

TRINIDAD AND TOBAGO.

No. 29—1932.

[L.S.]

I ASSENT,

A. C. HOLLIS,  
*Governor.*

7th December, 1932.

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

[7th December, 1932.]

WHEREAS it is expedient to define in one Ordinance the <sup>Preamble.</sup> 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 <sup>Short title.</sup> Loan Ordinance, 1932.

2. This Ordinance shall be applicable only to loans <sup>Scope.</sup> raised locally in the Colony.

[Price 3d.]

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 the Ordinance.

Loans to be a charge upon general revenue.

4. 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.

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 Treasurer for the time being, or by any other person or persons thereto specially authorized by the Governor.

Amount of each debenture.

6. Each debenture may be for a sum of twenty pounds, one hundred pounds, five hundred pounds, or one thousand pounds.

Debentures may be either fixed-date or drawing debentures.

7. The debentures shall be redeemable either  
(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 at some earlier 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).

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 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 and for redemption of debentures.
- (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.

Cesser of sinking fund contributions.

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

Appointment of day for drawing of debentures.

14. 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 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 monies 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.

15. In the case of drawing debentures, so much of the monies 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 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.

(b) 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.

(c) 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 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.

Mode of drawing.

(d) 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 monies represented by the debentures so distinguished will be repaid.

Notice of debentures drawn for redemption.

(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 monies represented by those debentures, with all interest payable thereon up to the appointed day.

Payment of drawn debentures.

**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 monies represented thereby shall cease and determine, whether payment of the principal shall have been demanded or not.

Cesser of interest from day appointed for payment of principal.

**17.** Upon the repayment of the principal monies 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.

Redeemed debentures to be cancelled.

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

Expenses of redemption 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.

Repeal of Ordinance 40 of 1931.

**19.**—(1) The General Local Loan Ordinance, 1931, is hereby repealed.

(2) In the Waterworks and Agricultural Bank Loan Ordinance, 1931 (No. 41 of 1931) the references to the General Local Loan Ordinance, 1931, shall be read as references to this Ordinance, and the reference to section 14 of the said Ordinance shall be read as a reference to section 13 of this Ordinance.

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

J. W. DAY,  
*Clerk of the Council.*