

LAWS OF GUYANA

PUBLIC LOAN AND TREASURY BILLS ACT

CHAPTER 74:03

Act

6 of 1916

Amended by

2 of 1994 O. 80/1980
6 of 1997

Current Authorised Pages

<i>Pages (inclusive)</i>	<i>Authorised by L.R.O.</i>
1 - 12 ...	1/2012

LAWS OF GUYANA

2

Cap. 74:03

Public Loan and Treasury Bills

**Index
of
Subsidiary Legislation**

	Page
Public Loan (Increasing of Limit) Order	12

CHAPTER 74:03
PUBLIC LOAN AND TREASURY BILLS ACT

ARRANGEMENT OF SECTIONS

SECTION

1. Short title.
2. Authorisation of loan not exceeding \$15,000,000.
3. Previous sanction of Legislative Council.
4. Issue of bonds for sum sanctioned.
5. Power of Legislative Council to limit time for repayment.
6. Provision for repayment of loan.
7. Principal and interest to be part of public debt.
8. Defaced bonds.
9. Bonds lost or destroyed.

REGISTRATION OF BONDS

10. Exchange of registered for bearer bonds or vice versa.
11. Annual date for exchange.
12. Provisions relating to bonds—
 - (a) register may be kept in London;
 - (b) bearer bond may become registered by endorsement of registration, and vice versa, by cancellation of endorsement;
 - (c) registered bond transferable at place where registered.

SUPPLEMENTARY PROVISIONS RELATING TO PUBLIC LOANS

13. (1) Raising a loan and costs of doing so.
(2) Method of raising.
(3) Appropriation and application.
(4) Principal and interest of loan to be part of public debt.
14. Payment of interest on loan.
15. Sinking fund.
16. Investment of moneys to provide for sinking fund.

SECTION

**ABOLITION OF POWERS TO RAISE LOANS
(NO. XII OF 1929)**

17. No further loan under preceding sections hereof.

TREASURY BILLS

18. (1) Power to borrow by the issue of Treasury bills.
(2) Principal.
(3) Proceeds.
(4) Amounts and period of currency.
19. Repayment.
20. Cancellation of repaid bills.

1929 Ed.
c. 47
1953 Ed.
c. 289

**CHAPTER 74:03
PUBLIC LOAN AND TREASURY BILLS**

6 of 1916

**An Act to provide that no further Loans shall be raised
under the Public Loan Act.**

[6TH MAY, 1916]

Short title.

1. This Act may be cited as the Public Loan and Treasury Bills Act.

Authorisation
of loan not
exceeding
\$15,000,000.

2. Where the Legislative Council sanctions the cost of any public work being defrayed by a loan, or where it sanctions any advance being made on loan to any local authority, body corporate or person, or where it authorises any amount being raised on loan for any purpose, the

Governor, for and on behalf of the Colony, in order to procure the necessary funds, may borrow and raise by loan under the provisions of this Act from time to time and as occasion shall require, on the security hereinafter mentioned, sums of money not exceeding in the whole fifteen million dollars.

Previous sanction of Legislative Council.

3. No sum shall be raised on account of the loan unless the sanction of the Legislative Council is first obtained to its being so raised, and the amount so raised shall be appropriated for the special object sanctioned by that Council.

Issue of bonds for sum sanctioned. Schedule.

4. (1) The Governor may, for and on behalf of the Colony, from time to time and as occasion shall require, cause bonds to be issued in the form in the Schedule, or in any other form sanctioned by the Governor in Council, signed by the persons legally holding the offices of Chief Secretary and Financial Secretary for the time being, or by any other person or persons on behalf of the Colony thereto specially authorised by the Governor in Council.

(2) (a) Each bond shall be for the sum of fifty dollars, or of one hundred dollars, or of two hundred dollars, or of five hundred dollars or of one thousand dollars, or of two thousand dollars, or of two thousand five hundred dollars, or of three thousand dollars, or of four thousand dollars, or of five thousand dollars, payable to bearer; or registered as stated in section 10, and shall become repayable within the number of years not exceeding fifty from the time of issue and bearing interest to be paid half-yearly at the rate per cent per annum, from time to time approved by the Legislative Council and sanctioned by the Secretary of State.

