

**PROPERTY MANAGEMENT CORPORATION
ACT, 2004**

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PROPERTY MANAGEMENT CORPORATION
ACT, 2004

(Act 4 of 2004)

I assent

F.A. René
President



8th April, 2004

AN ACT to establish a corporation for the management of housing and other property and to provide for connected matters.

ENACTED by the President and the National Assembly.

PART I - PRELIMINARY

1. This Act may be cited as the Property Management Corporation Act, 2004. Short title

Interpretation

2. In this Act -

“Board” means the Board of Directors constituted under section 6;

“Corporation” means the Property Management Corporation established by section 3;

“subsidiary” means any body corporate -

- (a) more than half of the capital of which is held by the Corporation; or
- (b) the managing director or more than half of the directors (other than the managing director) of which are capable of being appointed by the Corporation.

PART II - ESTABLISHMENT OF THE CORPORATION

Establishment of the Corporation

3. There is established by this Act the Property Management Corporation which shall be a body corporate with perpetual succession and a common seal.

Functions of the Corporation

4. (1) The objectives of the Corporation shall be -

- (a) to ensure the equitable provision of living accommodation to the people of Seychelles by sale, lease or rental of flats and houses in accordance with the policy of the Government;
- (b) to manage and maintain buildings and other property on behalf of the Government;
- (c) to ensure the provision of utility services for the aforesaid rental flats and houses.

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(2) The Corporation may do anything that a body corporate may lawfully do in discharge of its functions.

(3) Without prejudice to the provisions of subsection (2), the Corporation may -

- (a) allot, assign and rent all types of houses, with the approval of the Minister, to persons residing in Seychelles;
- (b) manage and operate buildings assigned to it by Government and rental houses and flats of the Government either individually or as a whole;
- (c) maintain and manage housing estates and individual houses that belong to the Corporation;
- (d) allocate houses constructed by the Government or any corporate body carrying out housing projects on behalf of the Government;
- (e) renovate, improve and maintain all types of houses and flats and sell, lease or otherwise dispose of such houses and flats upon such terms and conditions as may be determined by the Corporation;
- (f) acquire, buy, sell, dispose of, rent or hire, exchange, pledge or mortgage any movable or immovable property or interest therein;
- (g) borrow from, or lend money to, or guarantee any financial obligations of, any subsidiary or other person;
- (h) accept gifts and donations;
- (i) in accordance with section 18, make investments of money;

(j) subject to subsection (4) and the approval of the Minister, in furtherance of its functions establish or take part in a body corporate with other persons and dissolve or voluntarily wind-up any such body corporate;

(k) undertake such other activities in furtherance of its objectives as the Minister may direct.

(4) The Corporation shall not take part in any other body corporate unless that body corporate is incorporated under the Companies Act, 1972.

Powers of the
Minister

5. (1) The Minister

(a) may, from time to time, after consultation with the Corporation, give it directions in writing on the policy to be followed by the Corporation or its subsidiaries;

(b) may require the Corporation to furnish him with information on any matter relating to the affairs of the Corporation or a subsidiary and may direct an audit or other inquiry to be held to ascertain if the affairs of the Corporation or the subsidiary are being properly conducted.

(2) The Corporation shall give effect to any direction and comply with any request made by the Minister under subsection (1).

**PART III – THE BOARD AND THE STAFF OF
THE CORPORATION**

Board of
Directors

6. (1) There shall be a Board of Directors of the Corporation which shall, subject to this Act, be responsible for the administration of the affairs of the Corporation.

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(3)
Chairman

(4)

(5)
(c) and (3)
the Corporation

emoluments

8.(1)
shall preside

(2) The Board shall consist of-

- (a) the Principal Secretary of the Ministry responsible for housing;
- (b) the Managing Director of the Housing Finance Company Ltd;
- (c) a Managing Director and other Directors, not less than four and not more than eight in number, who shall be appointed by the President.

(3) The President may appoint the Chairman and Deputy Chairman of the Board from among the Directors.

(4) A Director appointed under subsection (2)(c) -

- (a) shall hold office in accordance with the terms of his appointment and shall, on ceasing to be a Director, be eligible for re-appointment;
- (b) shall be deemed to have vacated office if he is absent without the permission of the Board from three consecutive meetings of the Board of which he has had notice.

(5) A notice of every appointment under subsections (2) (c) and (3) shall be published in the Gazette by the Secretary of the Corporation.

7. The Corporation shall pay to the Directors such emoluments and allowances as the Minister may determine.

Remuneration
of Directors

8.(1) Subject to subsections (2) and (3), the Chairman shall preside at all meetings of the Board.

Procedure

(2) If the Chairman is, for any reason, unable to exercise the functions of his office, the Deputy Chairman shall exercise the powers of the Chairman.

(3) In the absence of the Chairman and the Deputy Chairman from any meeting of the Board, the Directors present shall elect from among themselves a person to preside at that meeting and the person so chosen shall, in relation to that meeting, exercise the functions and have the powers of the Chairman.

(4) The Board shall meet at such intervals as the Directors may decide, but at least six meetings shall be held in each year.

(5) The Chairman may at any time and shall at the request in writing of any two Directors convene a special meeting of the Board.

(6) A notice convening a special meeting of the Board shall state the purpose for which it is convened.

(7) Except for a special meeting convened by the Chairman on his own initiative, not less than three working days' notice of a meeting shall be given to the Directors.

(8) Three Directors shall constitute a quorum.

(9) All questions before the Board shall be decided by a majority of votes of the Directors present and voting at the meeting.

