

**LAND (GROUP SETTLEMENT AREAS) ACT 1960 (Revised 1994)**  
**Act 530**

**In force from: 30 May 1960**

**Preamble**

An Act for the purpose of ensuring uniformity of law and policy in respect of the establishment of group settlement areas and the conditions of alienation and occupation of land in such areas and for other matters incidental thereto.

[West Malaysia - 30th May 1960.]

BE IT ENACTED by the Duli Yang Maha Mulia Seri Paduka Baginda Yang di-Pertuan Agong with the advice and consent of the Dewan Negara and Dewan Rakyat in Parliament assembled, and by the authority of the same, as follows:

**PART I**  
**PRELIMINARY**

**1. Short title.**

This Act may be cited as the **Land (Group Settlement Areas) Act 1960**.

**2. Interpretation.**

(1) In the application of this Act in a State, words and expressions used in this Act shall, unless the context otherwise requires or it is herein otherwise expressly provided, have the meaning assigned to them by the State land law.

(2) In this Act, unless the context otherwise requires-

"appropriate crop" means the crop specified under section 5 or, if no crop is so specified, by the Collector;

"Collector" means any District Land Administrator, Land Officer, District Officer or other officer appointed under the State land law and includes an Assistant District Land Administrator, Assistant Land Officer or Assistant District Officer;

"consolidated annual charge" means a consolidated annual charge imposed in accordance with the provisions of section 20;

"designated area" means an area declared to be a designated area in accordance with the provisions of section 3;

"Development Authority" means the Federal Land Development Authority established by the Land Development Act 1956;

"Director" means the officer designated by the State Authority to be the Director in the State for the purposes of this Act;

"Federal Development area" means a group settlement area declared under section 4 for the purposes of section 34(2);

"group settlement area" means an area declared to be a group settlement area in accordance with the provisions of section 4;

"holder" means a person to whom a holding has been alienated or approved for alienation;

"holding" means a holding constituted in accordance with the provisions of this Act;

"Manager" means the Manager of a Federal Development area appointed under section 36;

"Minister" means the Minister charged with responsibility for the Development Authority except for the purpose of section 44 (1), it means the Minister charged with the responsibility in respect thereof if it is so notified by an order made by the Yang di- Pertuan Agong under the Ministerial Functions Act 1969;

"public authority" means any government in the Federation, a local authority or a statutory authority exercising powers vested in it by Federal or State law;

"register of holdings" means a register of holdings in respect of which no document of title has for the time being been issued under the State land law, maintained in accordance with the provisions of section 12;

"rural holding" means a rural holding constituted in accordance with the provisions of section 7;

"rural settlement area" means an area declared to be a rural settlement area in accordance with the provisions of section 5;

"State Authority" means the Ruler or Yang di-Pertua Negeri of the State, as the case may be;

"State land law" means the State law for the time being in force relating to land and the registration of title thereto and the collection of revenue therefrom;

"to alienate" has the meaning assigned to it in the State land law but includes a disposal of State land in accordance with the provisions of this Act in consideration of the obligation to pay a consolidated annual charge commencing on a date subsequent to the date of occupation;

"urban holding" means an urban holding constituted in accordance with the provisions of section 7;

"urban settlement area" means an area declared to be an urban settlement area in accordance with the provisions of section 6.

## **PART II**

### **GROUP SETTLEMENT**

#### **3. Designated areas.**

(1) The State Authority may by notification in the Gazette declare any area of land within the State to be a designated area for the purposes of this Act.

(2) No State land in a designated area shall be alienated or occupied except in accordance with the provisions of this Act relating to land within a group settlement area or the provisions of any written law for the time being in force relating to mining land.

(3) Nothing in the provisions of subsection (2) shall prejudice the rights of any person in lawful occupation immediately prior to the coming into operation of a notification under subsection (1) of State land included in a designated area.

#### **4. Group settlement areas.**

The State Authority may by notification in the Gazette declare any area of State land, whether or not included in a designated area, to be a group settlement area for the purposes of this Act.

#### **5. Rural settlement areas.**

(1) The State Authority may by notification in the Gazette declare any land within a group settlement area to be a rural settlement area for the purposes of this Act.

(2) Any such Gazette notification may specify the appropriate crop to be planted in accordance with the provisions of section 25(2)(c).

**6. Urban settlement areas.**

The State Authority may by notification in the Gazette declare any land within a group settlement area to be an urban settlement area for the purposes of this Act.