(b) The authority by this section conferred on the Governor includes authority to cause bonds to be issued for sums of ten pounds sterling (equivalent to forty-eight dollars at the rate of four shillings and two pence to the dollar) or any multiple of ten pounds.

Power of

5. Where the Legislative Council directs that the

Legislative Council to limit time for repayment.

amount raised for any special object shall be paid within any less number of years than fifty, the bonds drawn for the purpose of raising the necessary funds shall be so drawn that the whole of them shall become payable within the time specified by the Legislative Council.

Provision for repayment of loan.

6. (1) In order to provide for the repayment of the loan there shall be set apart in each year from the Consolidated Fund, in addition to the interest of the amount of the bonds from time to time issued under this Act, that portion of the capital sum of those bonds which will be sufficient in the aggregate to pay it as and when it becomes payable.

(2) The amount to be so set apart in each year for the repayment of the capital sum raised for each special object sanctioned by the National Assembly shall be an equal proportion of the capital sum so raised.

Registration officers.

(3) Where the sum set apart in each year cannot be immediately applied to the redemption of the bonds to which it is applicable, it shall be invested under the direction of the Minister until it, with the accruing interest, can be so applied:

Provided that, when in determining the amount to be set apart in each year any allowance is made for interest to accrue on the sums to be invested, the interest to be obtained shall not be estimated at a higher rate than five per cent per annum.

Principal and interest to be part of public debt.
[O. 80/1980]

7. All principal sums and interest becoming due in respect of the bonds issued under this Act shall be part of the public debt of Guyana within the meaning of article 221 of the Constitution.

Defaced bonds.

8. If any bond issued under this Act is by accident defaced, the Minister may cause a new bond to be made and delivered to the bearer and the defaced bond to be cancelled, and the new bond shall bear the same interest and be subject

to the same rules as the original bond.

Bonds lost or destroyed.

9. The Minister on proof to his satisfaction that any bond issued under this Act has by accident been lost or destroyed before it has been paid off, may, if the number and amount of the bond is ascertained, and upon due security being given to his satisfaction for indemnifying the Government for any loss to which it may at any time be subjected by reason thereof, issue a new bond corresponding in all respects with the bond so lost or destroyed, or, if any bond when so lost or destroyed is overdue, the Minister may cause the money due thereupon to be paid off and discharged.

REGISTRATION OF BONDS

Exchange of registered for bearer bonds or vice versa.
[6 of 1997]

10. (1) The holder of any bond may, at his option, have his name registered as a bond holder in the books of the Accountant General and a registered bond issued to him in exchange for the bond, and the bond will thenceforth while so registered be transferable only by an instrument of transfer registered in the books of the Accountant General.

(2) The holder of a registered bond may, at his option, have the registration cancelled by the Accountant General and a new bond transferable to bearer issued to him in exchange for the registered bond.

(3) The fee in each case of exchange will be sixty-five dollars.

Annual date for exchange.
[2 of 1964]

11. The Minister shall by notice published annually in the *Gazette* fix a date or dates for the receipt of applications for the exchange of any issue of bearer bonds for registered bonds or for the exchange of any issue of registered bonds for bearer bonds, and bond holders shall transmit their applications to the Minister on or before that date or those dates.

Provisions relating to bonds.

12. Where any loan has been or shall be raised under this Act the following provisions shall apply:

Register may be kept in London.

- (a) the Minister may, in respect of the bonds to secure the loan, authorise to be kept in London by the person he appoints books in which the holder of any bond may at his option have his name registered as a bondholder;

Bearer bond may become registered by endorsement of registration, and vice versa, by cancellation of endorsement.

- (b) a bond payable to bearer shall become a bond payable to the registered holder if there is endorsed on it a note of its registration, and a bond payable to the registered holder shall become a bond payable to bearer if there is endorsed on it a note of the cancellation of its registration, and the endorsement aforesaid shall be executed if the bonds are registered in Guyana, by the Accountant General, or if the bonds are registered in London by the person appointed by the Minister under the last preceding paragraph;

Registered bond transferable at place where registered.

- (c) a registered bond shall, unless otherwise provided by the conditions thereof, be transferable by instrument of transfer registered in the books of the Accountant General in Guyana if registered in Guyana, or in the books kept in London if registered in London.