(10) The Chairman, the Deputy Chairman or other Director presiding at a meeting shall have a deliberative vote and, in the event of an equality of votes, a casting vote.

(11) Subject to this Act and to any direction issued by the Minister under section 5, the Board shall regulate its meetings as it thinks fit.

9. (1) A Director who is, or a member of whose family is, in any way directly or indirectly interested in a matter proposed for discussion by the Board shall disclose the nature of such interest to the Board and unless the Board otherwise decides the Director shall not take any part in any deliberation or decision of the Board with respect to that matter.

Disclosure of interest

(2) A Director who knowingly fails to comply with subsection (1) shall be guilty of an offence and liable on conviction to a fine of R10,000.

10. (1) Notwithstanding the provisions of any other law, the Board

Subsidiaries

(a) shall transmit to a subsidiary a direction from the Minister which relates to that subsidiary or which the Minister has directed should be so transmitted;

(b) may issue to a subsidiary a direction relating to the conduct of the affairs of the subsidiary.

(2) A subsidiary shall give effect to any direction received by it under subsection (1).

11. (1) The Managing Director shall be responsible to the Board for the efficient functioning of the Corporation.

Managing Director

(2) In the performance of his functions under this Act, the Managing Director shall act in accordance with such directions as he may, from time to time, receive from the Board.

12. The Board shall appoint a Secretary of the Corporation who, in addition to any other duties assigned to the Secretary shall be responsible for convening all meetings of the Board, the proper recording of its decisions and the communication of those decisions to those who are required to act on them.

Secretary

- Staff** **13.** (1) The Corporation shall employ such other officers and staff as may be necessary for the purposes of this Act on such terms and conditions as it may determine.
- (2) The Corporation may provide for the training, career development and discipline of its officers and staff.
- (3) The officers and staff shall be under the administrative control of the Managing Director.

PART IV – FINANCIAL PROVISIONS

- Funds etc. of Corporation** **14.** The funds and property of the Corporation shall consist of -
- (a) moneys appropriated by an Appropriation Act and paid to the Corporation;
 - (b) rights, interests, assets or liabilities of the Government vested in the Corporation under section 15;
 - (c) rights and obligations under charges or mortgages in favour of the Government in respect of grants or advances assigned to the Corporation;
 - (d) moneys paid to the Corporation by way of grants, subsidies, donations, loans, fees, subscriptions, rent, repayments of loans, interest and royalties;
 - (e) moneys derived from the sale of property held by or on behalf of the Corporation;
 - (f) sums due on any investment made by the Corporation in exercise of its powers under this Act;

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(g) other money and property lawfully received by the Corporation; and

(h) accumulations of income derived from any money or property of the Corporation;

15. (1) The President may authorise the vesting in the Corporation of any rights, interests, assets or liabilities of the Government.

(2) The Minister shall thereafter take action to have the rights, interests, assets or liabilities authorised to be vested under subsection (1) and any titles thereto vested in or transferred to the Corporation:

(3) Notwithstanding any law to the contrary, where under subsection (1) the President has authorised the vesting in the Corporation of a loan to the Government, the Minister shall have the power, subject to the terms of the loan, to assign the loan to the Corporation:

16. The assets and liabilities of the Government vested in the Corporation in terms of section 15 may include the assets and liabilities of the Site and Service Revolving Fund established under the Site and Service Revolving Loans Fund Order.

17. (1) Notwithstanding any law to the contrary, the rights and obligations of the Government in respect of maintenance of the rental houses and housing estates may be assigned to the Corporation in terms of section 15.

(2) A charge or mortgage in favour of the Government for any grant or advance relating to housing may be assigned to the Corporation in accordance with subsections (3) and (4).

Vesting of State property.

Special funds

Transfer of loans etc.

(3) An assignment under subsection (1) shall be made by the Minister by Order in writing and shall take effect from the date of assignment specified in the Order.

(4) When the Minister makes an assignment under this section the Principal Secretary of the Minister shall transmit to the Registrar of Lands a list of the charges and mortgages so assigned and the Registrar of Lands shall register or inscribe the Corporation as the chargee or mortgagee as the case may be in place of the Government in respect of those charges or mortgages.

Investments

18. Subject to any direction given by the Minister under section 5, current surplus funds of the Corporation shall be invested in such manner as the Board thinks fit.

Financial year

19. The financial year of the Corporation shall end on the 31st day of December.

Accounts

20.(1) The Board shall, no later than such date as the Minister may specify, prepare and submit to the Minister estimates of the income and expenditure of the Corporation, including its capital budget, for the following financial year.

(2) The Board shall cause to be kept proper books and records of accounts of the income, expenditure, assets and liabilities of the Corporation.

(3) Where funds have been received by the Corporation for a special purpose, the estimates and accounts of the Corporation shall show the application of those funds.

Audit

21. The accounts of the Corporation shall be audited by the Auditor-General.

Annual report

22.(1) Within six months of the end of the financial year, the Board shall submit to the Minister —

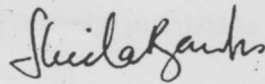
- (a) a report dealing with the operations of the Corporation during that year, and
- (b) the accounts of the Corporation for that year audited in terms of section 21.

(2) The Corporation shall publish the annual report, accounts and the Auditor-General's report thereon.

23. The Corporation shall not be liable to any tax in respect of its income and profits. Taxation

24. The Minister may make regulations prescribing any matters that are required or are necessary or convenient to be prescribed for carrying out or giving effect to the principles and provisions of this Act. Regulations

I certify that this is a correct copy of the Bill which was passed by the National Assembly on 6th April, 2004.



Mrs. Sheila Banks
Clerk to the National Assembly

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