

TRINIDAD AND TOBAGO.

No. 40 - 1931.

I ASSENT,

[L.S.]

A. C. HOLLIS,
Governor.

18th December, 1931.

AN ORDINANCE to declare the terms and conditions applicable to Local Loans authorized to be raised by the Government of Trinidad and Tobago.

[18th December, 1931.]

WHEREAS it is expedient to define in one Ordinance the Preamble.
terms and conditions applicable to Local Loans hereafter authorized to be raised by the Legislature of the Colony of Trinidad and Tobago: Be it therefore enacted by the Governor of Trinidad and Tobago with the advice and consent of the Legislative Council thereof as follows:

1. This Ordinance may be cited as the General Local Short title.
Loan Ordinance, 1931.

2. This Ordinance shall be applicable only to the raising Scope.
of loans in the Colony and to loans raised locally in the Colony.

Loans to be raised by debentures.

3. Whenever by an Ordinance authority shall have been given, or shall hereafter be given, to raise any sum of money for the purposes mentioned in such Ordinance, the Governor may from time to time, as he may deem expedient, raise such sum by debentures.

Loans to be a charge upon general revenue.

4. The principal moneys and interest represented by the debentures issued under the provisions of this Ordinance are hereby charged upon and shall be payable out of the general revenues and assets of the Colony.

Borrowing upon debentures.

5. When the Governor shall deem it expedient to raise money by debentures, such debentures shall be issued in the Colony upon the best and most favourable terms that can be obtained and shall be signed by the persons holding the offices of Colonial Secretary and Treasurer for the time being, or by any other person or persons on behalf of the Colony thereto specially authorized by the Governor.

Amount of each debenture.

6. Each debenture issued under the provisions of this Ordinance shall be for a sum either of twenty pounds, or of one hundred pounds, or of five hundred pounds, or of one thousand pounds.

Debentures may be redeemed by annual drawings or by purchase in the market or on a date fixed.

7. The debentures shall be redeemable at par at the option of the Governor by purchase in the market or by annual drawings or on a date to be named in that behalf by the Governor as determined when issuing the debentures, such date not being later than sixty years from the date of issue, from and after which date all interest on the principal money represented thereby shall cease and determine, whether payment of the principal shall have been demanded or not.

Interest coupons.

8. There shall be attached to every debenture coupons for the payment of interest to become due in each half year upon the principal represented by the debenture. The coupons shall be sufficient in number to provide for the payment of the interest, either during the whole period for which the debenture has to run, or for such limited periods as the Governor may determine from time to time, not exceeding in their totality the whole period for which the debenture has to run.

9. The debentures and the coupons thereto shall be in such form as the Governor may direct or approve.

Form of debenture and coupons.

10. Every debenture and coupon, and the right to receive the principal and interest represented thereby, shall be transferable by delivery.

Debentures and coupons transferable by delivery.

11. Every debenture shall, before being issued, be registered in a register book to be kept for that purpose at the office of the Treasurer.

Register of debentures.

12. The interest upon the principal represented by each debenture shall run from the day named in that behalf in the debenture, and shall be paid half-yearly on the days named in that behalf in the debenture at the office of the Treasurer.

Payment of interest.

13.—(1) So long as any of the debentures remain outstanding the Governor shall, in each half-year ending with the day on which the interest on the debentures 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.

Mode of providing for payment of interest on debentures.

(2) 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.

14. After the date specified in the Ordinance authorizing the loan as that on which the contributions to the sinking fund shall commence, the Governor shall, in each half-year ending as aforesaid, 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 specified in the prospectus or, in the case of a loan not issued publicly, in the terms of issue; and the said contribution shall be in respect of the total nominal amount of all the debentures issued, including any which may have been redeemed; and the Governor shall remit that sum to the Crown Agents for investment, except in the

Redemption of debentures.

case of a debenture loan redeemable by annual drawings or by purchase in the market, in which latter event the sums required for such redemption or purchase shall be retained by the Treasurer for the purpose.

Application of
sinking fund.

15. The sinking fund shall be applied in the first place in payment of all expenses of, or incidental to, the redemption of the debentures, and the costs and expenses of all notices required by this Ordinance to be given, and in the next place, and subject to the aforesaid payments, in repayment of the principal moneys for the time being represented by the debentures.

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

16. In the case of debentures redeemable on a date to be named when issuing the debentures, the Crown Agents shall invest the money so remitted to them as aforesaid 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 the Crown Agents shall also invest 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 repayment 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 Governor 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 Governor that it is necessary.

Cesser of
sinking fund
contributions.

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

17. In the case of debentures redeemable by annual drawings or by purchase in the open market the Treasurer shall place and keep the moneys appropriated in accordance with section 14 hereof at interest and shall hold all such moneys and the accumulations thereon in trust to apply them, in

the first place, 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.

18. After the date specified in the Ordinance authorizing a loan as that on which the contributions to the sinking fund shall commence in respect of that loan, and so long thereafter as any of the debentures remain outstanding and unsatisfied, the Governor 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.

Appointment
of day for
drawing of
debentures.

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

Notice of time
and place
appointed for
drawing.

20. On the day and at the hour and place so specified the Colonial Secretary and the Treasurer or any other officers appointed by the Governor for the purpose shall hold a meeting, at which the holder of any debenture may, if he think fit, be present and shall then in the presence of such debentures holders, if any, as may attend, and of a Notary Public appointed by the Governor, draw by lot, out of the whole number of debentures for the time being outstanding, debentures of the specified nominal amount.

Mode of
drawing.

21. The Colonial Secretary 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 *Royal Gazette* and at least one of the local newspapers 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
debentures
drawn for
redemption

Payment
of drawn
debentures.

22. From and after the day so appointed the Treasurer shall, at his office, on demand, pay to the holders of the debentures drawn for repayment the principal moneys represented by those debentures, with all interest payable thereon up to the appointed day.

Cesser of
interest from
day appointed
for payment
of principal.

23. From and after the day appointed for the repayment of any 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.

24. Upon the repayment of the principal moneys represented by any debenture, such debenture with all the coupons thereunto belonging, shall be delivered up to the Treasurer to be by him cancelled and retained.

Any debenture redeemed by purchase shall likewise be so cancelled and retained.

Passed in Council this fourth day of December, in the year of Our Lord one thousand nine hundred and thirty-one.

J. O'CONNOR,
Acting Clerk of the Council.