



[L.S.]

I Assent,

James B. Carlisle,
Governor-General.

15th November, 2005

ANTIGUA AND BARBUDA

No. 19 of 2005

AN ACT to make provision for the borrowing of money by the issue of Debentures.

*[Published in the Official Gazette Vol. XXV No. 77
dated 1st December, 2005.]*

ENACTED by the Parliament of Antigua and Barbuda as follows —

- 1.** This Act may be cited as the General Loan Act, 2005. Short title.
- 2.** In this Act, unless the context otherwise provides — Interpretation.

“holder” means the person for the time being entered in the register as the holder of a debenture and in each case includes such person’s personal representative.

“investor” refers to a person, group, broker dealer, organization, firm or company that purchases debentures.

“Minister” means Minister responsible for Finance.

“register” includes the register in which the particulars of holders are by virtue of any enactment required to be

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entered, and a register maintained in a computer-based system.

No. 14. of 2001 “Securities Act” means the Securities Act, 2001

“Securities Registry” means the Eastern Caribbean Central Securities Registry Limited or such other securities registry approved by the Government to carry out the functions of a securities registry under the provisions of this Act.

Scope. **3.** The Act applies to loans raised within and outside Antigua and Barbuda.

Loans to be raised by Debentures. **4.** (1) Whenever the Minister is authorised by an Act to raise any sum of money for the purposes mentioned in such Act, the Minister may, if he deems it expedient, direct the Financial Secretary, in writing, to raise all or part of such sum by the issue of Debentures.

(2) The Minister shall determine the amount of debenture directed by him to be issued under this Act.

Loans to be a charged upon Consolidated Fund. **5.** The principal monies and interest represented by such debentures are hereby charged upon and shall be payable out of the Consolidated fund.

Borrowing upon Debentures. **6.** The Debentures shall be issued upon the best and most favourable terms that can be obtained.

Forms of issue of debentures. **7.** (1) The Minister may direct that Debentures be issued in certificated or uncertificated form

(2) Debentures issued in a certificated form shall be authenticated in such names as may, from time to time, be approved by the Minister;

(3) Debentures issued in an uncertificated form shall be authorised by the Minister or by persons authorised by him.

Debentures may be either fixed-date or drawing Debentures. **8.** The Debentures shall be redeemable either —

- (a) 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 Minister may reserve the option to redeem the Debentures prior to such 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 or at the option of the Minister by purchase in the market as hereinafter provided (such Debentures being hereinafter referred to as drawing Debentures).

9. (1) The Securities Registry shall maintain a register in such form as may be prescribed by the Minister and shall enter the particulars of every Debenture issued.

Debentures to be registered and transferable by instrument in writing.

(2) The ownership of Debentures, which are issued under this Act, may subject to the provisions of this Act, be evidenced and transferred without a written instrument.

10. (1) A register of Debentures is prima facie evidence of any matters which are, by these Regulations, directed or authorised to be entered in the register.

Register to be conclusive evidence of facts entered therein.

(2) A register of Debentures or an extract of such register shall be admissible in evidence in any court by means of a document printed from the Securities Registry system and certified by the person authorised to certify such documents.

11. The Accountant General shall effect payment of the principal and interest on every Debenture in accordance with instructions given in writing by the holder.

Payment of interest.

12. (1) The Minister shall appropriate out of the Consolidated Fund, the sum to pay the principal and interest represented by the Debentures issued by the Minister and, out of the sum so appropriated, he shall remit such amount at such time as will enable it to pay the principal and interest on every Debenture when such Debenture falls due, and shall cause every Debenture to be paid when it falls due.

Repayment of bonds.

(2) Debentures shall not be deemed to be outstanding for the purpose of this Act by reason only that anyone of the holders have not given instructions for payment on the day appointed for payment and have in consequence not been paid.

Loan to be paid
out of the
Consolidated
Fund.

13. (1) The Minister shall appropriate out of the Consolidated Fund the necessary sum to pay the principal and interest represented by the debentures issued by the Minister and out of the sum so appropriated shall remit such amount at such time as will enable it to pay the principal and interest on every debenture when such debenture falls due, and shall cause every debenture to be paid when it falls due.