**7. Holdings.**

(1) The Director may, in accordance with the provisions of this section, divide any land within a group settlement area into a number of holdings.

(2) A rural holding shall be of such area as the State Authority may approve and shall comprise one or more parcels of land within a rural settlement area for occupation by one individual holder and all rural holdings shall, as far as possible, be of equal area:

Provided that there may be included in a rural holding one parcel of land within an urban settlement area for occupation by the holder for residential purposes exclusively.

(3) An urban holding shall comprise one or more parcels of land in an urban settlement area for occupation by a person, persons or corporation for such one or more of the following purposes as may be specified by the Director with the approval of the State Authority, namely, commercial, industrial or residential purposes or purposes of public utility.

**8. Reservation of land for public purposes.**

The Director may by notification in the Gazette reserve any land in a group settlement area which is needed for any public purpose and the provisions of the State land law relating to the reservation of land for public purposes shall apply mutatis mutandis to any such reservation.

**9. Clearance.**

(1) The State Authority may direct that the whole or any part of a group settlement area shall be cleared at the public expense by felling or other means in such manner and to such extent as the State Authority thinks fit.

(2) The cost of such clearing shall be paid out of monies provided by the State Legislature and may be recovered from the persons to whom land in the area is alienated and any public authorities having control of land within the area which has been reserved for a public purpose in such proportion as the State Authority may direct.

**10. Alienation.**

(1) Subject to the provisions of this Act, the Collector may, on behalf of the State Authority-

(a) alienate any rural holding; and

(b) permit the occupation of any rural or urban holding in expectation of title.

(2) Subject to the provisions of this Act the Director may, on behalf of the State Authority, alienate any urban holding.

## **11. Titles and conditions.**

- (1) The document of title to a holding shall be that which is provided in the State land law in respect of country land not exceeding ten acres in area and such document shall state whether the title is in perpetuity or for a term of years.
- (2) In every document of title to a holding there shall be implied the obligations that the holder will duly pay the rent or consolidated annual charge reserved in respect of such holding, will preserve all boundary marks and will give immediate notice to the Collector or to the nearest Penghulu if any boundary marks are injured, destroyed or removed.
- (3) Express conditions imposed under, and conditions and obligations implied by virtue of the provisions of, this Act shall run with the land and shall bind the holder thereof and shall commence to run from the date of occupation in expectation of title authorised by entry in the register of holdings or from the date of alienation, whichever is the earlier.
- (4) There shall by virtue of this section be implied in every document of title to a holding the condition that a breach of or default in the observance of any of the conditions of the said document of title, whether expressed in the document or implied by this Act or by the State land law, shall render the holding liable to re-entry and the title liable to forfeiture in the manner provided in the State land law in respect of such breach or default.

## **12. Occupation in expectation of title.**

- (1) Authority to occupy any land within a group settlement area in expectation of title shall be given by an entry in the register of holdings to be maintained by the Collector in Form A in the First Schedule.
- (2) Before entering in the register of holdings the name of any person in respect of an urban holding, the Collector may require the payment of all sums due in respect of the holding whether by way of premium, survey fees or otherwise together with the amount of the rent payable in respect of the first year of occupation.
- (3) No person shall by making any payment or deposit of any kind or by being recorded in a register of holdings or in any other way than by occupying a holding with the authority of the Collector in expectation of title be taken or deemed to have acquired any right to registration of title to such holding and such authority may be cancelled by the Collector at any time before title has been registered.
- (4) An entry under subsection (1) may be made in the register of holdings notwithstanding that any details relating to-
  - (a) the lot numbers or area of any holding;
  - (b) the amount of the consolidated annual charge or the period for which it shall be charged; or
  - (c) the amount of rent which is, in due course, to be substituted for the consolidated annual charge,have not been obtained, if the Collector, by reason of non-completion of survey or of the lack of sufficient information for determining the consolidated annual charge or for any other sufficient reason, is satisfied that such details are not capable of being immediately obtained; and the Collector shall as soon as possible obtain, and include in the register of holdings, the said details.

**13. Premia, rent, etc.**

(1) The Director, with the approval of the State Authority, may in respect of the occupation or alienation of any land in a group settlement area fix rates of premium, including a proportion of the cost of clearing land reserved for a public purpose within the area, rent, survey and other fees: Provided that the State Authority may direct that any urban holding shall be alienated by auction.

