

*Legal Supplement Part C to the "Trinidad and Tobago Gazette", Vol. 53,
No. 90, 8th July, 2014*

No. 12 of 2014

Fourth Session Tenth Parliament Republic of
Trinidad and Tobago

HOUSE OF REPRESENTATIVES

BILL

AN ACT to provide for the purchase by Government of
certain rights belonging to shareholders and
depositors of the Hindu Credit Union
Co-operative Society Limited; to empower the
Minister with responsibility for finance to make
payments and issue bonds for the purchase of
those rights and for related matters

THE PURCHASE OF CERTAIN RIGHTS (HCU) BILL, 2014

Explanatory Note

(These notes form no part of the Bill but are intended only to indicate its general purport)

The Bill seeks to provide for the purchase by Government of certain rights belonging to shareholders and depositors of the Hindu Credit Union Co-operative Society Limited (“HCU”) as well as to empower the Minister with responsibility for finance to make payments and issue bonds for the purchase of those rights and for related matters.

Clause 1 provides for the short title of the Act for which this is the Bill.

Clause 2 seeks to provide the interpretation of certain terms used in the Act.

Clause 3 would authorize the Minister of Finance to sign agreements, make payments and issue bonds for the purposes of purchasing the rights belonging to the shareholders and depositors of HCU.

Clause 4 seeks to prescribe that moneys paid under the Act would be a charge on the Consolidated Fund.

Clause 5 would deem bonds issued under the Act to have been duly registered in accordance with section 62 of the Securities Act.

Clause 6 would empower the Minister to designate, by Order, a Fiscal Agent which shall be the Registrar of the holders of the bonds and payee on behalf of the Government of the principal sum at the maturity of the bond.

Clause 7 would exempt the bonds from stamp duty under the Stamp Duty Act, Chap. 76:01.

Clause 8 would empower the Minister to make Regulations for carrying out the purpose of the Act, including the denomination, transfer, form, issue and method of holding bonds, and would require the Regulations to be laid in Parliament.

BILL

AN ACT to provide for the purchase by Government of certain rights belonging to shareholders and depositors of the Hindu Credit Union Co-operative Society Limited; to empower the Minister with responsibility for finance to make payments and issue bonds for the purchase of those rights and for related matters

[, 2014]

Preamble

WHEREAS the Hindu Credit Union Co-operative Society Limited (in liquidation) (hereinafter called “HCU”) is a credit union and co-operative society registered under the Co-operative Societies Act, Chap. 81:03 (“the Act”):

And whereas by virtue of the powers vested in him under section 58 of the Act, the Commissioner for Co-operative Development on 9th October, 2008 made an Order directing that HCU be wound up on 10th October, 2008:

And whereas on the 8th day of September, 2010, the Minister of Finance announced, *inter alia*, his intention to offer relief to the shareholders and depositors of HCU whose principal balances exceeded seventy-five thousand dollars:

And whereas it is expedient that the said offer be effected by way of the purchase of the rights, benefits, titles, estates and interests of shareholders and depositors of HCU by the Government by the issue of bonds over a twenty-year period at zero interest and structured in such a manner to accommodate trading on the secondary markets:

Enactment

ENACTED by the Parliament of Trinidad and Tobago as follows:

Short title

1. This Act may be cited as the Purchase of Certain Rights (HCU) Act, 2014.

Interpretation

2. In this Act—

“bond” means a non-interest bearing, transferable bond;

“Bye-Laws” means the bye-laws of HCU, having Registration Number CU-154-85 and duly approved by the Commissioner for Co-operative Development on the 29th day of January, 2004;

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

Chap. 79:02

“depositor” means a person who is the holder of a normal or special deposit in HCU issued in accordance with the Bye-Laws, or in any case where the person has assigned any

benefit, right, title, estate or interest in a normal or special deposit to a third party, prior to acceptance of the offer of the Government to purchase the same, such third party;

“investment” means—

- (a) shares issued by HCU to its members; and
- (b) normal and special deposits made to HCU,

in accordance with the Bye-Laws;

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

“principal balance” means the capital sum (including consideration of any judgments, awards or orders made by the Commissioner pursuant to Part VII of the Act) payable by HCU in the name of a shareholder or depositor on account of investments as at 10th October, 2008, minus any outstanding loans or other liabilities due to HCU from the shareholder or depositor;

“shareholder” means a person who is a registered shareholder of HCU, either jointly or in his own name, and in the case of a deceased registered shareholder, his nominee or legal personal representative who is entitled to benefit in accordance with the Bye-Laws.

3. (1) The Minister may make payments in any form Minister authorised to sign agreements, make payments and issue bonds whatsoever including the issue of bonds for the purpose of purchasing the rights, benefits, titles, estates or interests belonging to the shareholders and depositors of HCU.

(2) In the performance of his power under subsection (1), the Minister may—

- (a) sign agreements on behalf of the Government; and
- (b) issue bonds referred to in subsection (1)—
 - (i) of varying maturities from one to twenty years; and
 - (ii) not exceeding in the aggregate four hundred million dollars,

and may thereafter issue additional bonds as may be specified by resolution of the House of Representatives.

Charge on the Consolidated Fund

4. The payment of all moneys under this Act shall be a charge on the Consolidated Fund.

Bonds deemed registered

5. The bonds issued under this Act are deemed to have been duly registered in accordance with section 62 of the Securities Act, 2012.

Act No. 17 of 2012

Fiscal Agent

6. (1) The Minister may, by Order, designate—

- (a) the Central Bank; or
- (b) a financial institution,

as the Fiscal Agent under this Act.

(2) The Fiscal Agent shall—

- (a) establish and maintain a register of the holders of bonds; and
- (b) promptly pay, on behalf of Government, the principal sum at maturity of a bond.

Exemption from stamp duty Chap. 76:01

7. Notwithstanding the provisions of the Stamp Duty Act, bonds issued under this Act are exempt from stamp duty.

Regulations

8. (1) The Minister may make Regulations for carrying out the purpose and provisions of this Act, including the—

- (a) denomination of bonds;
- (b) transfer of bonds;
- (c) form, issue and recording of bonds; and
- (d) method of holding bonds.

(2) The Minister shall cause Regulations made under subsection (1) to be laid in Parliament.

Passed in the House of Representatives this day
of , 2014.

Clerk of the House

I confirm the above and certify that this is a Money Bill.

Speaker

Passed in the Senate this day of , 2014.

Clerk of the Senate

I confirm the above.

President of the Senate

No. 12 of 2014

FOURTH SESSION
TENTH PARLIAMENT

REPUBLIC OF
TRINIDAD AND TOBAGO

BILL

AN ACT to provide for the purchase by Government of certain rights belonging to shareholders and depositors of the Hindu Credit Union Co-operative Society Limited; to empower the Minister with responsibility for finance to make payments and issue bonds for the purchase of those rights and for related matters

Received and read the

First time

Second time

Third time
