



ST. CHRISTOPHER AND NEVIS

CHAPTER 14.12

SUGAR INDUSTRY REHABILITATION (CONFIRMATION OF AGREEMENTS) ACT

Revised Edition

showing the law as at 31 December 2002

This is a revised edition of the law, prepared by the Law Revision Commissioner under the authority of the Law Revision Act, No. 9 of 1986.

This edition contains a consolidation of the following laws—

**SUGAR INDUSTRY REHABILITATION
(CONFIRMATION OF AGREEMENTS) ACT**
Act 11 of 1972 ... in force 22nd June 1972

Page

3

CHAPTER 14.12

**SUGAR INDUSTRY REHABILITATION
(CONFIRMATION OF AGREEMENTS) ACT**

ARRANGEMENT OF SECTIONS

1. Short title
2. Interpretation and Schedule
3. Confirmation of Agreements

SCHEDULE

CHAPTER 14.12

**SUGAR INDUSTRY REHABILITATION
(CONFIRMATION OF AGREEMENTS) ACT**

AN ACT TO CONFIRM THE AGREEMENTS ENTERED INTO BETWEEN THE GOVERNMENT OF THE STATE WITH CERTAIN BANKS BETWEEN THE 6TH DAY OF MAY, 1972 AND THE 11TH DAY OF MAY, 1972 IN REGARD TO THE REHABILITATION OF THE SUGAR INDUSTRY OF THE STATE.

Short title.

1. This Act may be cited as the Sugar Industry Rehabilitation (Confirmation of Agreements) Act.

Interpretation and Schedule.

2. In this Act—

“the Agreements” mean the Agreements contained in the correspondence between the 6th day of May, 1972 and the 11th day of May, 1972 on behalf of the Government and the banks set out in the Schedule;

“Banks” mean the Banks listed in the Second Schedule to the Sugar Industry (Rehabilitation) Loan Act.

Confirmation of Agreements.

3. The Agreements are hereby confirmed.
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SCHEDULE*(Section 2)***AGREEMENTS OF THE GOVERNMENT OF THE STATE
WITH THE BANKS IN REGARD TO THE REHABILITATION OF THE
SUGAR INDUSTRY OF THE STATE****Letter addressed by the Manager of Barclays Bank International Limited,
Basseterre, St. Kitts to the Attorney-General under date 6th May, 1972.**

BARCLAYS INTERNATIONAL

Barclays Bank International Limited
P. O. Box 42,
Basseterre, St. Kitts, The West Indies
Telegraphic address Barcladom

6th May, 1972

L. L. Moore Esq.,
Attorney General,
Attorney General's Chambers,
Government of St. Kitts, Nevis and Anguilla
Government Headquarters,
BASSETERRE.

Dear Sir,

We refer to our recent discussions in regard to assisting Government to finance the operations of the 1973 and 1974 sugar crop to the extent of \$3.6 million.

We now advise that we are prepared to assist up to \$1 million as our share of the finance for the cultivation and reaping of the 1973 and 1974 cane crop on the following conditions:

1. Similar facilities to be provided by Royal Bank of Canada and Bank of America and St. Kitts Nevis Anguilla National Bank Ltd. to participate to the extent of \$600,000.
2. Assistance will be direct to Government by way of debentures at an interest rate of 8% per annum. Interest to be payable half yearly and maturity date not later than December 31st, 1977.
3. Debentures are to be issued in series and may be redeemed and re-issued during the years 1972 and 1973 within the overall limit and maturity as the cash situation of the industry requires. Such debentures are to qualify as instruments against which the Banks may borrow from any Central Bank Authority that might be established to adjust the liquidity position or cash reserve situation from time to time.
4. Redemption shall commence on the start of reaping of the 1973 crop from the proceeds of the crop, although it is understood that Debentures may be re-

issued in line with condition 3. If there is a net deficit at the end of the 1974 crop, such deficit will be a direct charge on the Consolidated Fund without further recourse to the fortunes of the sugar industry. This can be repaid in full without penalty or in equal semi-annual instalments. If the full amount is outstanding at the end of the 1974 crop Debentures will be redeemed in equal semi-annual instalments. On an equal pro-rata basis between the Banks this would be as follows:

December 1974	Maximum outstanding	\$3,000,000
June 1975	Maximum outstanding	2,400,000
December, 1975	Maximum outstanding	1,800,000
June, 1976	Maximum outstanding	1,200,000
December, 1976	Maximum outstanding	600,000
June, 1977	Maximum outstanding	—

5. Draw down, redemption, re-issue and repayment to be on an equal pro-rata basis.
6. A commitment fee of one half per cent per annum will be payable on the undrawn balance commencing 15th June, 1972 and will be calculated half-yearly in arrears.

