Treasurer to Accountant General 7/1966

CHAPTER 217.

GENERAL LOCAL LOAN.

(25*th February*, 1954. 4/1954 13/1954

Short title.

1. This Ordinance may be cited as the General Local Loan Ordinance.

Interpretation.

2. In this Ordinance—

"prescribed" means prescribed by regulations ;

Scope.

3. This Ordinance shall be applicable only to loans raised locally in the Colony.

Loans to be raised by debentures.

4. Whenever by an Ordinance authority shall have been given to the Administrator to raise any sum of money for the purposes mentioned in such Ordinance the Administrator may from time to time as he may deem expedient raise such sum or any part thereof by debentures issued under the provisions of this Ordinance.

Loans to be a charge upon general revenue.

5. The principal monies and interest represented by such debentures are hereby charged upon and shall be payable out of the general revenues and assets of the Colony.

Borrowing upon debentures.

6. Such debentures shall be issued in the Colony upon the best and most favourable terms that can be obtained and shall be authenticated in such manner as may from time to time be approved by the Administrator.

Debentures may be either fixed date or drawing debentures.

7. The debentures shall be redeemable either—

(*a*) at par on a fixed fate to be declared on the issue of the debentures, such date not being later than sixty years from the date of issue ;

(*b*) by annual drawings at par or at the option of the Administrator by purchase in the market as hereinafter provided (such debentures being hereinafter referred to as drawing debentures).

Debentures to be registered and transferable by instrument in writing.

8. (1) Every debenture shall before being issued be registered by the Treasurer in a register to be kept for that purpose at the office of the Treasurer, and the name and address of the holder of each debenture and all transfers of debentures shall be noted in the register.

(2) Debentures shall be transferable by instrument in writing in such form and subject to such conditions as may be prescribed by the Administrator.

Register to be conclusive evidence of facts entered therein.

9. (1) The entries in the register kept under the provisions of this Ordinance shall be conclusive evidence of the facts, matters, particulars and transactions to which these entries relate.

(2) A copy of an entry in the register certified under the hand of the Treasurer to be a true copy of the original entry shall be receivable in evidence in any judicial proceedings unless a Judge of the Supreme Court shall otherwise direct.

Amounts and form of debentures.

10. Debentures shall be for such amounts and in such form as the Administrator may direct or approve.

Payment of interest.

11. The interest upon the principal represented by each debenture, shall run from the day named in that behalf in the debenture, and shall be payable half-yearly on the days named in that behalf in the debenture at the office of the Treasurer in such manner as may be prescribed by the Administrator.

Mode of providing for payment of interest on debentures and for contribution to sinking fund.

12. (1) So long as any of the debentures remain outstanding the Administrator shall, in each half-year ending with the day on which the interest on the debenture falls due, appropriate out of the general revenues and assets of the Colony a sum equal to one half-year's interest on the whole of the debentures issued, including any which may have been redeemed.

(2) The Administrator shall also in each such half-year commencing with that specified in the Ordinance authorising the loan appropriate out of the said revenues and assets of the Colony, for the formation of a sinking fund, an additional sum equal to one-half of the annual contribution to be decided upon by the Administrator on the issue of the loan. Such contribution shall be in respect of the total nominal amount of all the debentures issued, including any which may have been redeemed.

(3) Debentures shall not be deemed to be outstanding for the purposes of this Ordinance by reason only that one or more of the debentures have not been presented for payment on the day appointed for payment and have in consequence not been paid.

Creation of sinking fund for redemption of debentures payable on a fixed date.

13. In the case of fixed-date debentures so much of the monies appropriated as aforesaid as shall not be required for the immediate payment of interest shall be remitted to the Crown Agents for the formation of a sinking fund and the Crown Agents shall place at interest or invest the money so remitted to them in the purchase of such securities as may be approved by the Secretary of State as a sinking fund for the final extinction of the debt and shall also place at interest or invest the accumulations of interest or the dividends, interest or produce of such investments in the purchase of like securities and may from time to time with the approval of the Secretary of State change any such investments and shall hold such fund in trust for the repayments of the principal moneys for the time being represented by the debentures:

Provided that if at any time the trustees of the sinking fund are satisfied that the value of the fund will be sufficient with further accumulations of interest, but without further payments of contributions to enable the debentures to be redeemed out of the proceeds of the sinking fund when the same shall fall due to be redeemed, the Administrator may with the approval of the Secretary of State suspend further payment of contributions to the said sinking fund:

Provided further that contributions to the sinking fund shall be recommenced if the trustees shall at any time inform the Administrator that it is necessary.

Disposal of sinking fund when debentures are redeemed by purchase of annual drawings.

14. In the case of drawing debentures so much of the moneys appropriated as aforesaid as shall not be required for the immediate payment of interest and the accumulations thereon shall be held by the Treasurer in trust to apply them to the purchase of the debentures when they can be obtained at a price not exceeding par and secondly to the redemption of the debentures by means of annual drawings in the manner following—

(*a*) after the commencement of the contributions to the sinking fund in respect of any loan, and so long thereafter as any of the debentures remain outstanding, the

Administrator shall, in every year, unless the whole of the money applicable in that year to the redemption of debentures has been applied in the purchase thereof, appoint a day in that year for the drawing by lot of the debentures to be redeemed ;

(*b*) if a day is appointed for drawing, the Treasurer shall give by advertisement in the *Gazette* and in at least one of the local newspapers (if any), circulating in the Colony not less than fifteen days' previous notice, specifying the day on which, and the hour and the place at which, the drawing will take place.

(*c*) on the day and at the hour and place so specified the Administrator and the Treasurer or any other officers appointed by the Administrator for the purpose, shall hold a meeting at which the holder of any debentures may, if he thinks fit, be present, and shall then in the presence of such debenture holders as may attend draw by lot, out of the whole number of debentures for the time being outstanding, debentures of the specified nominal amount;

(*d*) the Administrator and the Treasurer or other officers appointed as aforesaid, shall thereupon declare the distinguishing numbers of the debentures drawn for redemption, and the Treasurer shall, as soon as may be, by advertisement in the *Gazette* and at least one of the local newspapers (if any), circulating in the Colony, specify those numbers and appoint a day, not being later as to each debenture than the day on which the then current half-year's interest thereon is payable, on which the principal moneys represented by the debentures so distinguished will be repaid. Notice of the debentures drawn for redemption shall also be sent by post to the registered holders of such debentures ;

(*e*) from and after the day so appointed the Treasurer shall, at his office, pay on demand to the holders of the debentures drawn for repayment the principal moneys represented by these debentures, with all interest payable thereon up to the appointed day.

Cessation of interest from day appointed for payment of principal.

15. From and after the day appointed for the repayment of any debenture, whether a fixed-date or a drawing debenture, all interest on the principal moneys represented thereby shall cease and determine, whether payment of the principal shall have been demanded or not.

Redeemed debentures to be cancelled.

16. Upon repayment of the principal moneys represented by any debenture, such debenture shall be delivered up to the Treasurer to be by him cancelled and retained. Any drawing debenture redeemed by purchase shall likewise be so cancelled and retained.

Expenses of redemption to be borne by sinking fund.

17. (1) All expenses of or incidental to the management of the sinking fund or to the redemption of the debentures and the costs and expenses of all notices required by this Ordinance to be given may be paid out of the sinking fund.

(2) Where the sinking fund is insufficient for the redemption of the debentures at the time when the same shall have become due the Administrator shall make good the deficiency out of the general revenues and assets of the Colony.