TREASURY BONDS ACT

CHAPTER 71:43

Act
12 of 2008
Note on Subsidiary Legislation

This Chapter contains no subsidiary legislation.
CHAPTER 71:43

TREASURY BONDS ACT

ARRANGEMENT OF SECTIONS

SECTION

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CHAPTER 71:43

TREASURY BONDS ACT

An Act to authorise the Minister to issue Treasury Bonds for the purpose of liquidity management.

12 of 2008.

[30TH JULY 2008]

1. This Act may be cited as the Treasury Bonds Act.

2. In this Act—

“blocked account” means a separate account into which moneys raised under this Act are deposited and from which withdrawals, transfers or any other transactions are prohibited except as required under this Act;

“Bonds” means Treasury Bonds issued under section 3;

“Central Bank” means the Central Bank of Trinidad and Tobago established under the Central Bank Act;

“Exchequer Account” has the meaning assigned to it in the Exchequer and Audit Act;

“financial institution” means a company licensed under the Financial Institutions Act;

“Fiscal Agent” means—

(a) the Central Bank; or

(b) a financial institution designated by the Minister under section 6;

“Minister” means the Minister to whom responsibility for finance is assigned.

3. (1) The Minister, on behalf of the Government and on the written advice of the Central Bank, may raise money by the issue of Bonds for the purpose of managing liquidity in Trinidad and Tobago.
(2) The principal and interest payable on Bonds issued under this Act shall be made at such time or times as the Minister shall, before the issue of such Bonds, determine pursuant to section 10, but so that the principal shall not be paid earlier than five and one-half years nor later than ten years from the date of issue of the Bonds.

4. (1) All moneys raised by the issue of Bonds shall be paid into a blocked account in the Exchequer Account and shall form part of the Consolidated Fund.

(2) No moneys paid into the blocked account referred to in subsection (1) may be withdrawn or otherwise dealt with except for the purpose of paying the principal sum under section 7.

5. The principal and interest of all Bonds issued under this Act shall be a charge on the Consolidated Fund.

6. The Minister may by Order designate a financial institution as a Fiscal Agent.

7. A Fiscal Agent—
   (a) may issue Bonds on behalf of the Government;
   (b) shall keep a register of the holders of Bonds; and
   (c) shall promptly pay—
       (i) the interest on a Bond when due; and
       (ii) the principal sum at maturity of a Bond.

8. The interest and principal sum shall be deemed to be duly paid under section 7 where the relevant amount is credited to the account of the holder of the Bond at the financial institution specified in writing by the holder.

9. Bonds issued under this Act are exempt from stamp duty.

10. The Minister shall, on the written advice of the Central Bank, determine the—
    (a) form, issue and recording of Bonds;
    (b) currency of issue;
(c) denomination of Bonds;
(d) rate of interest;
(e) method of payment of interest and principal;
(f) method of redemption; and
(g) transferability and negotiability of Bonds.

11. The Minister shall report to Parliament semi-annually on the issuance of the Bonds.