

**THE LOANS (EQUITY INVESTMENT BONDS)
ACT**

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THE LOANS (EQUITY INVESTMENT BONDS) ACT

Act
32 of 1987.

[24th December, 1987.]

1. This Act may be cited as the Loans (Equity Investment Bonds) Act. Short title.

2. In this Act—

Interpreta-
tion.

“Bank” means the Bank of Jamaica established by the Bank of Jamaica Act;

“bonds” means Equity Investment Bonds created pursuant to section 3.

3.—(1) Subject to the provisions of this Act, the Minister is hereby authorized to raise from time to time as may be convenient sums of money by the creation and issue of securities termed “Equity Investment Bonds”. Authority
to raise
money.

(2) No sum of money shall be raised under this Act unless, on the day on which that sum is raised, that sum and all principal moneys remaining unpaid in respect of all other sums previously raised under the authority of this Act do not exceed—

(a) the sum of five hundred million dollars; or

(b) such greater amount as may from time to time be approved by the House of Representatives by resolution.

4. Each series of bonds shall bear such rate of interest and shall be subject to such terms and conditions as the Minister may direct before the issue thereof. Terms and
conditions
of bonds.

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Application
of sums
raised by
the issue
of bonds.

5. The sums of money raised by the issue of each series of bonds under this Act shall be applied to finance expenditure on such projects as, before the issue of that series, may be approved by the Government of Jamaica for the purposes of that series.

Register.

6. The Bank shall keep a register containing the following particulars—

- (a) the names and addresses of all holders of bonds;
- (b) the amount and serial numbers of the bonds held by any holder;
- (c) the issue date of a bond; and
- (d) in the case of a transfer, the date of receipt of the copy of such transfer sent to the Bank pursuant to section 7 (2).

Transfer-
ability of
bonds.

7.—(1) Subject to the provisions of this section, bonds shall be transferable.

(2) Where any bond is transferred the transferor shall notify the Bank of the transfer by sending a copy of the transfer to the Bank stating the name and address of the transferee and the date of transfer.

(3) Upon receipt of a copy of such transfer under subsection (2), the Bank shall—

- (a) note thereon the date of receipt by the Bank;
- (b) remove the name and address of the registered owner from the register and enter therein the particulars specified in subsection (2).

(4) The transferee shall, as from the date referred to in subsection (3) (a), be the registered owner of the bond.

(5) No person, other than the persons to whom bonds are issued pursuant to section 11, shall hold bonds in excess

of thirty million dollars either in his own right or jointly with any other person.

8. Any interest payable in respect of a bond to the holder of such bond shall, in the hands of the holder or in the hands of a person entitled to receive it on his behalf, be exempt from income tax.

Interest on bonds exempt from income tax.

9. Bonds shall be exempt from stamp duty and transfer tax.

Exemption from transfer tax and stamp duty.

10. There shall be charged on and paid out of the Consolidated Fund—

Charge on the Consolidated Fund.

- (a) the expenses of issue of the loan or any part thereof;
- (b) the principal moneys represented by bonds issued pursuant to this Act; and
- (c) any interest payable in respect of such bonds.

11.—(1) The Bank and such other persons as may from time to time be approved by the Minister by notice published in the *Gazette*, may handle on behalf of the Government the issuing of bonds under this Act.

Handling registration and repayment of bonds.

(2) The Bank on behalf of the Government shall be responsible for the registration and repayment of bonds.

(3) There shall be paid to the Bank out of the Consolidated Fund such sums as may be agreed upon between the Minister and the Bank in respect of the exercise in any financial year of the functions of the Bank under this Act.

12.—(1) The Minister may make regulations for the purposes of this Act and in particular, but without prejudice to the generality of the foregoing, may make regulations as to the manner in which and conditions under which any

Regulations.

LOANS (EQUITY INVESTMENT BONDS)

moneys may be raised and repaid, including the repayment of interest thereon, pursuant to this Act, and as to the fees which may be charged in respect of the replacement of bonds.

(2) Regulations made under this Act shall be subject to affirmative resolution of the House of Representatives.