The foregoing are in line with our discussions.

Yours faithfully,
J. C. O'SHEA
MANAGER.

cc: The Royal Bank of Canada,
Bank of America,
St. Kitts-Nevis-Anguilla National Bank Ltd.

Reply of the Honourable Attorney-General dated 11th May, 1972, to the above mentioned letter.

ST. CHRISTOPHER NEVIS ANGUILLA

Attorney-General's Chambers,
Government Headquarters,
P. O. Box 164,
St. Kitts, W. I.
11th May, 1972.

J. C. O'Shea, Esq.,
Manager,
Barclays Bank International Limited,
Basseterre.

Dear Sir,

I have to thank you for your letter of 6th May, 1972 setting out the conditions on which your Bank will make a loan to the Government.

2. I am authorised to tell you that the Government accepts your offer, the terms of which, as you rightly state, are in line with our discussion.

3. I must advise that to give formal expression to the arrangement, your letter and this reply will be incorporated in a short Bill which will be passed to you for inspection before its introduction to the House of Assembly.

Yours faithfully,
LEE L. MOORE
Attorney- General.

**Letter addressed by the Manager of Royal Bank of Canada, Basseterre, St. Kitts
to the Attorney-General under date 8th May, 1972.**

THE ROYAL BANK OF CANADA
Incorporated in Canada with Limited Liability

Basseterre, St. Kitts.

May 8th, 1972.

L. L. Moore Esq.,
Attorney General,
Attorney General's Chambers,
Government of St. Kitts, Nevis and Anguilla
Government Headquarters
Basseterre.

Dear Sir,

We refer to our recent discussions in regard to assisting Government to finance the operations of the 1973 and 1974 sugar cane crop to the extent of \$3.6 million.

We now advise that we are prepared to assist up to \$1 million as our share of the finance for the cultivation and reaping of the 1973 and 1974 cane crop on the following conditions:

1. Similar facilities to be provided by Barclays Bank International Ltd and Bank of America and St. Kitts Nevis Anguilla National Bank Ltd. to participate to the extent of \$600,000.
2. Assistance will be direct to Government by way of debentures at an interest rate of 8% per annum. Interest to be payable half yearly and maturity date not later than December 31st, 1977.
3. Debentures are to be issued in series and may be redeemed and re-issued during the years 1972 and 1973 within the overall limit and maturity as the cash situation of the industry requires. Such debentures are to qualify as instruments against which the Banks may borrow from any Central Bank Authority that might be established to adjust the liquidity position or cash reserve situation from time to time.
4. Redemption shall commence on the start of reaping of the 1973 crop from the proceeds of the crop, although it is understood that Debentures may be re-issued in line with condition 3. If there is a net deficit at the end of the 1974 crop, such deficit will be a direct charge on the Consolidated Fund without further recourse to the fortunes of the sugar industry. This can be repaid in full without penalty or in equal semi-annual instalments. If the full amount is outstanding at the end of the 1974 crop Debentures will be redeemed in equal

semi-annual instalments. On an equal pro-rata basis between the Banks, this would be as follows:

December 1974	Maximum outstanding	\$3,000,000
June 1975	Maximum outstanding	2,400,000
December 1975	Maximum outstanding	1,800,000
June 1976	Maximum outstanding	1,200,000
December 1976	Maximum outstanding	600,000
June 1977	Maximum outstanding	—

5. Draw down, redemption, re-issue and repayment to be on equal pro-rata basis.
6. A commitment fee of one half per cent per annum will be payable on the undrawn balance commencing 15th June, 1972 and will be calculated half-yearly in arrears.

The foregoing are in line with our discussions.