(2) The first revision of the rent of land in a group settlement area may take place on or after the expiration of a period of ten years from the date upon which such rent was first fixed in accordance with the provisions of subsection (1) or, in the case of a consolidated annual charge, after the expiration of the period during which such charge is payable and subsequent revisions may take place at intervals of not less than ten years.

**PART III**  
**RURAL HOLDINGS**

**14. Restrictions on alienation of rural holdings.**

A rural holding may be alienated only to one individual person qualified in accordance with the provisions of section 19 and no joint ownership of a rural holding shall at any time be permitted.

**15. Restriction of dealings.**

(1) No land comprised in a rural holding may at any time be subdivided.

(2) No land comprised in a rural holding may be held by way of undivided shares.

(3) No rural holding may be leased or sublet in whole or in part.

**16. Transmission on death, etc.**

Where, but for the provisions of section 15 the land comprised in any rural holding would on the death of the holder or otherwise be liable to transmission by way of subdivision or in undivided shares, the persons entitled to interests in the holding may assign their interests to a single holder, and, in default of such assignment, the holding shall be disposed of on the order of the Collector and the proceeds of sale of the holding or any interest therein shall be dealt with according to law.

**17. Conditions and obligations.**

There shall by virtue of this section be implied in every document of title to a rural holding the following conditions and obligations:

(a) the whole area of the holding, other than that part which is used for residential purposes as provided in paragraph (d) shall be brought fully under cultivation with the appropriate crops by the date specified by the Collector and shall thereafter at all times be maintained and cultivated according to the rules of good husbandry;

(b) no crops, other than the appropriate crops, shall at any time be planted upon any portion of the holding;

(c) the holding shall not at any time be used for the erection of any building, other than a building together with the out-buildings and appurtenances thereof used solely as a dwelling house by the holder;

(d) any such dwelling house shall be erected upon such part of the holding as the Collector may direct and no other part of the holding shall be used for residential purposes.

**18. Rights of access.**

(1) The holder of any rural holding which does not have direct access to a public road or access reserve shall have at all times a right of way across intervening holdings.

(2) Such right of way shall extend to the right of carrying agricultural produce and the necessary implements and materials for agricultural purposes by the most direct route between the holding and the public road or access reserve but shall not extend to the use of any vehicle other than a bicycle, tricycle or handcart:

Provided that the Collector may determine the situation of any such right of way and his decision shall be final.

(3) Any holder using such right of way across other holdings shall be liable for any damage directly resulting from such use, and, in the event of any dispute, the amount of the damage shall be assessed by the Collector whose decision shall be final.

**PART IV**

**OCCUPATION OF RURAL HOLDINGS IN EXPECTATION OF TITLE**

**19. Qualifications for holding rural holdings.**

(1) No person, other than a citizen, shall be eligible to occupy a rural holding so long as such holding continues to be State land.

(2) No person who is a proprietor or co-proprietor of any land other than-

(a) country land not exceeding two acres in area;

(b) a single plot of town land used solely for his own residential purposes; or

(c) both such country and town land,

shall be eligible to occupy a rural holding so long as such holding continues to be State land:

Provided that, where a group settlement area is declared for the purpose of supplementing existing uneconomic small holdings, the State Authority may direct that the maximum of two acres specified in paragraph (a) be increased to not more than six acres:

And provided that for the purposes of this subsection the word "person" includes the husband or wife of a person and in calculating the area of country land referred to in paragraph (a) any land held separately by a husband and wife shall be aggregated:

And provided further that any person who is in occupation of a rural holding shall not be disqualified from continuing in occupation by reason only of subsequent acquisition of any land or interest therein by inheritance or gift inter vivos.

**20. Consolidated annual charge.**

(1) The Director, with the approval of the State Authority, may, in respect of the occupation of a rural holding in expectation of title in place of premium, rent, survey and other fees fixed in accordance with the provisions of section 13(1), impose a consolidated annual charge for such period and payable as from such date as may be specified.

(2) In determining the amount of such consolidated annual charge there may be taken into account any moneys paid to any holder the cost of any service, material or equipment supplied to the holder together with such charges in respect of interest as may be approved by the State Authority.

(3) Upon the expiry of the period specified in subsection (1), there shall be imposed in respect of the occupation mentioned in that subsection such rent as the State Authority may determine; and any rent so imposed shall not be greater in amount than that portion of the consolidated annual charge as is due to the State.

(4) So long as any such consolidated annual charge is payable in respect of any holding such holding shall remain State land.

