

**Local Treasury Bills Act  
(CHAPTER 167)**

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# LOCAL TREASURY BILLS ACT

## (CHAPTER 167)

(Original Enactment: Ordinance 4 of 1923)

REVISED EDITION 2002

(31st December 2002)

An Act to provide for the borrowing of money by the issue of Treasury Bills in Singapore.

[11th May 1923]

### Short title

1. This Act may be cited as the Local Treasury Bills Act.

### Interpretation

2. In this Act, unless the context otherwise requires —

“Authority” means the Monetary Authority of Singapore established under the Monetary Authority of Singapore Act (Cap. 186);

“book-entry Treasury Bill” means a Treasury Bill issued in Singapore under this Act in the form of an entry on the records of the Authority;

“depository institution” means a financial institution approved by the Authority which regularly —

- (a) accepts in the course of its business book-entry Treasury Bills by way of a custodial service for its customers; and
- (b) maintains accounts in the names of its customers reflecting ownership or interest in such book-entry Treasury Bills;

“depositor” means any person in whose name an account is established and maintained on the records of the Authority;

“Government Securities Fund” means the Government Securities Fund established under Part II of the Government Securities Act (Cap. 121A);

“pledge” includes a pledge of, or any security interest in, a book-entry Treasury Bill —

- (a) as collateral for loans or advances; or
- (b) to secure deposits of public moneys or the performance of an

obligation;

“security interest” means an interest, not being an interest arising from a trust, in property which secures the payment of a debt or performance of an obligation;

“Treasury Bill” includes a book-entry Treasury Bill.

[10/87; 6/96]

### **Power to borrow by issue of Treasury Bills**

3.—(1) Where Parliament by resolution authorises the borrowing of moneys under this Act and the President has given his concurrence under Article 144(1) (a) of the Constitution for such borrowing, the Minister may —

- (a) borrow, by the issue of Treasury Bills in Singapore, sums not exceeding the amount specified in the resolution; and
- (b) also borrow from time to time, by the issue of such Treasury Bills, such sums as may be required to pay off at maturity Treasury Bills already lawfully issued and outstanding.

[11/91]

(2) The Authority may, on behalf of the Minister, undertake the issue and management of Treasury Bills issued under this Act.

[10/87]

(3) Without prejudice to subsection (2), the Authority may —

- (a) issue book-entry Treasury Bills by means of entries on its records;
- (b) maintain accounts of book-entry Treasury Bills —
  - (i) for any depositor on such terms and conditions as may be specified by the Authority for such book-entry Treasury Bills the depositor holds for its own account and, where the depositor is a depositary institution, for the account of its customers;
  - (ii) for the Government; and
  - (iii) for the Authority;
- (c) service and maintain book-entry Treasury Bills; and
- (d) take all other necessary action in respect of book-entry Treasury Bills to enable the Authority to perform its obligations as depositary with respect to such book-entry Treasury Bills.

[10/87]

### **Principal of Bills**

4. The principal moneys represented by the Treasury Bills issued under this Act are hereby charged upon and shall be payable out of the Government Securities Fund.

[6/96]

### **Proceeds of Bills**

5. The proceeds of the issue of such Treasury Bills shall be paid into the Government Securities Fund.

[6/96]

### **Amounts and period of currency of Bills**

6. Every Treasury Bill issued under this Act shall be —

(a) for the sum of \$1,000 or a multiple of \$1,000; and

(b) payable at par at such time or times as the Minister shall, before the issue of such Treasury Bills, fix and determine, but not later than one year from the date of issue.

[15/2001]

### **Repayment of Bills**

7. The Minister shall appropriate out of the Government Securities Fund the necessary sum to pay the principal represented by the Treasury Bills when they fall due.

[6/96]

### **Cancellation of repaid Bills**

8.—(1) Upon repayment of the principal moneys represented by the Treasury Bills, the Bills shall be delivered up to the Authority to be cancelled by the Authority.

[10/87]

(2) Subsection (1) shall not apply to book-entry Treasury Bills.

### **Transfers and pledges effected by Authority under book-entry clearing system**

9.—(1) A transfer or a pledge of any book-entry Treasury Bill to the Authority or to the Government or to any transferee or pledgee eligible to maintain an appropriate account in its name with the Authority shall be effected, notwithstanding any written law to the contrary, by the Authority making an appropriate entry in its records of the book-entry Treasury Bill transferred or pledged.

[10/87]

(2) The making of an entry in the records of the Authority under subsection (1) shall —