

LOANS (NATIONAL SAVINGS BONDS)

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THE LOANS (NATIONAL SAVINGS BONDS) ACT

REGULATIONS
(under section 9)

The Loans (National Savings Bonds) Regulations, 1962

**L.N. 244/63
384/64
223/66
383/66**

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(Made by the Minister on the 13th day of June, 1962)

[2nd August, 1962.]

L.N. 244/63
Amd:
L.N. 384/64
223/66
383/66

1. These Regulations may be cited as the Loans (National Savings Bonds) Regulations, 1962. Short title.

2. In these Regulations—

Interpre-
tation.

“the Bank” means the Bank of Jamaica;

“drawing” means a drawing to determine the bonds in respect of which prizes shall be payable from the Prize Fund;

“holder” in relation to a bond, means the person in whose name the bond is registered at the Bank, and where the bond is registered in the names of two persons, either of such persons;

“multiple bond” means a bond representing any number of unit bonds and entitling the holder to receive the aggregate amount of the sums repayable in respect of that number of unit bonds;

“National Savings Committee” means the National Savings Committee appointed by the Minister to promote and encourage the sale of bonds;

“unit bond” means, in relation to bonds of any series, a bond issued on payment of the minimum amount for which a bond of that series is issued.

3. Every bond shall be a form approved by the Minister and shall be registered at the Bank. Form and registration.

4. Every bond shall be non-maturing and shall not be transferable. Nature of bonds.

5.—(1) Bonds shall be issued in units of \$2.00 and shall be made available for purchase at the Bank and at commercial banks in denominations of 1, 5, 10, 50 and 100 units. Denomination and sale of bonds.

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(2) An application to purchase a bond shall be made in such manner as the Bank may require, and, for the purposes of any such application, the applicant shall deliver to the Bank such documents and other information in writing as the Bank may require.

Capacity to hold bonds.

6.—(1) A bond may be held—

- (a) by any person of the age of sixteen years or upwards who is not under any legal disability otherwise than by reason of his not having attained the age of twenty-one years; or
- (b) jointly by any two such persons; or
- (c) jointly by any such person and a person under the age of sixteen years.

(2) A bond may not be held by a body of persons whether corporate or incorporate.

(3) Subject to the provisions of these Regulations, a bond may be purchased on behalf of a person under the age of sixteen years and any bond so purchased shall be registered in the name of the person on whose behalf it is purchased.

(4) Where a bond has been purchased on behalf of a person who was, at the date of purchase, under the age of sixteen years, the Bank may, at any time after that person has attained the age of sixteen years, require a specimen of his signature.

Cancellation of bonds held by unqualified persons.

7.—(1) Subject as hereinafter provided, if any person, not being a person entitled under regulation 6 so to do, purchases and holds a bond, the registration of that bond, shall if the Governor of the Bank so directs, be cancelled but without prejudice to the right of the person entitled thereto to repayment.

(2) Notice of any cancellation under this regulation shall be sent to the person concerned as soon as may be and the Governor of the Bank may require any bond which may be so affected, or any document issued in lieu of such bond to be delivered up to him for the purpose of being cancelled or altered or otherwise dealt with as may be necessary to give effect to the provisions of this regulation.

Encashment of bonds.

8. The holder of a bond may apply for repayment at any time by obtaining a repayment form at the Bank or at a commercial bank and completing and submitting it with the bond to the Bank which shall repay the amount of the bond in cash or by cheque.

9.—(1) Application for payment of the sum repayable or of any other sum payable in respect of a bond shall, subject to the provisions of these Regulations be made by the holder of the bond in writing in such manner as the Bank may require. Applications for payment.

(2) In the case of a multiple bond application for repayment may be made in respect of any number of unit bonds represented by the multiple bond and the Bank shall upon repayment issue a new bond representing the units of the multiple bond not repaid and bearing the date of the original bond.

(3) A holder of a bond being a person of the age of sixteen years or upwards may, subject to the approval of the Bank, authorize any person to apply for or receive on his behalf the sum repayable or any other sum payable in respect of the bond.

(4) Where a bond is held by a person under the age of sixteen years no payment shall be made to him in respect of the bond.

(5) Any payment of the sum repayable or of any other sum payable in respect of a bond held by a person under the age of sixteen years shall be made to and on the application of any person who satisfies the Bank that he is a proper person to receive payment.

(6) The Bank may, before making any payment in respect of a bond, require the applicant for payment to submit such documents as it may in any case see fit.

10. The Minister may, by giving not less than six months' notice at any time in the *Gazette* declare any specified series of bonds to be ineligible for further drawings and require the holders of such bonds to apply for repayment. Redemption of bonds.

11.—(1) The loss or destruction of a bond shall be notified in writing to the Bank as soon thereafter as is practicable by the holder of the bond with full particulars of the circumstances surrounding the loss or destruction of the said bond. Loss or destruction of bonds.

(2) If it appears to the Bank that any bond issued in pursuance of these Regulations has been issued in error, lost, destroyed or tampered with, or is in such condition as to render it desirable that it should be replaced by another bond, the Bank may, subject to the provisions of this regulation, cancel the bond and issue another bond bearing the same date as the cancelled bond in lieu thereof to any person who satisfies it that he is entitled thereto.

