

CHAPTER 56:04
DEVELOPMENT LOAN (BOTSWANA REGISTERED BONDS)
ARRANGEMENT OF SECTIONS

SECTION

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Act 5, 1970.

An Act to provide for the raising of a loan by the Government of Botswana, for repayment of the money so raised and for the terms and conditions applicable to the raising of such loan.

[Date of Commencement: 31st March, 1970]

1. Short title

This Act may be cited as the Development Loan (Botswana Registered Bonds) Act.

2. Borrowing power

The Minister is hereby authorized to borrow from time to time sums not exceeding in the aggregate P3 000 000 (three million Pula) by the creation of bonds issued in Botswana.

3. Provisions applicable to bonds issued

(1) Bonds shall be issued upon the best and most favourable terms obtainable and on such other conditions subject to the provisions of this Act as the Minister may at the time of the issue prescribe, and any prospectus issued in relation to any issue of bonds shall be deemed to have been prescribed by the Minister.

(2) Bonds issued under this Act shall be registered in books kept by the agent or agents appointed under section 4 and shall be transferable by a written instrument of transfer and the certificate issued by such agent or agents in respect of any such bonds shall be *prima facie* evidence of the title of the holder of the bonds specified therein.

4. Appointment of agents

The Minister may appoint any bank or person as agent or agents for the issue, management and repayment of any bonds issued under this Act or for any other matter connected therewith and may enter into an agreement with such agent or agents as to the duties to be performed and the remuneration therefor.

5. Expenses of issuing bonds

The expenses necessarily incurred in connection with the issue of the bonds, including discount, if any, commission, if any, and all other expenses incidental to such issue are hereby charged upon and shall be paid out of the Development Fund.

6. Borrowing and interest charged upon the Consolidated Fund

All moneys borrowed by the issue of bonds under this Act and all interest payable thereon respectively are hereby charged upon and shall be paid out of the Consolidated Fund.

7. Conditions of issue

The Minister shall, at the time of issue of any bonds under this Act, prescribe conditions as to the following matters-

- (a) the price of issue of such bonds;
- (b) the denominations in which the bonds will be issued and transferred;
- (c) the rate of interest thereon;
- (d) the times and places of the repayment of principal and payment of interest respectively,

together with such other conditions, not inconsistent with the provisions of this Act, as he may deem expedient.

8. Minister may prescribe conditions of exemption from taxation

(1) The Minister may prescribe as a condition of the issue of any bonds under this Act that the principal moneys represented by such bonds, together with any interest payable thereon, shall be exempted from liability for any taxes, duties, imposts or levies and may further prescribe that in the event of any such taxes, duties, imposts or levies being imposed subsequent to the issue of such bonds by means of a deduction at source or otherwise, that the holders of such bonds shall be paid such additional amounts as will result in payment to them of the full amount of the principal moneys represented by such bonds and interest payable thereon.

(2) Any additional amounts which may be prescribed for payment to holders of bonds in terms of subsection (1), if any, are hereby charged upon and shall be paid out of the Consolidated Fund.

9. Cancellation of bonds redeemed

All bonds redeemed by the Government shall be cancelled and not re-issued.

10. Payments into the Development Fund

Any sums of money borrowed under this Act shall be paid into the Development Fund.