
CHAPTER 381
THE BAHAMAS DEVELOPMENT LOAN

ARRANGEMENT OF SECTIONS

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CHAPTER 381

THE BAHAMAS DEVELOPMENT LOAN

An Act to provide for the raising of a loan by the Government of The Bahamas and for purposes connected therewith. *14 of 1966
5 of 1987*

[Commencement 27th May, 1966]

1. This Act may be cited as the The Bahamas Development Loan Act. Short title.
2. In this Act, unless the context otherwise requires — Interpretation.
- “debentures” means any bonds or securities of any other nature issued under the provisions of this Act, and includes any replacement bonds or other securities issued in substitution therefor or replacement thereof in accordance with the terms of original issue thereof;
- “Government” means the Government of The Bahamas;
- “Harbour of Nassau” has the meaning given to that term in the Port Authorities Act; Ch. 269.
- “Minister” means the Minister of Finance;
- “principal monies” means the principal monies, including any prepayment premium, secured by the debentures.
3. (1) The Minister, for and on behalf of the Government, may raise by the issue of debentures a sum not exceeding fourteen million dollars, in the currency of the United States of America, to be applied for defraying expenses in connection with the improvement of facilities at the Harbour of Nassau, the expansion and improvement of the waterworks system of New Providence, the expansion and improvement of the telecommunications system of The Bahamas and for such other development purposes as may be approved by the Governor-General, or for any one or more of the purposes authorised by this section. Authority to raise dollar loan not exceeding \$14,000,000.

(2) The Minister may enter into any agreements necessary for giving effect to the provisions of subsection (1) of this section, and such agreements may be subject to such covenants, terms and conditions, not inconsistent with the provisions of this Act, as the Minister considers to be expedient.

Principal monies and interest, how secured.

4. Subject to the provisions of section 13 of this Act, the principal monies and interest thereon are hereby charged upon the Consolidated Fund, the general revenues and other public funds and assets of The Bahamas, and all sums falling due for payment in respect of interest or repayment of the principal monies are hereby made payable out of the Consolidated Fund and any other funds or assets aforesaid.

Amount and terms of debentures.

5. The debentures shall be for such sums or denominations as the Governor-General shall deem advisable and shall bear interest at a rate not exceeding seven per centum per annum payable half-yearly and shall be redeemable, upon such terms and dates as the Governor-General may approve, over a period not exceeding fifteen years.

Form and signature of debentures.

6. Subject to the provisions of this Act, the debentures shall bear such designation and be subject to such covenants, terms and conditions and issued in such form as the Minister shall determine and shall be signed, authenticated or countersigned by such person and in such manner as the Minister may direct.

Cancellation of debentures upon repayment.

7. Upon repayment of the principal monies to which any debentures relates such debenture shall be cancelled and destroyed in such manner as the Minister may direct.

Issue, transfer and cancellation of debentures to be recorded in Register Book.

8. (1) Every debenture shall, before being issued, be registered in a Register Book to be maintained for that purpose and the name and address of the holder of each debenture and all transfers and cancellations of debentures shall be recorded in such Register Book.

(2) The Minister may, if he thinks fit, by Order authorise the making and maintaining of a duplicate Register Book.

(3) Debentures shall be transferable by instrument in writing in such form as may be prescribed by the Minister and any such instrument shall be produced in support of an application for the registration of a transfer to which it relates.

9. Interest accruing due on the debentures and repayments of the principal monies shall be made in such coin or currency of the United States of America as at the time of payment is legal tender in that country and, subject to the provisions of section 13 of this Act, no other present or future general obligation of the Government, including any other present or future loan indebtedness of or guarantees by the Government, shall rank prior in right of payment (whether by reason of priority of date of issue, currency of payment or otherwise) to the payments due in respect of interest or the repayment of the principal monies of the debentures.

Payments of interest and repayment of principal monies. *5 of 1987, Sch.*

10. The provisions of the Exchange Control Regulations Act and of any Finance Regulations made thereunder shall not be deemed to permit the exercise of any powers or the imposition of any restrictions inconsistent with the obligations authorised or imposed by this Act.

Restrictions under Ch. 360 not to apply to payments made under this Act.

11. The obligations represented by the debentures and any assignments, transfers or other dispositions thereof shall be free of and exempt from any and all present or future taxes, duties, financial assessments or impositions or other charges of any kind whatsoever (whether by way of income, withholding, capital gains, capital levy, issue, transfer, stamp, gift, estate, inheritance or succession taxes or other charges or otherwise howsoever) now or at any time hereafter created, imposed, levied or collected by the Government or any authority constituted by law in The Bahamas, and the principal monies and the interest thereon shall be paid and discharged by the Government without deduction for or on account of any such tax, duty, financial assessment or imposition or other charge, and shall be exempt from any attachment, execution or seizure by or for the Government.

Debentures and interest thereon exempted from taxation.

12. All expenses of and incident to the issue of the debentures, the payment of interest thereon and the repayment of the principal monies and all monies required and expenses incurred in carrying out the provisions and objects of this Act shall be paid out of the Consolidated Fund on the warrant of the Minister.

Payment of expenses incurred under Act.

Certain prior obligations not to be affected by this Act.

13. Notwithstanding the provisions of section 4 or of section 9 of this Act, nothing in this Act shall be deemed to diminish or restrict any security, right or interest conferred upon any person or any obligation entered into by the Government pursuant to —

38 of 1961.

- (a) the provisions of the Bahamas Electricity Corporation Loan Act 1961;
- (b) an agreement made the twenty-third day of August, 1961, between the Receiver General for and on behalf of the Government and the First National City Bank of New York relating to the borrowing by the Government of one million six hundred and eighty thousand dollars in the currency of the United States of America in accordance with a resolution of the House of Assembly dated the sixteenth day of March, 1961; and
- (c) an agreement made the twenty-second day of June, 1964, between the Acting Treasurer for and on behalf of the Government and the First National City Bank of New York relating to the borrowing by the Government of five million dollars in the currency of the United States of America in accordance with a resolution of the House of Assembly dated the third day of December, 1963