(3) The Bank may charge a fee of ten cents in respect of each issue of a bond under this regulation.

(4) The Bank may attach to the issue under this regulation of any bond such conditions as to indemnity or otherwise as it thinks fit.

Prize Fund
and prizes.

12.—(1) The Prize Fund shall be managed and operated in accordance with the provisions of this regulation.

(2) Subject to paragraph (3), at the end of each month there shall be paid into the Prize Fund an amount equivalent to interest for one month calculated at the rate of five *per centum* per annum on the face value of the bonds appearing at that time to be eligible for the drawing in the following month, so, however, that the amount payable into the Prize Fund in respect of any month in which a drawing is held shall be sufficient to permit payment of the minimum prizes provided by paragraph (6).

(3) In the case of bonds becoming eligible for a drawing for the first time after purchase the amount to be paid into the Prize Fund shall be equivalent to interest at the rate specified in paragraph (2) for three months.

(4) A bond shall be eligible for inclusion in every drawing after the expiration of three months from the end of the month in which the bond is purchased unless before the end of the month immediately prior to such drawing it has been repaid or cancelled and for the purposes of this paragraph—

- (a) a bond shall be deemed to be cancelled on the day on which the letter notifying the cancellation is sent from the Bank;
- (b) a bond shall be deemed to be repaid on the day on which it is surrendered to the Bank for cash or a cheque for the amount repayable is posted to the person entitled to it whichever day is applicable.

(5) The Minister shall by notice in the *Gazette* fix the date of the first drawing and thereafter there shall be a drawing in each month and prizes of the denominations of \$2,000, \$500, \$200, \$100 and \$20, respectively, shall be distributed out of the Prize Fund at each drawing.

(6) The number of prizes of each denomination which may be awarded at any drawing shall be determined by the Governor of the Bank with the approval of the Minister so that as nearly as may be the total amount of the Prize Fund is distributed at that drawing:

Provided that there shall be at least one prize in each denomination specified in paragraph (5).

(7) The serial numbers of bonds which have been drawn in any drawings from the Prize Fund together with the prizes won shall be published in the *Gazette* and in at least one daily newspaper circulating in the Island as soon as is practicable after the drawing to which they relate and the Bank shall in addition notify each winning bond holder in writing and shall include in such notification to the bond holder a form of application for payment of the prize for his completion, signature, and presentation when claiming the prize.

(8) Unless the Bank in any case approves payment in cash, all payments in respect of prizes won shall be made by cheque either in favour of the person entitled to receive payment or in favour of a commercial bank at which such person wishes to collect payment.

13. The method and conduct of drawings and the allotment of prizes shall be decided by the Governor of the Bank with the approval of the Minister and the decision of the Governor of the Bank as to which bonds have drawn prizes shall be final. Drawings.

14. Any prize money remaining unclaimed in respect of any bond shall at the expiration of five years from the date when payment by the Bank became due be paid into the Consolidated Fund. Disposal of unclaimed prize money.

15.—(1) Where in respect of the purchase or encashment of bonds or the payment of prize money in respect thereof any document is required to be completed and signed by any person then in the case of a person unable to write, the document shall be sufficiently completed and signed if the same is prepared by some other person on his behalf, and in the presence of a competent witness as prescribed by paragraph (2) the contents of the document are read over to the person unable to write and he expresses his agreement thereto and appends his mark in the presence of such witness who shall attest the mark so appended. Signature and authentication of document in relation to bonds.

(2) For the purpose of this regulation any of the following persons if normally resident in the Island shall be a competent witness—

- (a) a Minister of Religion;
- (b) a Justice of the Peace;
- (c) a bank manager, accountant, chief clerk or senior clerk of the Bank or of a commercial bank;

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- (d) a qualified medical practitioner, dentist, attorney-at-law;
- (e) a police officer or sub-officer not below the rank of sergeant;
- (f) a registered teacher in a primary school or secondary school;
- (g) a postmaster;
- (h) a member of the National Savings Committee or of any Parish Committee appointed by the National Savings Committee;
- (i) a community development officer of the Sugar Industry Labour Welfare Board.

Indemnity
of the Bank
and its
officers.

16. The Bank and any of its officers acting under its authority shall not be liable in respect of any act done in good faith and without negligence in accordance with the provisions of these Regulations, and the receipt of the person to whom any money is paid or repaid shall be a full discharge to the Bank for the amount paid or repaid.

Obligation
of secrecy.

17.—(1) An officer of the Bank employed in connection with business arising under these Regulations shall not disclose to any person other than the Governor of the Bank or any officer deputed in that behalf by such Governor the name of the purchaser or holder of any bond, the number of bonds purchased or held by any person or the amount paid or repaid to any person in respect of a bond.

(2) The Governor of the Bank shall at the conclusion of each drawing from the Prize Fund furnish to the National Savings Committee particulars of the names and addresses of the holders of the bonds which have been drawn in such drawing and the amount of any prize payable in respect thereof.

(3) A member or officer or servant of the National Savings Committee shall not disclose or cause or permit to be disclosed to any person other than another member or officer or servant of the Committee the name or address of any holder of a bond which has been drawn in a drawing from the Prize Fund, except with the prior consent in writing of the holder concerned.