



ST. CHRISTOPHER AND NEVIS

CHAPTER 20.55

**REFINANCING OF EXISTING
SHORT TERM DEMAND DEBT ACT**

Revised Edition

showing the law as at 31 December 2009

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This edition contains a consolidation of the following laws—

**REFINANCING OF EXISTING
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Act 23 of 2007 ... in force 19th December 2007

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SHORT TERM DEMAND DEBT ACT

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CHAPTER 20.55
REFINANCING OF EXISTING
SHORT TERM DEMAND DEBT ACT

AN ACT TO AUTHORISE THE GOVERNMENT OF SAINT CHRISTOPHER AND NEVIS TO BORROW A SUM OR SUMS OF MONEY NOT EXCEEDING IN THE AGGREGATE ONE HUNDRED AND FIFTY MILLION EASTERN CARIBBEAN DOLLARS OR THE EQUIVALENT THEREOF IN ANY FOREIGN CURRENCY OR CURRENCIES FOR THE PURPOSE OF REFINANCING EXISTING SHORT TERM DEMAND DEBT HELD WITH COMMERCIAL BANKS DOMICILED IN SAINT CHRISTOPHER AND NEVIS; AND TO PROVIDE FOR RELATED OR INCIDENTAL MATTERS.

Short title.

1. This Act may be cited as the Refinancing of Existing Short Term Demand Debt Act.

Interpretation.

2. In this Act, unless the context otherwise requires—

“Debenture” includes a bond;

“Government” means the Government of Saint Christopher and Nevis;

“Minister” means the Minister responsible for Finance;

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

Power of Government to borrow money.

3. (1) 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 it may require the same to borrow from any person or persons, body or bodies, politic or corporate including any bank or financial institution, in such form and manner and under such terms as it may deem expedient—

(a) a sum or sums of money not exceeding in the aggregate one hundred and fifty million Eastern Caribbean Dollars to be divided into such tranches and such currencies as the Minister may approve; and

(b) such further sums as may be necessary to defray the expenses associated with such borrowing.

Appropriation and purpose to which borrowing to be applied.

4. (1) The money borrowed under the authority of this Act shall be appropriated and applied for the purpose of refinancing existing short term demand debt held with commercial banks domiciled in Saint Christopher and Nevis.

(2) Any sum borrowed to defray the expense of such borrowing shall be applied only to that purpose.

Borrowing to be charged out of the Consolidated Fund.

5. The principal monies, any interest and other debt charges represented by any borrowing raised under the authority of this Act shall be a charge upon and payable out of the Consolidated Fund of the State.

Exemption from taxes.

6. Notwithstanding the provisions of any other enactment, the Minister may, by Order, exempt any payment of the principal, interest or any other debt charge payable in respect of any borrowing raised under this Act, from any tax.

Manner of raising borrowing.

7. The borrowing hereby authorised or any part of such borrowing shall be raised by the issue of Debentures.

Form of Debentures.

8. Each Debenture issued under this Act shall be in such form as the Minister may approve.

How Debentures to be signed.

9. The Debentures shall be issued in the State and shall be signed by the Minister or the Financial Secretary.

Register book of Debentures.

10. Each Debenture issued pursuant to this Act shall before being issued be registered in a register to be kept for that purpose.

Registrar and paying agent.

11. The Government may, on such terms as may be approved by the Minister, retain a registrar and a paying agent for the purpose of—

- (a) keeping and maintaining the register referred to in section 10 or any other records;
- (b) making any payments or arrangements for payments under this Act; and
- (c) generally for carrying out on behalf of the Government any administrative matters relating to the borrowing.

Debentures and rates of interest.

12. Each Debenture shall be issued at a price to be determined by the Minister and shall bear interest at such rate as the Minister may approve.

Debentures transferable by delivery.

13. Each Debenture issued pursuant to this Act and the right to receive the principal and interest secured or represented thereby shall be transferable in such form and by such manner as may be determined by the Minister.

Payment of interest.

14. The interest upon the principal represented by each Debenture issued under this Act shall run from the day named in that behalf in the Debenture and shall be paid half yearly on the day named in that behalf.

Mode of providing for redemption of Debenture.

15. The Minister shall in every year from and after the date of issue of the first Debenture appropriate out of the Consolidated Fund, a sum equal to the amount of principal, interest and other debt charges then due on the whole of the Debentures including any which have been redeemed and with that sum shall pay the principal, interest and other debt charges then due on the outstanding Debentures on the day when it falls due.

Authority to execute documents.

16. The Minister or the Financial Secretary is hereby authorised to execute on behalf of the Government any or all of the documents that may be necessary to raise borrowing under this Act.

General power of Minister.

17. In order to give effect to the provisions of this Act, the Minister may, generally issue any order or take any action in relation to any Debentures issued under this Act or the borrowing authorised under this Act except that any such action or order shall not be inconsistent—

- (a) with the purpose of this Act; or
- (b) the terms or conditions of any borrowing raised under this Act.
