

GOVERNMENT OF GUAM
OFFICE OF THE GOVERNOR
AGANA, GUAM

EXECUTIVE ORDER NO. 67-21

GUAM FARMERS COOPERATIVE ASSOCIATION REVOLVING LOAN FUND

WHEREAS, Section 1 of Public Law 9-121, approved August 26, 1967 provides for an appropriation of Seventy-Five Thousand (\$75,000) to the Office of the Governor from any available funds in the Unappropriated Surplus of the General Fund of the Government of Guam; and

WHEREAS, the Section further provides that such appropriation is to be used as a revolving loan fund for making loans to the Guam Farmers Cooperative Association and that the Governor shall charge interest at not less than two percent (2%) per annum and shall require incremental repayments of such loan; and

WHEREAS, the Guam Farmers Cooperative Association is a non-profit organization formed under the laws of the Territory of Guam engaged in the agricultural production and marketing programs; and

WHEREAS, the earnings derived from the payment of interest on the Revolving Loan Fund for the Guam Farmers Cooperative Association shall not be distributed but shall be returned to the Revolving Fund; and

WHEREAS, the Governor shall by Executive Order promulgate all rules and regulations necessary for the operation of the Revolving Loan Fund for the Guam Farmers Cooperative Association as hereby established;

NOW, THEREFORE, by virtue of the authority vested in me by Public Law 9-121 the following rules and regulations are hereby promulgated:

I. Administration

- A. The Loan Committee as created by this Executive Order shall be responsible for the approval and disbursement of all loans.
- B. The Department of Agriculture, Government of Guam shall be the responsible agency for the administration of the Guam Farmers Cooperative Association Revolving Loan Fund and shall furnish all logistic support required.

II. Rate of Interest

That the rate of interest charged for any loan to the Guam Farmers Cooperative Association shall be at the rate of 3% per annum on the unpaid principal.

III. Repayment

The term of any loan shall not exceed 20 years. Incremental repayments shall be set by the Loan Committee.

IV. Disbursement of Loan

An application for loan shall be required from the Board of Directors of the Guam Farmers Cooperative Association through a resolution based upon the needs of the Association. Said resolution shall designate the president and treasurer of the Guam Farmers Cooperative Association for execution of said loan. All disbursements of loans shall be substantiated by adequate records.

V. Program Plan

No loan shall be disbursed without a program plan, but limited to the following:

- (a) Purchase of agricultural supplies
- (b) Fresh market activities
- (c) Capital acquisition

VI. Earnings

All earnings derived from the operation of the revolving fund shall not be distributed, but returned to said fund.

VII. Security of Loan

The Loan Committee shall require security in so far as possible for any loan granted hereunder. The Loan Committee is empowered to execute any document required for the implementation of this Section.

VIII. Loan Committee


1. There is hereby established a Loan Committee appointed by the Governor. The Committee shall be composed of five (5) members: Director of Agriculture, Director of Bureau of Budget, Director of Finance, a member of the business community,

and a district commissioner. A chairman shall be elected among the members.


2. The function of the Loan Committee:

- (a) To review and act on loans requested by the Guam Farmers Cooperative Association.
- (b) To establish administrative loan policies:
- (c) To require periodic examination and audit of the books and accounts of the Guam Farmers Cooperative Association Revolving Fund.
- (d) Loans approved shall be subject to the approval of the Assistant to the Governor for Economic Development.

Dated at Agana, Guam this 14th day of December, 1967.


MANUEL F.L. GUERRERO
Governor of Guam

COUNTERSIGNED:


DENVER DICKERSON
Secretary of Guam