**SUPPLEMENTARY PROVISIONS RELATING TO
PUBLIC LOANS**

Raising a loan
and costs of
doing so.

13. (1) Notwithstanding anything contained in any Ordinance, whenever by any resolution the Legislative Council authorises any amount being raised on loan for any purpose, the Governor, or the Crown Agents for the Colonies acting on his behalf, may raise by loan in London an amount sufficient to produce as nearly as may be the sum authorised by the resolution and any further sum necessary to defray the expenses of issue.

Method of
raising.

(2) The loan so authorised or any part of it may be raised from moneys belonging to sinking funds held by the Crown Agents for the Colonies on behalf of all or any of Her Majesty's colonies and protectorates, or it may be raised under the General Loan and Stock Ordinance, as the Governor or the Crown Agents acting on his behalf may decide.

c. 74:01

Appropriation
and
application.

(3) The money so borrowed under the authority of this section shall be appropriated and applied for the purpose or purposes specified in any resolution from time to time passed by the Legislative Council.

Principal and
interest of loan
to be part of
public debt.
[O. 80/1980]

(4) The principal moneys and interest represented by the loan issued under this Act shall be part of the public debt of Guyana within the meaning of article 221 of the Constitution.

Payment of
interest on loan.

14. While 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 a sum equal to one half-year's interest on the whole of the loan outstanding and remit that sum to the Crown Agents in the United Kingdom for Overseas Governments and Administrations (hereinafter referred to as the Crown Agents) at a time that will enable them to pay thereout the then current half-year's interest on the day on

which it falls due.

Sinking fund.

15. The Minister shall also appropriate out of the Consolidated Fund, for the formation of a sinking fund for the repayment of the loan, 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 by the Minister on the issue of the loan, and shall remit that sum to the Crown Agents in each half-year as aforesaid with the remittance hereinbefore mentioned:

Provided that the contribution shall commence not later than three years after the date from which the interest on the loan commences to run.

Investment of moneys to provide for sinking fund.

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

ABOLITION OF POWERS TO RAISE LOANS

[No. XII of 1929]

No further loan under preceding sections hereof.

17. From and after the 26th January, 1929, it shall not be lawful for the Legislature to exercise any of the powers conferred by the preceding sections of this Act with respect to the raising of loans, or for any further or other loan to be raised under those sections.

TREASURY BILLS

Power to
borrow by the
issue of
Treasury bills.

18. (1) The Minister, whenever authorised thereto by a resolution of the National Assembly, may request the Crown Agents to borrow, by the issue in London of Guyana Government Treasury bills (hereinafter shortly called bills), sums not exceeding the amount specified in the resolution; and the Crown Agents may also, with the approval of the Minister, borrow from time to time by the issue of those bills any sums required to pay off at maturity bills already lawfully issued by them and outstanding.

Principal.
[O. 80/1980]
c. 1:01

(2) The principal moneys represented by the bills so issued under this Act shall be part of the public debt of Guyana within the meaning of article 221 of the Constitution.

Proceeds.

(3) The proceeds of the issue of the bills shall be paid into the general account of the Government of Guyana with the Crown Agents.

Amounts and
period of
currency.

(4) Every bill so issued shall be for the sum of one thousand pounds, or a multiple of one thousand pounds, and shall be payable at par at the time or times fixed and determined by the Minister, or the Crown Agents on his behalf, before the issue of the bills, but not later than one year from the date of issue.

Repayment.

19. The Minister shall appropriate out of the Consolidated Fund the necessary sum to pay the principal represented by the bills, and shall remit that sum to the Crown Agents in London at a time that will enable them to pay the principal at their office in London when the bills fall due.

Cancellation of
repaid bills.

20. Upon repayment of the principal moneys represented by the bills, they shall be delivered up to the Crown Agents, to be by them cancelled and transmitted to the Government of Guyana.

SUBSIDIARY LEGISLATION

O. 21/1984
O. 29/1994
O. 31/1994

PUBLIC LOAN (INCREASING OF LIMIT) ORDER

made under section 2(2)

Citation.

1. This Order may be cited as the Public (Increasing of Limit) Order.

Increase in limit prescribed by section 2(1).

2. The limit prescribed by section 2(1) of the Act is hereby increased to one hundred and fifty billion dollars.
