

## No. 20 OF 1930.

A.D. 1930. TO DECLARE THE TERMS AND CONDITIONS APPLICABLE  
 20 of 1930. TO LOANS AUTHORISED TO BE RAISED BY THE GOVERN-  
 MENT OF CYPRUS, AND TO PROVIDE FOR THE CREATION  
 OF INSCRIBED STOCK.

RONALD STORRS.]

[May 13, 1930.]

BE it enacted:—

WHEREAS it is expedient to define in one Law the terms and conditions applicable to loans hereafter authorised to be raised by the Legislature of the Colony of Cyprus:

AND WHEREAS it is expedient to provide for the creation of inscribed stock, and to enable the Colony to take advantage of the provisions of an Act of the Imperial Parliament entitled "The Colonial Stock Act, 1877," and the subsequent Acts on the same subject:

Short title.

1. This Law may be cited as the General Loan and Inscribed Stock Law, 1930.

Interpre-  
tation.

2. In this Law, unless the context otherwise requires

The expression "Governor" means the person for the time being administering the Government of Cyprus;

The expression "Crown Agents" means the person or persons for the time being acting as Crown Agents for the Colonies in England.

Loans to be  
raised by  
debentures  
or inscribed  
stock.

3. Whenever by any Law authority shall have been given, or shall hereafter be given, to raise any sum of money for the purposes mentioned in such Law, the Governor, or the Crown Agents acting on his behalf, may, from time to time, as he or they may deem expedient, raise such sum either by debentures or by Cyprus inscribed stock, or partly by debentures and partly by inscribed stock.

Loans to be  
a charge  
upon general  
revenue.

4. The principal moneys and interest represented by the debentures or inscribed stock issued under the provisions of this Law are hereby charged upon and shall be payable out of the general revenues and assets of the Colony of Cyprus.

5. When the Governor, or the Crown Agents acting on his behalf, shall deem it expedient to raise money by debentures, such debentures shall be issued in London on behalf of the Government of Cyprus by the Crown Agents, upon the best and most favourable terms that can be obtained, and shall be signed by any one of them on that behalf. Borrowing upon debentures.
6. Every debenture issued under the provisions of this Law shall be for the sum of not less than one hundred pounds sterling. Amount of each debenture.
7. The debentures shall be redeemable at par at the option of the Government by purchase in the market or by annual drawings, or on a date to be named in that behalf by the Governor, or by the Crown Agents acting on his behalf, as determined when issuing the debentures, such date not being later than sixty years from the date of issue, from and after which date all interest on the principal money represented thereby shall cease and determine, whether payment of the principal shall have been demanded or not. Debentures may be redeemed by annual drawings or by purchase in the market on a date fixed.
8. There shall be attached to every debenture coupons for the payment of the interest to become due in each half-year upon the principal represented by the debenture. The coupons shall be sufficient in number to provide for the payment of the interest, either during the whole period for which the debenture has to run, or for such limited period as the Crown Agents, acting on behalf of the Government of Cyprus, may determine. Interest coupons.
9. The debentures and the coupons thereto shall be in such form as the Governor, or the Crown Agents acting on his behalf, may direct or approve. Form of debenture and coupons.
10. Every debenture and coupon, and the right to receive the principal and interest represented thereby, shall be transferable by delivery. Debentures and coupons transferable by delivery.
11. Every debenture shall, before being issued, be registered in a register book to be kept for that purpose at the office in London of the Crown Agents. Registry of debentures.
12. The interest upon the principal represented by each debenture shall run from the day named in that behalf in the debenture, and shall be paid half-yearly on the days named in that behalf in the debenture, at the office in London of the Crown Agents. Payment of interest.

Mode of providing for payment of interest on debentures.

**13.** So long as any of the debentures remain outstanding, the Governor shall, in each half-year ending with the day on which the interest on the debentures falls due, appropriate out of the general revenues and assets of the Colony of Cyprus a sum equal to one half-year's interest on the whole of the debentures issued, including any which may have been redeemed, but exclusive of any which may have been at any time exchanged for inscribed stock, and shall remit that sum to the Crown Agents at such times as will enable them to pay thereabout the then current half-year's interest on the day on which it falls due. Debentures shall not be deemed to be outstanding for the purpose of this Law by reason only that one or more of the debentures have not been presented for payment on the day appointed for payment and have, in consequence, not been paid.

Further sums to be remitted for the redemption of the debentures.

**14.** After the date specified in the Law authorising the loan as that on which the contributions to the sinking fund shall commence, the Governor shall, in each half-year ending as aforesaid, appropriate out of the said revenues and assets of the Colony of Cyprus, for the formation of a sinking fund, an additional sum equal to one half of the annual contribution specified in the prospectus or, in the case of a loan not issued publicly, in the terms of issue relating to the loan, in respect of the total nominal amount of all the debentures issued, including any which may have been redeemed, but exclusive of any which may have been at any time exchanged for inscribed stock, and shall remit that sum to the Crown Agents with the remittance hereinbefore mentioned.

Application of sinking fund.

**15.** The sinking fund shall be applied in the first place in payment of all expenses of, or incidental to, the redemption of the debentures and the cost and expenses of all notices required by this Law to be given, and in the next place, and subject to the aforesaid payments, in repayment of the principal moneys for the time being represented by the debentures.

Creation of sinking fund for redemption of debentures payable on a fixed date.

**16.** In the case of debentures redeemable on a date to be named when issuing the debentures, 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 His Majesty's Principal Secretary of State for the Colonies 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 Secretary of State, change any such investments and shall hold such fund in trust for the repayment of the principal moneys for the time being represented by the debentures.

17. In the case of debentures redeemable by annual drawings, the Crown Agents shall place and keep the moneys so remitted to them, or so much thereof as may not be required for immediate payments, at interest, and shall hold all such moneys and the accumulations thereon in trust, to apply them in the first place to the purchase of the debentures when they can be obtained at a price not exceeding par and, secondly, to the redemption of the debentures by means of annual drawings.

Disposal of sinking fund when debentures are redeemed by purchase or by annual drawings.

18. After the date specified in the Law authorising a loan as that on which the contributions to the sinking fund shall commence in respect of that loan, and so long thereafter as any of the debentures remain outstanding and unsatisfied, the Crown Agents shall, in every year, unless the whole of the money applicable in that year to the redemption of debentures has been applied in the purchase thereof, appoint a day in that year for the drawing by lot of the debentures to be redeemed.

Appointment of day for drawing of debentures.

19. If a day is appointed for drawing, the Crown Agents shall give, by advertisement in the London "Times" newspaper, not less than fifteen days' previous notice, specifying the day on which, and the hour and place at which, the drawing will take place.

Notice of time and place appointed for drawing.

20. On the day and at the hour and place so specified the Crown Agents shall hold a meeting, at which the holder of any debenture may, if he thinks fit, be present, and shall then in the presence of such debenture holders, if any, as may attend, and of a notary public, draw by lot, out of the whole number of debentures for the time being outstanding, debentures of the specified nominal amount.

Mode of drawing.

21. The Crown Agents shall thereupon declare the distinguishing numbers of the debentures drawn for redemption, and shall, as soon as may be, by advertisement in the London "Times" newspaper, specify those numbers and appoint a day, not being later as to each debenture

Notice of debentures drawn for redemption.