

**CHAPTER 270.****LOCAL LOANS.****ARRANGEMENT OF SECTIONS.****SECTION.**

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**CHAPTER 270.****LOCAL LOANS.****An Ordinance to make provision for raising loans in Sierra Leone.**

7 of 1956.  
P.N. 79 of  
1958.  
[17TH MAY, 1956.]

1. This Ordinance may be cited as the Local Loans Ordinance. Short title.

2. In this Ordinance, unless the context otherwise requires— Interpretation.

“Crown Agents” means the person or persons acting for the time being as Crown Agents for Oversea Governments and Administrations;

“loans” means loans raised under the provisions of this Ordinance;

“the register” includes any book kept by the Accountant General under the provisions of this Ordinance;

“ stock ” means Sierra Leone stock issued under the provisions of this Ordinance and includes any share or interest in such stock;

“ stockholder ” means a person holding stock, who is entered as proprietor thereof in the register.

Authority to raise loans.

**3.** (1) The Minister of Finance is hereby empowered to raise in Sierra Leone loans of such sums of money as the House of Representatives may from time to time authorise by resolution.

(2) All monies borrowed under the authority of this Ordinance, except such monies as are borrowed under the authority of the House of Representatives given by resolution for the purpose of the redemption of any outstanding loan under this Ordinance, shall be applied for such purposes as shall be specified by the resolution authorising the borrowing of such money.

Loans may be raised in Sierra Leone.

**4.** Notwithstanding the provisions of the General Loan and Stock Ordinance, loans may be raised by the creation and issue in Sierra Leone of stock registered under the provisions of this Ordinance. Such stock shall be known as Sierra Leone Stock.

Stock to be issued by Accountant General.

**5.** Such stock shall from time to time be issued in Sierra Leone by the Accountant General, upon the directions of the Minister of Finance, upon the best and most favourable terms that can be obtained, and to such amounts and on such conditions, subject to the provisions of this Ordinance, as the Minister of Finance may before the issue thereof from time to time direct.

Accountant General to keep register of stock.

**6.** (1) The Accountant General shall keep a register in which all stock issued under the provisions of this Ordinance shall be registered, and in which all transfers and all dealings in such stock under the provisions of this Ordinance shall be registered and in which shall be entered all matters and things which by this Ordinance are required to be entered in the register.

(2) Such register shall be *prima facie* evidence of title of any person in respect of any stock of which he is entered as the stockholder.

Stock certificates.

**7.** The Accountant General shall within thirty days of receipt of the final instalment payable on any stock send to the stockholder a certificate, which shall be known as a stock certificate, showing that stock to the value specified therein has been registered in the name of the stockholder. Such stock

certificate shall be *prima facie* evidence of the title of the stockholder to the stock specified therein.

8. The Accountant General shall keep, in a separate book, a list of the stockholders on whose stock the interest has been unclaimed for two years, together with their registered addresses and descriptions, and such list shall be open for inspection upon payment of a fee of one shilling.

List of stock-holders of unclaimed interest.

9. Stock shall be transferable by an instrument of transfer to be approved by the Accountant General, and a certificate issued by the Accountant General in pursuance of such transfer and in respect of the stock so transferred shall be *prima facie* evidence of the title of the holder of the certificate to the stock specified therein.

Transfer of stock.

10. (1) The Accountant General may, for a period not exceeding fourteen days previously to each payment of interest on any stock registered under the provisions of this Ordinance, close the register of that stock as regards transfers upon giving not less than seven days' notice of such closing. Such notice shall be published in the *Gazette*.

Closing of register.

(2) The persons who on the day of such closing are registered as stockholders shall, as between them and their transferees, be entitled to the interest then next payable on the stock.

11. The principal monies and interest represented by loans are hereby charged upon and shall be payable out of the general revenues and assets of Sierra Leone.

Loans to be a charge upon general revenue.

12. Interest shall be payable on stock by warrant half-yearly by the Accountant General on behalf of the Government of Sierra Leone at the rate fixed by the Minister of Finance at the time of the issue of such stock.

Interest and payment thereof.

13. Stock shall be redeemable in Freetown at par on a date to be named by the Minister of Finance, and from and after that date all interest on the principal monies secured thereby shall cease and determine whether payment of the principal shall have been demanded or not.

When stock redeemable.

14. So long as any portion of any loan remains outstanding the Minister of Finance shall in each half-year ending with the day on which the interest on that loan falls due appropriate out of the general revenues and assets of Sierra Leone a sum equal to one half-year's interest on the whole of that loan outstanding,

Appropriation out of general revenue of sums to meet interest when due.

and shall authorise the Accountant General to pay out of such sum the then current half-year's interest on the day on which it falls due.

Sinking fund  
for  
redemption.

**15.** (1) The Minister of Finance shall also in each half-year ending with the day on which the interest on any loan falls due appropriate out of the general revenues and assets of Sierra Leone for the formation of a sinking fund for repayment of that loan at par an additional sum equal to one half of the annual contribution to be decided on by the Governor in Council on the issue of the loan.

(2) The Crown Agents shall invest the money remitted to them under the provisions of sub-section (1) of this section in the purchase of such securities as may be approved by the Accountant General 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 investment in the purchase of like securities and may from time to time with the approval of the Accountant General change any such investments and shall hold such funds in trust for payment of the principal monies for the time being represented by any such loan.

(3) In case the sinking fund provided for by this section shall be insufficient for the payment of all the principal monies borrowed under the authority of this Ordinance in respect of any particular loan at the time the same shall have become due the Minister of Finance shall make good the deficiency out of the general revenues and assets of Sierra Leone, or by means of such conversion issued as may be authorised under section 3 of this Ordinance.

No notice of  
trust to be  
received or  
registered.

**16.** No notice of any trust, expressed, implied or constructive, in respect of any stock shall be entered on the register, or be receivable by the Accountant General or the Government of Sierra Leone.

Exemption  
from stamp  
duty.  
Cap. 274.

**17.** Notwithstanding the provisions of the Stamp Duty Ordinance, no stamp duty shall be payable in respect of any interest warrant or transfer of stock.

Power to  
make  
regulations.

**18.** The Governor in Council may make regulations for all or any of the following purposes—

(a) registering stock in the register;

(b) prescribing the persons who may be registered as stockholders;

- (c) prescribing the method by which any payment in respect of stock shall be made;
- (d) prescribing the method by which stock may be transferred;
- (e) providing for the method by which stock may be redeemed by purchase in the market, by annual drawings, by conversion or otherwise;
- (f) providing for the registration, payment of interest, repayment of principal, and transfer of stock in the case of persons who are under legal disability;
- (g) providing for the replacement of lost certificates;
- (h) generally for the better carrying out of the provisions of this Ordinance.

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## **TITLE XXXV.**

### **REVENUE.**

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