

Act No. 73 of 1957**INFIRMARY, TUBERCULOSIS SANATORIUM,
DREDGER LOAN**

An Act to authorize the raising of a loan for the construction of an infirmary, tuberculosis sanatorium and dredger. *73 of 1957
SI 113/1965*

[Commencement 22nd July, 1957]

1. This Act may be cited as the Infirmary, Tuberculosis Sanatorium, Dredger Loan Act. Short title.
2. In this Act, “Minister” means the Minister for Finance. Interpretation.
3. It shall be lawful for the Minister to raise locally by the issue of debentures under this Act any sum or sums not exceeding in the whole three hundred thousand pounds to be applied for defraying expenses in connection with the construction of an Infirmary, Tuberculosis Sanatorium and Dredger. Authority to raise loan not exceeding £300,000 by issue of debentures.
4. The principal moneys and interest secured by the debentures issued under this Act are hereby charged upon and made payable out of the general revenue and assets of The Bahamas. Principal moneys and interest, how secured.
5. The debentures shall be for such sums or denominations (not being less than one hundred pounds each) as the Minister shall deem advisable and shall bear interest at such rate as shall be fixed by the Minister by Order but not exceeding five per centum per annum and shall be redeemable not exceeding fifteen years after the respective dates thereof by purchase, or by annual drawings at par, as hereinafter provided. Amount of debentures. Rate of interest.
6. The debentures shall be in such form as the Minister shall determine and shall be signed by the Treasurer or such other person as may be designated for the purpose by the Minister. They shall be countersigned by such other person as may be designated for the purpose by the Minister. Form and signature of debentures.

Register of
debentures.

7. (1) Every debenture shall, before being issued, be registered in a Register Book to be kept for that purpose at the Treasury. The name and address of the holder of each debenture and all transfers and cancellations of debentures shall be noted in the Register Book.

Duplicate
Register.

(2) The Minister may, if deemed advisable, by Order authorize the making and keeping of a duplicate Register Book to be kept at such place as may be designated in the said Order.

Debentures to be
transferred in
writing.

8. Debentures shall be transferable by an instrument in writing in such form as shall be prescribed by the Minister.

Interest when
and how payable.

9. The interest accruing due on debentures shall be payable half-yearly out of the Treasury as hereinafter provided.

Mode of
providing for
payment of
interest and
purchase and
redemption of
debentures.

10. (1) The Minister shall appropriate out of the general revenue and assets of The Bahamas in each year during which interest shall be payable on the debentures twenty-eight thousand nine hundred and three pounds which shall be placed to the credit of the Treasurer in an account to be opened in the Treasury to be utilized by him for the purposes hereinafter mentioned.

(2) Out of the said sum of twenty-eight thousand nine hundred and three pounds the Treasurer shall —

- (a) utilize such part as shall be necessary to provide for and pay the annual interest on the debentures from time to time remaining unpaid;
- (b) hold the balance of such sum in trust to apply the same to the purchase of debentures when they can be obtained at a price not exceeding the par value thereof;
- (c) unless the whole of the balance of the said sum shall have been applied in the purchase of debentures pursuant to paragraph (b) hereof, then so long as any of the debentures remain outstanding apply the same (to the nearest one hundred pounds) to the redemption of the debentures to be drawn by lot as hereinafter provided.

(3) Any debenture purchased or redeemed by the Treasurer under the provisions of this Act shall be by him cancelled and destroyed in such manner as the Minister may direct and an appropriate entry to this effect shall be made by him in the Register book.

Cancellation and
destruction of
debentures

11. (1) In the year following the first anniversary of the date on which the debentures are issued, and annually thereafter, unless the whole of the balance of the sum appropriated pursuant to section 10 of this Act shall have been utilized and applied in accordance with subsection (2)(a) and (b) thereof, the Minister shall fix a day, hour and place for the drawing by lot of debentures to be redeemed, and shall specify the amount of debentures so to be drawn.

Drawing of
debentures

(2) When a day, hour and place has been appointed as aforesaid, the Treasurer shall give not less than twenty-one days' previous notice by advertisement in the Official Newspaper of The Bahamas specifying the day, hour and place on and at which such drawing shall take place and the amount of the debentures to be drawn.

(3) On the day and at the hour and place so specified the Minister and the Treasurer or any other persons appointed by the Minister for that purpose shall hold a meeting at which the holder of any debenture may be present and shall in the presence of such debenture holders, if any, as may attend draw by lot out of the whole number of the debentures for the time being outstanding debentures of a par value equal to the amount specified under subsection (1) hereof.

(4) The Minister and the Treasurer or other persons appointed as aforesaid shall thereupon declare the distinguishing numbers of the debentures drawn for redemption and the Treasurer shall within seven days thereafter by advertisement in the Official Newspaper specify the distinguishing numbers of the debentures drawn and thereby appoint a day not being later, as to each debenture, than the day on which the then current half-yearly interest thereon is payable, on which the principal moneys represented by the debentures so drawn will be repaid. Notice of the debentures drawn for redemption shall also be sent by registered post to the holders of such debentures at their addresses as registered in the Register Book.

Notice of
drawing of
debentures

Repayment of debentures drawn.

(5) From and after the day so appointed the Treasurer shall at the Treasury pay on demand to the holder of the debentures drawn for repayment upon surrender of such debentures the principal moneys represented thereby with all interest payable thereon up to the appointed day.

Cessation of interest.

(6) From and after the day appointed for the repayment of any debenture all interest on the principal moneys represented thereby shall cease and determine whether payment of the principal shall have been demanded or not.

Debentures for sums exceeding £100 converted into debentures of £100 each.

12. Where a person who is the holder of a debenture for the payment of a sum exceeding one hundred pounds desires to convert the same into securities of a lower denomination it shall be lawful for the Treasurer with the sanction of the Minister, upon delivery to him of the debentures so desired to be converted, to issue to such persons other debentures in such sums, not being less than one hundred pounds each or multiples of one hundred pounds, as may be approved by the Minister to the extent of the amount for which the debentures so delivered up was originally issued.

Exemption from taxes.

13. The debentures shall be transferable free of any stamp tax, and the debentures and the interest thereon shall not be liable to any duties, levies or any future income or any other similar tax, and any capital profits made on the debentures shall be free of any capital gains or similar tax.