported to be conferred or imposed thereby are hereby declared valid any law to the contrary notwithstanding and notwithstanding anything in any law contained the Governor shall have power to do any act which the said Agreement may require or allow to be done in the name of the Governor.

Date of commencement and repeal.

17 of 1938.

3. This Law shall be deemed to have taken effect and come into operation as from the 1st day of January, 1946, as from which day the Agricultural Bank of Cyprus Limited Agreement (Ratification) Law, 1938, shall be deemed to have ceased to have effect, without prejudice to anything done or left undone thereunder.

SCHEDULE.

An Agreement made the sixteenth day of June, 1947, between Reginald Thomas Herbert, Baron Winster of Witherslack, Privy Counsellor, His Majesty's Governor of the Colony of Cyprus (hereinafter referred to as "the Governor" which expression shall mean the holder for the time being of the office of Governor of the said Colony) of the first part, the Ottoman Bank of No. 20/22, Abchurch Lane in the City of London whose principal place of business in the Colony of Cyprus is situate in Nicosia in the said Colony (hereinafter referred to as "the Ottoman Bank") of the second part and the Agricultural Bank of Cyprus Limited a company incorporated under the Companies (Limited Liability) Laws, 1922 to 1944, of the said Colony of Cyprus whose registered office is situate in Nicosia in the said Colony (hereinafter referred to as the "Agricultural Bank") of the third part :

Whereas the primary object of the Agricultural Bank is to make advances or arrange for advances to be made either directly or indirectly to or for the benefit of agriculturists in the Colony of Cyprus.

And whereas the nominal capital of the Agricultural Bank is fifty thousand pounds divided into fifty thousand shares each of one pound the whole of which have been issued and are fully paid.

And whereas forty-nine thousand nine hundred and ninety-five shares of the Agricultural Bank are held by the Ottoman Bank.

And whereas under and by virtue of an Agreement dated the tenth day of June, 1938, made between His Majesty's Governor of the Colony of Cyprus of the first part, the Ottoman Bank of the second part and the Agricultural Bank of the third

part, as set out in the Schedule to the Agricultural Bank of Cyprus Limited Agreement (Ratification) Law, 1938, (hereinafter referred to as "the First Agreement") the Governor undertook *inter alia* to provide the Agricultural Bank with moneys to be used for the redemption of certain bonds issued and the Agricultural Bank undertook to credit such redemption moneys when paid by the Governor to an account to be designated the "Account of the Deferred Noteholders Fund".

And whereas the bonds mentioned in the immediately preceding recital have been redeemed by the Agricultural Bank with moneys provided by the Governor and the credit balance of the "Account of the Deferred Noteholders Fund" as at the thirty-first day of December, 1945, amounted to one hundred and eighty-eight thousand eight hundred pounds as shown in the audited balance-sheet of the Agricultural Bank as at that date.

And whereas under and by virtue of the First Agreement certain moneys were in certain circumstances to become payable from time to time by the Agricultural Bank to the Governor and the audited balance-sheet of the Agricultural Bank as at the thirty-first day of December, 1945, showed that sums totalling fifty-nine thousand four hundred and twenty-six pounds eighteen shillings and two piasres were on that date payable to the Governor under the said Agreement as hereinbefore (which said sums have been paid to the Governor).

And whereas under and by virtue of the First Agreement an account known as the "Shareholders Suspense Account" has been created, the balance whereof on the thirty-first day of December, 1945, amounted to three thousand six hundred pounds.

And whereas the parties hereto have agreed that the First Agreement should be cancelled and that the provisions of these presents should be substituted for the same.

Now it is hereby agreed and declared as follows :

1. The first Agreement shall be deemed to have been cancelled as from the close of business on the thirty-first day of December, 1945, and the hereinbefore mentioned sums of one hundred and eighty-eight thousand eight hundred pounds and three thousand six hundred pounds shall be dealt with as hereinafter provided.

2. The Agricultural Bank shall during the subsistence of this Agreement in continuation of the business heretofore carried on by it make advances on mortgage security on long-term credit (hereinafter called "agricultural advances") directly or indirectly to or for the benefit of agriculturists in the Colony of Cyprus upon such terms whether as to security or otherwise and upon such conditions as it may think fit and as may be in accordance with reasonable prudence and with the laws of the Colony of Cyprus in force for the time being : Provided that—

- (a) the rate of interest to be charged upon agricultural advances shall be such as may be agreed by the Governor ;
- (b) the obligations of the Agricultural Bank under this Clause shall be limited to the amount of its actual resources for the time being and the Agricultural Bank shall not be bound to borrow for the purpose of making advances unless it shall think fit to do so ; and
- (c) that the Agricultural Bank shall not at any time or for any purpose raise any money by way of loan except with the previous consent in writing of the Governor and upon such terms as shall have been approved by him.

3. The accounts of the Agricultural Bank shall be made up annually as on the thirty-first day of December in each year and all such accounts shall be audited by a Chartered Accountant or firm of Chartered Accountants approved in writing by the Governor.

4. Two special accounts shall be opened in the books of the Agricultural Bank as on the first day of January, 1946, that is to say,—

- (a) a "General Surplus Account" ; and
- (b) an "Arrears Account".