

LAWS OF TRINIDAD AND TOBAGO

EXTERNAL LOANS ACT

CHAPTER 71:05

**Act
31 of 1967**

Current Authorised Pages

<i>Pages (inclusive)</i>	<i>Authorised by L.R.O.</i>
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Note on Subsidiary Legislation

The following subsidiary legislation have been omitted:

- (a) Resolutions (made under section 3);
- (b) Delegation of Functions Order (made under section 3);
- (c) External Loans (Exemption from Taxes and Exchange Control) Orders (made under section 6).

For reference to the above subsidiary legislation — *See the 2004 Consolidated Index of Acts and Subsidiary Legislation.*

CHAPTER 71:05

EXTERNAL LOANS ACT

ARRANGEMENT OF SECTIONS

SECTION

1. Short title.
 2. Interpretation.
 3. Power of Minister to borrow on behalf of Government to finance general development.
Official rate of exchange applicable.
Loan to be a charge on the Consolidated Fund.
 4. Authority to borrow.
 5. Issue of securities.
Establishment of sinking fund and underwriting of offer for subscription or sale of securities.
Sinking fund a charge on Consolidated Fund.
 6. Minister empowered to grant tax and exchange control relief.
 7. Exchange of securities.
 8. Minister to determine manner of cancellation and disposal of securities.
 9. Authority of Minister to execute deeds.
 10. General power of Minister.
 11. Minister to inform Parliament of securities issued.
 12. Ch. 71:42 to apply.
 13. Ch. 71:01 and Ch. 71:02 not to apply.
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CHAPTER 71:05

EXTERNAL LOANS ACT

31 of 1967. **An Act to authorise the Government of Trinidad and Tobago to borrow money externally for the purpose of financing general development in Trinidad and Tobago and for matters incidental thereto.**

Commencement. [2ND DECEMBER 1967]

Short title. **1.** This Act may be cited as the External Loans Act.

Interpretation. **2.** In this Act—
“Consolidated Fund” means the Consolidated Fund referred to in section 112 of the Constitution of Trinidad and Tobago;
“debt charges” means interest, sinking fund charges, the repayment or amortisation of debt and all expenditure in connection with the raising of loans under this Act and the service and redemption of debt thereby created;
“official rate of exchange” means the rate of exchange established by the Government of Trinidad and Tobago in accordance with the provisions of the Articles of Agreement of the International Monetary Fund;
“securities” means stocks (including inscribed stocks, registered stocks and stocks transferable by delivery) bonds, notes, certificates, debentures, debenture stocks and other securities of any description issued under this Act.

Power of Minister to borrow on behalf of Government to finance general development. **3.** (1) For the purpose of financing general development in Trinidad and Tobago or of repaying borrowings effected for the general development, the Minister on behalf of the Government may borrow money externally in such sum or sums not exceeding in the aggregate fifty million Trinidad and Tobago dollars or the equivalent thereof in any foreign currency or currencies and thereafter he may borrow such further sum or sums as may from time to time be specified by resolution passed in the Senate and the House of Representatives.

Official rate of exchange applicable. (2) For the purpose of determining whether any borrowing is within any limit prescribed in or pursuant to subsection (1), the

equivalent in Trinidad and Tobago dollars of any borrowing in any foreign currency shall be computed at the official rate of exchange effective on the date which the Minister certifies as the date on which all the terms and conditions of the loan have been determined.

(3) The repayment of all loans raised under this Act together with interest and other debt charges shall be a charge upon and payable out of the Consolidated Fund.

Loan to be a charge on the Consolidated Fund.

4. The authority to borrow conferred by this Act is in addition to the authority to borrow conferred by any other written law.

Authority to borrow.

5. (1) All loans under this Act shall be raised by the creation and issue of securities which shall be in such forms and of such denominations and subject to such terms and conditions as may be determined by or with the authority of the Minister including—

Issue of securities.

- (a) the rate of interest payable thereon;
- (b) the maturity date; and
- (c) the place where and the currency in which principal and interest shall be paid.

(2) The Minister may—

- (a) establish a sinking fund for the purpose of redeeming any loan in accordance with the terms and conditions as determined pursuant to subsection (1);
- (b) make such arrangements as he considers appropriate for the underwriting of any offer for subscription or sale of securities.

Establishment of sinking fund and underwriting of offer for subscription or sale of securities.

(3) Where a sinking fund is established, all money necessary to maintain and service the sinking fund shall be charged upon the Consolidated Fund and may be withdrawn therefrom in such amounts and at such times as the Minister may determine.

Sinking fund a charge on Consolidated Fund.

6. The Minister may by Order exempt from all taxes or exchange control, the payments of principal, interest and any other debt charges in respect of any loan raised under this Act.

Minister empowered to grant tax and exchange control relief.

Exchange of securities.

7. (1) Arrangements may be made by the Minister with holders of securities for the exchange of their securities either on or before maturity and either with or without any further payment for such other securities as the Minister may determine and the provisions of this Act shall apply to those other securities as if they were issued to effect the raising of a loan under this Act.

(2) Any arrangements made for the exchange of securities under this section may provide for the making of payments to holders of securities exchanged and all such payments and all other expenses of the exchange shall be met out of the surplus, if any, created by the exchange in any sinking fund relating to the securities exchanged and if not so met, shall be a charge on and payable out of the Consolidated Fund.

Minister to determine manner of cancellation and disposal of securities.

8. All securities redeemed or exchanged in accordance with the provisions of this Act shall be cancelled and disposed of in such manner as the Minister may determine.

Authority of Minister to execute deeds.

9. In respect of any loan raised under this Act, the Minister may by deed on behalf of the Government—

- (a) appoint a Registrar and provide for the establishment, maintenance and location of a register of any securities and for the extent to which such register is to be conclusive of the title to those securities and of any other matter;
- (b) provide for the conversion of registered securities into securities transferable by delivery and vice versa;
- (c) provide for the authentication of certificates relating to securities or of other documents;
- (d) appoint trustees of any sinking fund and provide for the investment, management and application of such sinking fund;
- (e) provide for the summoning and conduct of meetings of holders of securities for the purpose of obtaining their consent to any proposed amendment to any deed executed under this section or for any other purpose;

- (f) amend with or without the consent of a meeting of the holders of securities any deed executed under this section;
- (g) regulate generally or authorise the Registrar to regulate the management of the loan and all matters in connection therewith.

10. In order to give full effect to the provisions of this Act, the Minister may take any action or issue any order not specifically provided for herein, in relation to any securities issued under this Act, save that any such action or order shall not be inconsistent with the expressed or implied intendment of this Act or the terms and conditions of any loan raised hereunder.

General power of Minister.

11. Where any securities are issued for the raising of any loan under this Act, the Minister shall lay before Parliament all reports and other details relating to the terms and conditions of such loan as soon as practicable after the issue and in any event not later than thirty days after the issue. If within any part of that period Parliament is not sitting, then the Minister shall lay the reports and other details within thirty days of the commencement of the next sitting of Parliament.

Minister to inform Parliament of securities issued.

12. The provisions of the Government Securities Act shall apply to securities issued under this Act.

Ch. 71:42 to apply.

13. The provisions of the General Loan and Stock Act and of the General Local Loan Act shall not apply to securities issued under this Act.

Ch 71:01 and Ch. 71:02 not to apply.