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Am 17 CL 30-2 (1953), 19-59, 15-60,

CHAPTER 34. No. 2.
GENERAL LOCAL LOAN.

Ordinance
Ch. 34. No. 2-
1940.

AN ORDINANCE TO DECLARE THE TERMS AND CONDITIONS APPLICABLE TO LOCAL LOANS AUTHORISED TO BE RAISED BY THE GOVERNMENT OF TRINIDAD AND TOBAGO.

Commence-
ment.

[7th December, 1932.]

Short title.

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

Scope.

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

Loans to be
raised by
debentures.

3. Whenever by an Ordinance authority shall have been given to the Governor 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 issued under the provisions of this Ordinance.

Loans to be
a charge
upon general
revenue.

4. The principal moneys 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.

5. 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 Accountant General for the time being, or by any other person or persons thereto specially authorised by the Governor.

Aff by A-8-62, 6-64(x), 31-67(x),

6. Each debenture may be for a sum of twenty pounds, one hundred pounds, five hundred pounds, or one thousand pounds, or the equivalent amount of dollars in Trinidad currency.*

Amount of each debenture.

7. The debentures shall be redeemable either—

Debentures may be either fixed-date or drawing debentures.

(a) at par on a fixed date to be declared on the issue of the debentures, such date not being later than sixty years from the date of issue: Provided that the Governor may reserve the option to redeem the debentures prior to such date on such conditions as may be declared at the time of issue (such debentures being hereinafter referred to as fixed-date debentures); or

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

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.

Interest coupons.

9. The debentures and the coupons 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 Accountant General.

Register of debentures.

*See the Interpretation Ordinance, section 35.

Payment of
interest.

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 Accountant General.

Mode of
providing
for payment
of interest
on and for
redemption
of debentures.

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.

(2) The Governor 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 Governor 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.

14. In the case of fixed-date debentures, so much of the moneys 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 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 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:

Cesser of sinking fund contributions.

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.

15. 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 Accountant General 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—

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

(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 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.

(b) if a day is appointed for drawing, the Accountant General 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.

(c) on the day and at the hour and place so specified the Colonial Secretary and the Accountant General 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 debenture holders as may attend, draw by lot, out of the whole number of

Mode of drawing.

debentures for the time being outstanding, debentures of the specified nominal amount;

Notice of
debentures
drawn for
redemption.

(d) the Colonial Secretary and the Accountant General, or other officers appointed as aforesaid, shall thereupon declare the distinguishing numbers of the debentures drawn for redemption, and the Accountant General 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;

Payment
of drawn
debentures.

(e) from and after the day so appointed the Accountant General shall, at his office, pay on demand 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.

16. 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.

17. 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 Accountant General to be by him cancelled and retained.

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

Expenses
of redemp-
tion to be
borne by
sinking fund.

18. 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 may be paid out of the sinking fund.