(2) Debentures shall not be deemed to be outstanding for the purpose of this Act by reason only that one or more of the debenture holders have not given instructions for payment on the day appointed for payment and have in consequence not been paid.

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

14. In the case of drawing Debentures, so much of the monies appropriated under section 13 as shall not be required for the immediate payment of interest and the accumulations thereon shall be held by the Accountant-General 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 of the special fund in respect of any loan, and so long thereafter as any of the Debentures remain outstanding, the Minister 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 under paragraph (a) for drawing by lot, the Accountant-General shall publish in the *Gazette* and in at least two of the

local newspapers circulating in Antigua and Barbuda not less than fifteen days notice, specifying the day on which, and the hour and the place at which, the drawing will take place.

- (c) On the day and at the hour and place so specified, the Accountant-General or any other officer appointed by the Minister for the purpose shall hold a meeting at which the holder of any Debenture may, if he thinks fit, be present, and shall then in the presence of such Debenture holders as may attend draw a lot, out of the whole number of Debentures for the time being outstanding, Debentures of the specified nominal amount.
- (d) The Accountant-General or any other officer appointed under paragraph (c) shall thereupon declare the distinguishing numbers of the Debentures drawn for redemption.
- (e) Subject to paragraph (d), the Accountant-General shall, as soon as may be, publish in the *Gazette* and at least one of the local newspapers circulating in Antigua and Barbuda, a notice specifying the distinguishing 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 Debenture numbers so distinguished will be repaid.
- (f) Notice of the Debentures drawn for redemption shall also be sent by post to the registered holders of such Debentures.
- (g) From and after the day so appointed, the Accountant-General shall at his office, pay on demand to the holders of the Debentures drawn for repayment, the principal monies represented by these Debentures, with all interest payable thereon up to the appointed day.

Cessation of interest from day appointed for payment of principal.

15. From and after the day appointed under section 14 for the repayment of any Debenture, whether a fixed-date or a drawing Debenture, all interest on the principal monies represented by the Debentures shall cease and determine, whether payment of the principal shall have been demanded or not.

Redeemed Debentures to be cancelled.

16. (1) Upon payment of the principal monies secured by any debenture, all the entries in the Register relating to any Debenture shall be cancelled.

(2) Where Debentures are issued in certificated form, upon repayment of the principal monies represented by any debenture, such debenture shall be delivered up to the Accountant General to be cancelled and retained. Any drawing debenture redeemed by purchase shall likewise be so cancelled and retained.

Expenses of redemption to be borne by sinking fund.

17. All expenses of or incidental to the redemption of the Debentures and the costs and expenses of all notices required by this Act to be given may be paid out of the special fund.

Confidentiality of information.

18. (1) No person who has acquired knowledge in his capacity as secretary, officer, employee or agent of the Government shall disclose to any person or governmental authority, the identity, assets, liabilities, transactions or other information in respect of a holder except:

- (a) with the written authorisation of the holder or of his heirs or legal personal representatives; or
- (b) for the purpose of the performance of his duties within the scope of his employment in conformity with the provisions of this Act or rules governing the operations of the Securities Exchange, and the Securities Registry; or
- (c) when lawfully required to make disclosure by any court of competent jurisdiction within or outside Antigua and Barbuda; or
- (d) under the provisions of any laws of Antigua and Barbuda or agreement among the participating Governments.

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(2) Every person who contravenes the provisions of subsection (1) commits an offence and is liable on summary conviction to a fine not exceeding fifteen thousand dollars or to imprisonment for a term not exceeding two years or to both such fine and imprisonment.

19. The General Loan Act is repealed

Repeal of
Cap.189.

Passed by the House of Representatives this
14th day of October, 2005.

Passed by the Senate this 3rd
day of November, 2005.

D. Giselle Isaac-Arrindell,
Speaker.

Mackenzie M. Frank,
Vice President.

Yvonne Henry,
Clerk to the House of Representatives.

Yvonne Henry,
Clerk to the Senate.

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GENERAL LOAN ACT, 2005
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