#### **21. Recovery of rent.**

(1) As from the date upon which the payment of any consolidated annual charge shall be due to commence such charge in respect of any year shall fall due in full on the first day of January in that year.

(2) Such consolidated annual charge, if not sooner paid, becomes an arrear on the first day of June in the year in respect of which it is due.

(3) It shall be a condition of occupation of a rural holding that default in payment of any consolidated annual charge shall be a breach of the conditions of occupation.

#### **22. Breach or default.**

(1) There shall by virtue of this section be implied in the terms of occupation of any rural holding in expectation of title authorised by entry in the register of holdings the condition that, in case of a breach of or a default in the observance of any of the conditions or obligations of such occupation, whether express or implied, the Director or any officer authorised by him writing may, on behalf of the State Authority, re-enter upon the land comprising such holding and upon a note thereof being made in the register of holdings all rights in expectation of title of any person shall cease and be extinguished, and the entire property in and control of such land shall vest solely in the State Authority.

(2) Before re-entering on any land as provided by subsection (1) the Director or such officer shall serve or cause to be served on the holder of the land a notice in Form B in the Schedule.

(3) Unless the holder within the period specified in the notice repairs or makes good such breach or default or shows cause to the satisfaction of the Director or such officer why the land should not be re-entered, the Director or such officer shall on the expiration of such period re-enter upon the land.

(4) If a holder refuses service of a notice under subsection (2) or cannot with reasonable diligence be found the notice shall be deemed to have been duly served if a copy is posted on the land and further copies are posted on the Land Office notice board and in such public places in the mukim in which the land is situated as the Director or such officer shall think fit.

#### **23. Compensation.**

(1) Where any rural holding is re-entered in accordance with the provisions of section 22 no compensation shall be payable to the holder except in accordance with the provisions of subsection (3).

(2) A holder whose holding has been re-entered in accordance with the provisions of section 22 may, if he so desires, with the approval of the Collector, remove a dwelling house which he has erected on the land at his own sole expense.

(3) The Collector shall make a valuation of any dwelling house remaining on any land which has re-entered in accordance with the provisions of section 22 and shall pay as compensation to the former holder the amount of such valuation after deducting the cost of any material or other service supplied to the holder for the erection of such dwelling house and such sum for expenses as the Collector, with the approval of the State Authority, shall fix.

(4) The amount of any such compensation may be recovered from any subsequent holder who is duly authorised to enter upon the holding in accordance with the provisions of this Act.

#### **24. Assignment of rights of occupier in expectation of title.**

(1) Subject to the provisions of this Act, a holder in occupation of a rural holding in expectation of title may assign his rights in that holding to any individual person qualified in accordance with the provisions of section 19 and approved by the Collector, unless proceedings for re-entry under section 22 shall have been commenced.

(2) The assignment shall be in Form C in the First Schedule and shall be submitted to the Collector who shall enter the name of the assignee in the register of holdings.


#### **25. Implied conditions and obligations.**

(1) There shall be implied in the terms of occupation of any rural holding in expectation of title the conditions and obligation contained in this section.

(2) The holder shall, if so required, do all or any of the following things:

(a) clear the boundaries of the holding in accordance with any directions of a Survey Officer or Settlement Officer or of the Collector;

(b) clear the whole or any part of the holding in accordance with any directions of the Collector;

(c)  with the appropriate crop the whole or any specified part of the holding at such times and in such manner as the Collector shall from time to time direct;

(d) from time to time in accordance with any directions of the Collector to carry out any necessary maintenance, fertilising, replanting or other work required on the holding;

(e) refrain from tapping any rubber or harvesting any crop planted on the holding until the Collector shall have certified that the rubber or crop is mature.

(3) The Collector may direct that any of the requirements of subsection (2)(a), (b) or (c) shall be carried out by a holder in conjunction with the holders of contiguous holdings or on a cooperative basis of joint working on contiguous holdings.

## **PART V**

### **URBAN HOLDINGS**

#### **26. Persons to whom urban holdings may be alienated.**

An urban holding may be alienated to any person, persons or corporation to whom State land may be alienated in accordance with the State land law

#### **27. Restriction of use of urban holding.**

Every document of title to an urban holding shall specify which of the purposes mentioned in section 7(3) shall apply to such holding and there shall be implied in every such document of title the condition that the holding shall be used for no other purpose.



**28. Occupation in expectation of title.**

Subject to the provisions of section 29, the occupier of an urban holding in expectation of title authorised by entry in the register of holdings shall be deemed for the purposes of the State land law to be in occupation of State land under approved application in expectation of registration of title.

