

THE LOANS (ADDITIONAL POWERS) ACT

Cap. 225.
Act
42 of 1969

[17th March, 1927.]

1. This Act may be cited as the Loans (Additional Powers) Act. Short title.

2. Whenever by any enactment authority shall have been given, or shall hereafter be given to raise any sum of money for the purposes mentioned in such enactment, the Minister, or the Crown Agents acting on his behalf, may, from time to time, as he or they may deem expedient, raise such sum in England independently of, and notwithstanding anything to the contrary contained in the General Loan and Stock Act, and Part I of the Treasury Bills Act: Loans may be raised independently of the General Loan and Stock Act and the Treasury Bills Act. 42/1969 3rd Sch.

Provided that in such case the following provisions shall apply—

- (a) So long as any portion of the loan remains outstanding the Minister shall in each half-year ending with the day on which the interest on the loan falls due appropriate out of the Consolidated Fund and assets of the Island a sum equal to one half-year's interest on the whole of the loan outstanding and shall remit that sum to the Crown Agents at such time as will enable them to pay thereout the then current half-year's interest on the day on which it falls due.
- (b) The Minister shall also in each half-year ending as aforesaid appropriate out of the said Consolidated Fund and assets of the Island for the formation of a sinking fund for the repayment of the loan at par an additional sum in respect of the total nominal amount of the loan outstanding

equal to one-half of the annual contribution to be decided upon by the Minister on the issue of the loan and shall remit that sum to the Crown Agents with the remittance hereinbefore mentioned provided that the said contribution shall in respect of any money raised under the enactment commence not later than three years after the date from which the interest on such money shall commence to run.

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(c) The aforesaid annual contribution shall be not less than such amount as may be determined by the Minister to be sufficient to redeem the loan at its due date.

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(d) The Crown Agents shall invest so much of the money so remitted to them as aforesaid as shall not be required for the payment of interest for the current half-year in the purchase of such securities as may be approved by the Minister as a sinking fund for the final extinction of the debt and the Crown Agents shall also invest the dividends interest or produce of such investments in the purchase of like securities and may from time to time with the approval of the Minister change any such investments and shall hold such funds in trust for the repayment of the principal moneys for the time being represented by the loan.

(e) In case the sinking fund provided for by this Act shall be insufficient for the payment of all the principal moneys borrowed under the authority of this Act at the time the same shall have become due the Minister shall make good the deficiencies out of the Consolidated Fund and assets of the Island.

3. The principal moneys of and interest on any loan issued under the provisions of this Act are hereby charged upon and shall be payable out of the Consolidated Fund.

Principal and interest charged on Consolidated Fund.

4. This Act shall be applicable only to the raising of loans in England, and nothing in this Act contained shall prevent the raising of loans in the Island upon such terms and conditions as shall be specified in any enactment authorizing the raising of such loans.

Act only applicable to loans raised in England.