



ST. CHRISTOPHER AND NEVIS

CHAPTER 20.16

FRIGATE BAY DEVELOPMENT LOAN 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—

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CHAPTER 20.16

FRIGATE BAY DEVELOPMENT LOAN ACT

AN ACT TO MAKE PROVISION FOR RAISING THE NECESSARY MONEY TO PROVIDE FUNDS TO MEET THE COST OF CERTAIN DEVELOPMENT WORKS AT FRIGATE BAY IN THE ISLAND OF SAINT CHRISTOPHER.

Short title.

1. This Act may be cited as the Frigate Bay Development Loan Act.

Interpretation.

2. In this Act—

“Government” means the Government of the State;

“Minister” means the member of the Cabinet responsible for the subject of finance;

“State” means the State of Saint Christopher and Nevis.

Authority to borrow a sum not exceeding two million four hundred thousand dollars.

3. Subject to the provisions of this Act, it shall be lawful for the Government and the Government is hereby authorised from time to time as they may require the same, to borrow from any person or persons, body or bodies, politic or corporate, willing to lend the same, a sum or sums of money not exceeding in the aggregate two million four hundred thousand East Caribbean dollars to be appropriated and applied by the Government as hereinafter provided.

Principal monies and interest a charge upon Consolidated Fund.

4. The principal monies and interest represented by any loan or loans raised under the provisions of this Act are hereby charged upon and shall be payable out of the Consolidated Fund of the State.

Manner of raising loan.

5. The loan or loans hereby authorised or any part of such loan or loans shall be raised by the issue of Debentures.

Debentures to be issued in State and signed by Minister and Accountant-General.

6. The debentures shall be issued in the State and shall be signed by the Minister and by the Accountant General.

Form and amount of debentures and interest on debentures.

7. (1) The debentures issued under the authority of this Act shall be in such form as the Minister may direct or approve.

(2) Each debenture may be for a sum of one hundred dollars or a multiple thereof and shall bear interest from the day named in that behalf in the debenture to the day on which the sum shall be redeemed and such interest shall be paid quarterly on the days named in that behalf in the debenture.

Redemption of debentures.

8. The debentures issued under the authority of this Act shall be redeemable at a price not exceeding par on a fixed date to be declared on the issue of the debentures:

Provided that the Government may reserve the option to redeem the debentures or part of them by drawings or otherwise at any time prior to such date on such conditions as may be declared at the time of issue.

Register Book to be kept.

9. Every debenture issued under the authority of this Act shall, before being issued, be registered in a Register Book to be kept for that purpose at the Treasury.

Coupons to be attached to debentures.

10. (1) There shall be attached to every debenture, coupons in such form as the Minister may direct or approve, for the payment of the interest to become due in each quarter upon the principal represented by the debenture.

(2) 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 period as the Minister may determine.

Transferable by delivery.

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

Provision for payment of interest and for contribution to Sinking Fund.

12. (1) So long as any of the debentures remain outstanding the Accountant-General shall, in each quarter, appropriate from the Consolidated Fund of the State a sum equal to the amount of interest then due on the whole of the debentures including any which may have been redeemed, and with that sum shall pay interest then due on the outstanding debentures on the day when it falls due.

(2) The Accountant-General shall further appropriate half yearly out of the Consolidated Fund of the State a sum of money representing a certain percentage on the total amount of the loan to be decided upon by the Minister and shall invest the said sum in the purchase of such securities as may be approved by Cabinet as a sinking fund for the final extinction of the debt and he or she shall also invest the dividends, interest or produce of such investment in the purchase of like securities and may from time to time with the approval of Cabinet change any such investment and shall hold such fund in trust for the repayment of the principal monies for the time being represented by the debentures.

(3) Debentures shall not be deemed to be outstanding for the purpose of this Act 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.

Any deficiency of Sinking Fund to be made good from assets of State.

13. In case the Sinking Fund shall be insufficient for payment of all the principal monies borrowed under the authority of this Act at the time the same shall have become due the Government shall make good the deficiency out of the Consolidated Fund of the State.

Expenses incidental to Sinking Fund how paid.

14. All expenses of and incidental to the Management of the Sinking Fund or the repayment of the principal monies borrowed under the authority of this Act shall be paid out of the Sinking Fund.

Cancellation of debentures.

15. Upon payment of the principal monies secured by any debenture, the debenture shall be delivered to the Accountant-General to be by him or her cancelled and retained.

Appropriation and purpose to which loan to be applied.

16. (1) Any sum raised to defray the expenses of issue shall be applied only to that purpose.

(2) Save as aforesaid the money raised by loan under the authority of this Act shall be appropriated and applied for the purpose of—

- (a) the provision of funds for financing development work to be carried out in connection with Government's development of the Frigate Bay Area;
 - (b) defraying expenses incidental to the above.
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