**29. Assignment of rights of occupier in expectation of title.**

(1) Subject to the provisions of this Act, a holder in occupation of an urban holding in expectation of title may assign his rights in that holding to any person, persons or corporation approved by the Director.

(2) The assignment shall be in Form C in the Schedule and shall be submitted to the Collector who shall enter the name of the assignee in the register of holdings.

**PART VI  
GENERAL**

**30. Unlawful occupation of land.**

(1) Any person who within a designated area or a group settlement area enters upon or occupies any land whether by residing on or by erecting any building or by clearing, enclosing or cultivating any part thereof or cutting timber or produce thereof or by grazing animals or by cutting, digging or taking from any land any product mentioned in section 32(2)(vi) without having lawful permission so to do shall be deemed to be in unlawful occupation of such land.

(2) Any person who is in unlawful occupation of land within a designated area or a group settlement area shall be guilty of an offence and shall on conviction be liable to a fine not exceeding five hundred ringgit.

(3) Without prejudice to any other action which may be taken under this section, the Collector or any police officer may summarily remove from any land in a designated area or a group settlement area any person found to be in unlawful occupation thereof and may enter upon such land and remove or destroy any cultivation or building erected thereon, and where any boundary stone or mark or ditch or other feature marking a boundary line has been removed or displaced may forthwith restore such mark and re-establish the original boundary.

**31. Other offences and penalties.**

The provisions of the State land law as to offences and penalties shall apply mutatis mutandis in respect of alienations under this Act.

**32. Rules.**

(1) The Director may, with the approval of the State Authority make rules for carrying out the purposes of this Act and for all matters incidental thereto.

(2) Without prejudice to the generality of the foregoing such rules may provide for-

(i) the manner in which applications shall be made and approved;

(ii) the temporary occupation or use of land in a designated area or a group settlement area which is unsuitable for cultivation, of unused reserves or portions of reserves and of land in an urban settlement area not immediately required for alienation;

- (iii) the method of collection of land revenue in respect of holdings occupied in expectation of title;
- (iv) the procedure to be followed under any provision of this Act;
- (v) the powers and duties of officers to whom it may be necessary to entrust duties in connection with the carrying out of the provisions of this Act or of any rules made hereunder;
- (vi) the issuing of licences to dig and remove from any land in a designated area or a group settlement area earth, gravel, stone, coral, shell, sand, loam or clay, or to remove bricks, lime, cement or other commodities manufactured from the said materials provided that no such licence shall be issued in respect of land comprised in a holding which has been alienated except to the holder or with his consent.

### **33. Savings.**

- (1) The provisions of this Act shall apply in respect of all land in a designated area or a group settlement area notwithstanding any provision of the State land law or of any other existing law to the contrary and the provisions of the State land law and any other existing law shall have effect in respect of such land only in so far as they are not inconsistent with the provisions of this Act.
- (2) Nothing in this Act shall affect the operation of any existing law relating to Malay reservations.
- (3) (Repealed by Act 51/65).

## **PART VII**

### **34. Federal development areas and re-vesting of such areas in the State.**

- (1) The State Authority may permit the Development Authority to develop any State land as a group settlement area; and for that purpose the State Authority may make an agreement with the Development Authority relating to the following matters;
  - (a) the location and area of such land;
  - (b) the division of such land into rural and urban settlement areas;
  - (c) the appropriate crop or crops;
  - (d) the size of holdings and the number, nature and size of parcels thereof;
  - (e) the rate at which amounts due to the State by way of premium, rent and other charges are to be collected as a portion of the consolidated annual charge, and the date from which the collection of such portion shall begin and the period for which it shall continue;
  - (f) any other matter falling within the provisions of this Act by which the interests of the State are affected;
  - (g) the terms and conditions upon which the Development Authority may own or occupy housing sites within any urban settlement area.
- (2) The following provisions shall attach to any agreement aforesaid:
  - (a) that the State Authority shall declare in accordance with the provisions of this Act the area in question to be a group settlement area to be developed by the Development Authority;
  - (b) that upon such declaration being made, the area shall vest in the Development Authority;
  - (c) that the State Authority shall upon a request being made in that behalf by the Development Authority declare any part of the area in question to be a rural settlement area and such other part to be an urban settlement area;

(d) that unless the area aforesaid or any part thereof is by any other agreement sooner re-vested in the State Authority, such area or any part thereof shall re-vest in the State Authority upon the consolidated annual charge due to the Development Authority in respect of such area or such part ceasing to be payable by the holder.

