

Act No. 17 of 1958

TELEPHONE LOAN (1958)

An Act to authorise the raising of a loan for the purposes of the telephone system in New Providence and radio telephone circuits between New Providence and the Island of Eleuthera.

*17 cf 1958
18 cf 1959
SI 113/1965*

[Commencement 24 July, 1958]

1. This Act may be cited as the Telephone Loan Act, 1958. Short title.
2. In this Act —
“debentures” means the debentures to be issued under this Act. Interpretation.
3. It shall be lawful for the Governor in Council to raise locally by the issue of debentures under this Act any sum or sums not exceeding in the whole four hundred thousand pounds to be applied for defraying expenses in connection with the expansion and improvement of the telephone system in the Island of New Providence and the Radio Telephone Circuits between New Providence and the Island of Eleuthera. Authority to raise loan not exceeding £400,000 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. Amount of debentures.
5. The debentures shall be for such sums or denominations (not being less than one hundred pounds each) as the Governor in Council shall deem advisable. Principal moneys and interest how secured.
6. Out of the said sum of four hundred thousand pounds authorized to be raised by the issue of debentures under this Act —
 - (a) one hundred thousand pounds shall bear interest at the rate of four and one-quarter per centum per annum and the debentures for that amount shall be redeemable three years from the date of issue; *18 cf 1959, s 2*

- (b) seventy-five thousand pounds shall bear interest at the rate of four and one-half per centum per annum and the debentures for that amount shall be redeemable five years from the date of issue;
- (c) eighty-five thousand pounds shall bear interest at the rate of five per centum per annum and the debentures for that amount shall be redeemable seven years from the date of issue;
- (d) one hundred and forty thousand pounds shall bear interest at the rate of five and one-quarter per centum per annum and the debentures for that amount shall be redeemable ten years from the date of issue.

Form and
signature of
debentures.

7. The debentures shall be in such form as the Governor in Council shall determine and shall be signed by the Treasurer or such other person as may be designated for the purpose by the Governor in Council. They shall be countersigned by the Colonial Secretary or such other person as may be designated for the purpose by the Governor in Council.

Register of
debentures.

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

Debentures to be
transferred in
writing.

9. Debentures shall be transferable by an instrument in writing in such form as shall be prescribed by the Governor in Council.

Interest when
and how payable.

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

11. (1) The Minister for Finance shall appropriate out of the general revenue and assets of The Bahamas in each year a sum of fifty-five thousand pounds which shall be deposited by the Treasurer in an account to be opened in the Treasury to be utilized by him for the purposes hereinafter mentioned.

Mode of providing for payment of interest and redemption of debentures.
SI 113/1965

(2) Out of the said sum of fifty-five thousand 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 to apply the same for the redemption of debentures at the par value thereof as and when such debentures become due for redemption.

(3) All interest on debentures issued under this Act shall cease and determine from and after the day such debentures become due for redemption.

12. Upon the repayment of the principal moneys secured by any debenture issued under this Act the debenture shall be delivered up to the Treasurer to be by him cancelled and destroyed in such manner as the Minister for Finance may direct and an appropriate entry to this effect shall be made by him in the Register Book.

Cancellation and destruction of debentures.
SI 113/1965

13. 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 for Finance, 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 for Finance to the extent of the amount for which the debenture so delivered up was originally issued.

Debentures for sums exceeding £100 converted into debentures of £100 each.
SI 113/1965

14. 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 capital profits made on the debentures shall be free of any capital gains or similar tax.

Exemption from taxes.

Payment of
expenses of
debentures

SI 113/1965

15. All expenses of and incidental to the issue of debentures under this Act and to the repayment of the principal moneys borrowed under this Act and all moneys required and all expenses incurred in carrying out the provisions and objects of this Act shall be paid out of Treasury by warrant in the usual manner on the authority of the Minister of Finance.