

Local Loans

Cap. 98.

LOCAL LOANS REGULATIONS, 1988

1988/22.

Authority: These Regulations were made on 5th April, 1988 by the Minister under section 18 of the *Local Loans Act*.

Commencement: 7th April, 1988.

1. These Regulations may be cited as the *Local Loans Regulations, 1988*.

2. In these Regulations,

"the Register" means the Register of Securities established under section 9 of the Act.

3. The Governor of the Central Bank shall, on such terms and conditions as are approved by the Minister,

- (a) keep the Register;
- (b) make payments on securities;
- (c) exchange for any securities delivered to the Bank by the holders of those securities, or any securities which are mutilated, defaced, or rendered illegible, certificates of equal value;
- (d) effect transfers of securities between holders; and
- (e) perform any other service in connection with the handling of securities.

4. Securities issued under the Act must be registered by the Bank in the Register.

5. The Register must contain, in respect of a security,

- (a) the name and address of the holder;
- (b) the nominal value;
- (c) the serial number;
- (d) the date of issue; and
- (e) any other information the Minister deems necessary.

6. The Register may be in such form as the Minister approves.

7. (1) A security may be registered

- (a) in the name of a person or the joint names of 2 or more persons; or
- (b) in the name of a registered "benevolent organisation" within the meaning of section 85(1) of the *Income Tax Act*, a friendly society, a credit union or any other organisation.

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(2) No security shall be registered in the name of a person as a nominee.

(3) Where, in accordance with these Regulations, an entry in respect of a security is made in the Register in the name of a person or an organisation, that entry is conclusive evidence that the person or organisation is the holder of the security.

8. (1) Where the names of 2 or more persons are entered in the Register as holders of a security, only one address given by the holders must be entered in the register for all purposes relating to the security.

(2) Where a security is registered in the joint names of 2 or more persons, it may be encashed on the signatures of any one of those persons.

(3) Where a security is registered in the joint names of 2 or more persons and one of those persons dies, the full interest in the security passes to the surviving holders; and the Register must reflect that transfer.

9. (1) No entry made by a person other than the Bank of the name of any person on a security as the holder of the security is effective to confer any right or interest in the security.

(2) Where a security is issued by the Bank to a person before that person's name is entered on it, the security shall be deemed to have been validly issued; and that person may subsequently apply to the Bank to have his name entered on the security.

(3) No alteration or erasure of the name of any person entered on a security by the Bank is effective to deprive the owner of any right to, or interest in, that security.

10. Securities issued under the Act are transferable by instrument in writing approved by the Bank, and such securities shall be delivered up to the Bank for endorsement and alteration of the Register.

11. The Bank shall, upon application being made, and upon being satisfied as to

- (a) the death of the holder of a security; and
- (b) the grant of legal representation to the applicant,

endorse on the certificate the name of the person entitled to the security under the will or intestacy of the holder and make the appropriate alteration in the Register; and, from the date of the endorsement and alteration, the person entitled under the will or intestacy of the holder is for all purposes the holder of the security.

12. Securities issued under this Act must be in denominations of \$1 000 or a multiple thereof.

13. A certificate of title must be issued by the Bank whenever securities have been acquired; and may also be issued when

- (i) a holder is disposing of part only of the holding represented by a certificate and needs a certificate for the balance; and
- (ii) a holder asks for a single certificate for a number of separate amounts acquired or for a number of certificates in respect of one amount pertaining to an issue.

14. The Bank may cancel any securities that are not issued in accordance with these Regulations and shall, where it does so, refund the money advanced in respect of the securities.