(3) The following provisions shall, as respects land so re-vested in the State Authority, have effect:

(a) as from the date of re-vesting aforesaid the provisions of every part of this Act shall apply as if the said land were land which is absolutely subject to those provisions;

(b) notwithstanding any provisions to the contrary contained in this Act, the State Authority may in respect of any co-operative group settlement area referred to in section 35, issue a title to the co-operative society by which such area is developed;

(c) the State Authority and every person holding any re-vested land aforesaid shall be bound by all acts lawfully done pursuant to the provisions of this Part;

(d) where the land so re-vested forms only a part of the Federal Development area, the Development Authority shall until the whole of such area is re-visited continue to collect for the State Authority any portion of the consolidated annual charge due to the State Authority in respect of that part.

(4) For the purpose of carrying out the provisions of subsection (1), the Development Authority shall cause the area affected to be surveyed.

### **35. Development of group settlement areas by co-operative societies organised by the Development Authority.**

(1) The Development Authority may permit any land vested in it under section 34, cultivated or to be cultivated collectively, to be developed or managed by such co-operative society as it may organise; and the Chairman of the Development Authority may direct that any such area (hereinafter referred to as "a co-operative group settlement area") shall be surveyed as one whole or in as many lots as may be convenient for cultivation.

(2) As respects a co-operative group settlement area, no person other than a member of the co-operative society concerned shall be registered as a holder in the register of holdings; and the Manager appointed under section 36 shall make no record of any specific lot number or of a survey lot but shall record only the share held in such society by the member registered in such register as the holder.

(3) A member registered in the register in accordance with subsection (2) shall, to the extent of the shares held by him in the society (as recorded in the register) hold an undivided share in the co-operative group settlement area.

(4) In relation to a co-operative group settlement area, the register of holdings mentioned in subsection (2) shall, notwithstanding the provisions of section 12(1), be in Form D in the First Schedule.

### **36. Manager.**

For the purpose of administering Federal Development areas, the Development Authority may after consultation with the State Authority concerned appoint a Manager in respect of each of such areas; and the Manager shall have and exercise the powers conferred on him pursuant to the modifications mentioned in section 38.

### **37. By-laws.**

The Chairman of the Development Authority may after consultation with the State Authority concerned and with the approval of the Minister make by-laws for the carrying out of such of the provisions of this Act as shall apply to a Federal Development area; and without prejudice to the generality of the foregoing, such by-laws may provide for-

- (a) the manner in which applications shall be made and approved;
- (b) the temporary occupation or use of land in a designated area or a group settlement area which is unsuitable for cultivation, of unused reserves or portions of reserves and of land in an urban settlement area not immediately required for alienation;
- (c) the method of collection of land revenue in respect of holdings occupied in expectation of title.
- (d) the procedure to be followed under any provision of this Act;
- (e) the powers and duties of officers to whom it may be necessary to entrust duties in connection with the carrying out of the provisions of this Part or of any by-laws made hereunder.

### **38. Application of Parts I to VI to Federal Development areas.**

(1) Notwithstanding that a Federal Development area is vested in the Development Authority, the provisions of Parts I to VI (excluding sections 3, 4, 5 and 6, section 7(3), section 12(2) and section 32) shall, subject to this section, apply to that area as if such area were State land.

(2) In relation to the application of the provisions aforesaid-

- (a) section 7(1) and (2) shall not have effect with respect to a co-operative group settlement area;
- (b) sections 8, 9 and 13 shall be read without any modifications;
- (c) section 10 shall apply without modification, save that the power of the Collector to permit the occupation of any rural holding in expectation of title shall be exercisable instead by the Manager;
- (d) the provisions other than those mentioned in paragraphs (b) and (c) shall be read subject to the modifications specified in the Second Schedule.

### **39. Appeal.**

Any person aggrieved by the decision of the Development Authority or the Chairman thereof or of a Manager may appeal to the Minister whose decision thereon shall be final.

## **PART VIII**

### **SURRENDER OF RIGHTS OF OCCUPIER IN EXPECTATION OF TITLE**

#### **40. Power to surrender rights.**

- (1) Subject to the provisions of this Act, a holder in occupation of a holding in expectation of title may surrender his rights in that holding to the State Authority.
- (2) The surrender shall be in Form E in the First Schedule and shall be submitted to the Collector who shall make a note of the surrender in the register of holdings.
- (3) Upon the making of any note pursuant to subsection (2), the holder of the holding to which the note relates shall cease to have or enjoy any right in the holding under this Act.