Yours faithfully,
W. L. BECKETT
Manager.

c.c. Barclays Bank International Ltd.,
Bank of America.,
St. Kitts-Nevis-Anguilla National Bank Ltd.

Reply of the Honourable Attorney-General dated 11th May, 1972, to the above mentioned letter.

ST. CHRISTOPHER NEVIS ANGUILLA

Attorney-General's Chambers,
Government Headquarters,
P. O. Box 164,
St. Kitts, W. I.
11th May, 1972.

W. Beckett, Esq.,
Manager,
Royal Bank of Canada,
Basseterre.

Dear Sir,

I have to thank you for your letter of 8th May, 1972 setting out the conditions on which your Bank will make a loan to the Government.

2. I am authorised to tell you that the Government accepts your offer, the terms of which, as you rightly state, are in line with our discussion.

3. I must advise that to give formal expression to the arrangement, your letter and this reply will be incorporated in a short Bill which will be passed to you for inspection before its introduction to the House of Assembly.

Yours faithfully,
LEE L. MOORE
Attorney General

Letter addressed by the Manager of the Bank of America National Trust and Savings Association, Basseterre, St. Kitts to the Attorney-General under date 9th May, 1972.

BANK OF AMERICA

National Trust and Savings Association

St. Kitts, West Indies

Cable Address — BANKAMERICA

JOHN D. TOPLEY

Manager

9th May, 1972.

Lee L. Moore Esq., LL.M., LL. B.,
Attorney General,
Attorney General's Chambers,
Government of St. Kitts, Nevis and Anguilla,
Government Headquarters,
Church Street,
Basseterre.

Dear Sir,

We refer to our recent discussions in regard to assisting Government to finance the operations of the 1973 and 1974 sugar cane crop to the extent of \$3.6 million.

We now advise that we are prepared to assist up to \$1 million as our share of the finance for the cultivation and reaping of the 1973 and 1974 cane crop on the following conditions:

1. Similar facilities to be provided by Barclays Bank International Ltd. and the Royal Bank of Canada and St. Kitts-Nevis-Anguilla National Bank Ltd. to participate to the extent of \$600,000.
2. Assistance will be direct to Government by way of debentures at an interest rate of 8% per annum. Interest to be payable half yearly and maturity date not later than December 31, 1977.
3. Debentures are to be issued in series and may be redeemed and reissued during the years 1972 and 1973 within the overall limit and maturity as the cash situation of the industry requires. Such debentures are to qualify as instruments against which the Banks may borrow from any Central Bank Authority that might be established to adjust the liquidity position or cash reserve situation from time to time.
4. Redemption shall commence on the start of reaping of the 1973 crop from the proceeds of the crop, although it is understood that Debentures may be re-issued in line with condition 3. If there is a net deficit at the end of the 1974 crop, such deficit will be a direct charge on the Consolidated Fund without further recourse to the fortunes of the sugar industry. This can be repaid in full without penalty or in equal semi-annual instalments. If the full amount is

outstanding at the end of the 1974 crop, Debentures will be redeemed in equal semi-annual instalments. On an equal pro-rata basis between the Banks, this would be as follows:

December 1974	Maximum outstanding	\$3,000,000
June 1975	Maximum outstanding	2,400,000
December 1975	Maximum outstanding	1,800,000
June 1976	Maximum outstanding	1,200,000
December 1976	Maximum outstanding	600,000
June 1977	Maximum outstanding	—

5. Draw down, redemption, re-issue and repayment to be on an equal pro-rata basis.
6. A commitment fee of one half per cent per annum will be payable on the undrawn balance commencing 15th June, 1972 and will be calculated half-yearly in arrears.

The availability of this commitment is to expire on June 15, 1972.

Yours faithfully,
JOHN D. TOPLEY
Manager.

JDT/yc

c.c. Barclays Bank International Ltd.
The Royal Bank of Canada
St. Kitts-Nevis-Anguilla National Bank Ltd.

Reply of the Honourable Attorney-General dated 11th May, 1972 to the above mentioned letter.

ST. CHRISTOPHER NEVIS ANGUILLA

Attorney-General's Chambers,
Government Headquarters,
P. O. Box 164,
St. Kitts, W. I.
11th May, 1972.

John D. Topley, Esq.,
Manager,
Bank of America N. T. & S. A.,
Basseterre.

Dear Sir,

I have to thank you for your letter of 9th May, 1972 setting out the conditions on which your Bank will make a loan to the Government.

2. I am authorised to tell you that the Government accepts your offer, the terms of which, as you rightly state, are in line with our discussion.

3. I must advise that to give formal expression to the arrangement, your letter and this reply will be incorporated in a short Bill which will be passed to you for inspection before its introduction to the House of Assembly.

Yours faithfully,
LEE L. MOORE
Attorney-General.

Letter addressed by the Manager of the St. Kitts-Nevis-Anguilla National Bank Limited, Basseterre, St. Kitts to the Attorney-General under date 10th May, 1972.

ST. KITTS-NEVIS-ANGUILLA

NATIONAL BANK LIMITED

Registered Office: Comer of Princes and Church Streets

Cable Address: "NATBANK", St. Kitts.

P. O. Box 343

Basseterre, St. Kitts W. I.

10th May, 1972.

L. L. Moore Esq.,
Attorney General,
Attorney General's Chambers,
Government of St. Kitts, Nevis and Anguilla
Government Headquarters,
Basseterre.

Dear Sir,

We refer to our recent discussions in regard to assisting Government to finance the operations of the 1973 and 1974 sugar crop to the extent of \$3.6 million.

We now advise that we are prepared to assist up to \$600,000 as our share of the finance for the cultivation and reaping of the 1973 and 1974 cane crop on the following conditions:

1. Facilities up to \$1,000,000 to be provided by The Royal Bank of Canada, Bank of America and Barclays Bank International respectively.
2. Assistance will be direct to Government by way of debentures at an interest rate of 8% per annum. Interest to be payable half yearly and maturity date not later than December 31st, 1977.
3. Debentures are to be issued in series and may be redeemed and reissued during the years 1972 and 1973 within the overall limit and maturity as the cash situation of the industry requires. Such debentures are to qualify as instruments against which the Banks may borrow from any Central Bank Authority that might be established to adjust the liquidity position or cash reserve situation from time to time.
4. Redemption shall commence on the start of reaping of the 1973 crop from the proceeds of the crop, although it is understood that Debentures may be re-issued in line with condition 3. If there is a net deficit at the end of the 1974 crop, such deficit will be a direct charge on the Consolidated Fund without further recourse to the fortunes of the Sugar industry. This can be repaid in full without penalty or in equal semiannual instalments. If the full amount is outstanding at the end of the 1974 crop Debentures will be redeemed in equal

semi-annual instalments. On an equal pro-rata basis between the Banks this would be as follows:

December 1974	Maximum outstanding	\$3,000,000
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December 1975	Maximum outstanding	1,800,000
June 1976	Maximum outstanding	1,200,000
December 1976	Maximum outstanding	600,000
June 1977	Maximum outstanding	—

5. Draw down, redemption, re-issue and repayment to be on an equal prorata basis.
6. A commitment fee of one half per cent per annum will be payable on the undrawn balance commencing 15th June, 1972 and will be calculated half-yearly in arrears.

The foregoing are in line with our discussions.

Yours faithfully,
 E. W. LAWRENCE
Manager.

c.c. The Royal Bank of Canada,
 Bank of America,
 Barclays Bank International.

Reply of the Honourable Attorney-General dated 11th May, 1972 to the above mentioned letter.

ST. CHRISTOPHER NEVIS ANGUILLA

Attorney-General's Chambers,
Government Headquarters,
P. O. Box 164,
St. Kitts, W. I.
11th May, 1972.

E. W. Lawrence, Esq.,
Manager,
St. Kitts-Nevis-Anguilla National Bank Limited.

Dear Sir,

I have to thank you for your letter of 10th May, 1972 setting out the conditions on which your Bank will make a loan to the Government.

2. I am authorised to tell you that the Government accepts your offer, the terms of which, as you rightly state, are in line with our discussion.
3. I must advise that to give formal expression to the arrangement, your letter and this reply will be incorporated in a short Bill which will be passed to you for inspection before its introduction to the House of Assembly.

Yours faithfully,
LEE L. MOORE
Attorney-General.