**41. Power of Collector to permit occupation by another person.**

The Collector may, on behalf of the State Authority, permit, subject to the provisions of this Act, the occupation in expectation of title by another person of any holding the rights in which have been surrendered pursuant to section 40(1).

**42. Power to exclude surrendered and unoccupied holding from group settlement area.**

(1) Where the rights of a holder in a holding have been surrendered pursuant to section 40(1) and no other person is occupying the holding in expectation of title pursuant to section 41, the State Authority may by notification in the Gazette declare that the whole of the area included in the holding shall cease to be part of the group settlement area concerned.

(2) Upon an area ceasing, pursuant to subsection (1), to be part of a group settlement area, any part of the area previously included in a designated area shall cease to be part of the designated area.

**43. Power to enter into agreement.**

It shall be lawful for the State Authority to enter into any agreement with a holder in respect of the surrender of his rights pursuant to section 40(1).

**PART IX**

**TERMINATION OF GROUP SETTLEMENT AREAS**

**44. Power to terminate group settlement areas.**

(1) The State Authority, in consultation with the Minister, may by notification in the Gazette declare that the whole or any part of the area within a group settlement area shall cease to be a group settlement area for the purposes of this Act:

Provided that the consultation shall not be necessary where the land within a group settlement area does not constitute a Federal Development area.

[Am. Act A950]

(2) Upon an area ceasing to be a group settlement area-

(a) every part of the area previously included in a designated area shall cease to be part of the designated area;

(b) any land reserved by the Director under section 8 for a public purpose shall be deemed to have been reserved by the State Authority under section 62 of the National Land Code;

(c) except as provided in this Part, this Act shall cease to apply to land in the area.

**45. Continuance of occupation in expectation of title.**

Notwithstanding that an area has ceased to be a group settlement area, the authority to occupy any holding within the area in expectation of title shall continue to be enjoyed by the person whose name appears in relation to that holding in the register of holdings.

**46. Provisions applicable to holdings occupied in expectation of title.**

(1) In respect of a holding occupied in expectation of title, the following provisions of this section shall apply.

(2) A holding occupied in expectation of title shall be deemed to have been approved by the State Authority for alienation under the National Land Code subject to a determination by the State Authority of the matters specified in section 79(2) of the Code.

(3) In determining under paragraphs (d) and (e) of that subsection the rate for rent and the question of premium in respect of a holding, the State Authority shall take into consideration the rent, premium and other fees or any consolidated annual charge to which the holding is subject under this Act and the need or otherwise of making adjustments.

(4) In determining under paragraphs (f) and (g) of that subsection the category of land use and the express conditions and restrictions in interest to be imposed on the holding, the State Authority shall not be bound to have regard to any category, condition or restriction to which the holding had been subject under this Act.

(5) The sums specified in section 81(1) of the National Land Code shall become due to the State Authority at the time when it makes the determination under section 79(2) of the Code: Provided that if any fees have already been included in any consolidated annual charge to which the holding was subject and the State Authority, in determining the rent and premium payable in respect of the holding under section 79(2), has adjusted such rent and premium to the consolidated annual charge, the Collector shall not, when acting under section 81(2) of the Code, require the intended proprietor to pay such fees.

(6) Until such time as the matters specified in section 79(2) of the National Land Code have been determined in respect of a holding, the following provisions shall apply:

(a) the holding, if it was formerly a rural holding, shall continue to be subject to sections 13, 20 and 21, to the extent applicable, as regards liability to pay premium and other fees or a consolidated annual charge;

(b) it shall be an implied condition of occupation of a holding that it shall not be used for any purpose other than that for which it could lawfully have been used before the area in which it is included ceased to be a group settlement area;

(c) section 16 shall continue to apply in respect of the holding;

(d) sections 22 and 23 shall continue to apply in the case of default in payment of any premium and other fees or any consolidated annual charge to which a holding which was previously a rural holding is subject or default in observing the implied condition specified in paragraph (b);

(e) as regards the assignment of rights in a holding, section 24 or 29 shall continue to apply, according as to whether the holding was formerly a rural holding or an urban holding, subject to the deletion of the words "qualified in accordance with the provisions of section 19 and" in section 24(1).

#### **47. Provisions applicable to holdings under document of title.**

(1) In respect of a holding to which there is a document of title, the following provisions of this section shall apply.

(2) Subject to this section, the National Land Code shall apply to the holding.

(3) Express conditions and restrictions in interest endorsed on the document of title shall continue to run with the land until amended or rescinded pursuant to subsection (4) and shall be deemed to be express conditions and restrictions in interest imposed under the National Land Code.

(4) So that the terms governing the holding will be in keeping with the fact that it is no longer part of a group settlement area, the State Authority may, with the consent in writing of the holder-

- (a) impose any category of land use on the holding;
- (b) rescind any express condition or restriction in interest endorsed on or referred to in the document of title to the holding;
- (c) subject to section 124(6) of the National Land Code, amend any express condition or restriction in interest endorsed on or referred to in the document of title to the land, or impose any new express condition.
- (5) Section 124(2), (3), (5) and (7) of the National Land Code shall, with the necessary modifications, apply in consequence of a decision of the State Authority to act under subsection (4) of this section as they apply in consequence of the State Authority approving an application under section 124(1) of the Code.
- (6) The power of the State Authority under subsection (4) may be exercised only once in respect of a holding.

**48. Right of way.**

The provisions of section 18 relating to right of way shall continue to apply in relation to holdings which were previously rural holdings.

**FIRST SCHEDULE**

**Form A**  
(Section 12 (1))

Serial No.....

REGISTER OF HOLDINGS

**RECORD OF CHANGES**

**Date Authority for change**

- (1) Original Holder.....
- (2) .....
- (3) .....
- (4) .....
- (5) .....
- (6) .....
- (7) .....
- (8) .....

Consolidated annual charge \$..... with effect from 1-1

District Land Administrator

Entry exchanged for Title No.....

District Land Administrator

**FORM B**

(Section 22 (2))

**NOTICE PRIOR TO RE-ENTRY OF RURAL HOLDING FOR BREACH OR DEFAULT**

.....  
the registered holder of Holding.....

Group Settlement Area of.....

Whereas you have committed a breach of/ a default in the observance of the condition or term of occupation specified hereunder-

Take notice that unless within ..... days from the date of this notice you repair or make good the above breach or show cause to my satisfaction why your holding should not be forfeited under the Group Settlement Areas Act 1960, the holding and all title or rights in expectation of title will cease and be extinct.

Director of Lands/Authorised Officer

**FORM C**

(Section 24 (2) and 29 (2))

**ASSIGNMENT OF RIGHTS IN EXPECTATION OF TITLE**

I..... the holder of Holding No..... Group Settlement Area of..... in consideration of..... the receipt of which I hereby acknowledge do hereby assign to..... all my rights in expectation of title to the said holding.

Signature of Assignor

And I..... accept this assignment.

Signature of Assignee

I..... Director of Lands / Collector

approve the above assignment.

Director of Lands/District Land Administrator

Dated this ..... day of..... 19 ...

Noted in the Register of Holdings for Group Settlement Area.....

Vol..... this ..... day of..... 19 ... at ..... m.

District Land Administrator



**FORM D**  
(Section 35 (4))

Serial No.....

REGISTER OF HOLDINGS  
RECORD OF CHANGES

Date Authority for change

1. Original Holder.....
2. ....
3. ....
4. ....
5. ....
6. ....
7. ....
8. ....

Consolidated annual charge \$..... with effect from 1-1-  
District Land Administrator  
Entry exchanged for.....  
District Land Administrator

**FORM E**  
(Section 40 (2))

SURRENDER OF RIGHTS IN EXPECTATION OF TITLE

I,..... the holder of Holding No..... Group Settlement Area of..... do  
hereby surrender to the State Authority all my rights in expectation of title to the said holding.

Signature of Holder

Noted in the Register of Holdings for Group Settlement Area.....

Vol..... this .... day of..... 19 ... at .... m.

District Land Administrator

## **SECOND SCHEDULE**

(Section 38 (2))

1. (1) Except in section 22(1), references to the State Authority shall be construed as references to the Minister.  
(2) In section 22(1), references to the State Authority shall be construed as references to the Development Authority.
2. References to the Director shall be construed as references to the Chairman of the Development Authority.
3. In section 12(1), references to a group settlement area shall be construed as reference to a rural settlement area.
4. (1) Except in sections 16 and 18, references to the Collector or the Penghulu shall be construed as references to the Manager.  
(2) In section 18, references to the Collector shall be construed as references to the Manager with the approval of the Collector.