

TRINIDAD AND TOBAGO.

*Bank Notes.*

No. 14.—1903.

*23rd December.*

AN ORDINANCE to make provision for the issue of Bank  
Notes.

[L.S.]

ALFRED MOLONEY,

GOVERNOR.

*31st December, 1903.*

**B**E it enacted by the Governor of Trinidad and Tobago with the advice and consent of the Legislative Council thereof as follows :—

1 This Ordinance may be cited as “ The Bank Notes Short title.  
Ordinance 1903.”

2 In this Ordinance the term

“ Bank Note ” extends and applies to all bills or notes Interpretation.  
for the payment of money to the bearer on demand, issued by a Banker;

And the term “ Banker ” extends and applies to all companies and corporations carrying on the business of banking, whether by the issue of Bank Notes or otherwise, and incorporated by charter or under the authority of an Imperial or Colonial Act or Ordinance.

Notes must  
issue under  
this Ordinance.

3. It shall not be lawful for any Banker to make or issue Bank Notes in this Colony otherwise than subject to and in accordance with the provisions of this Ordinance.

Saving existing  
issues.

Provided that this Ordinance shall not apply to any Banker who at the date of the commencement of this Ordinance is lawfully issuing his own notes in this Colony, in regard to the making or issuing of Bank Notes of any denomination that he may now lawfully issue.

Conditions of  
issue.

4.—(1.) Whenever a Banker desires to issue Bank Notes in this Colony he shall—

- (a.) Notify in writing to the Colonial Secretary the amount in value and the denomination in currency of the Bank-notes he proposes to issue and the date of such intended issue, and
- (b.) Deposit and thenceforth at all times keep deposited either with the Crown Agents for the Colonies in London or with trustees in this Colony to be appointed by the Governor with the approval of the Secretary of State for the Colonies or partly with the Crown Agents and partly with such Trustees, a fund to be called "The Bank Note Reserve Fund" consisting of coin being legal tender in this Colony or partly of coin and partly of investments authorized by the Imperial Act 56 and 57 Victoria Chapter 53—(The Trustee Act 1893) as may be approved of by the Governor in Executive Council, equal to not less than the amount in value of the Bank notes intended to be issued or for the time being in circulation.

(2.) It shall be lawful for the Governor to call upon a Banker who has deposited securities under this section to bring up his Bank note Reserve Fund to the full value of his bank note issue whenever such fund may be found to have fallen below such value by reason of depreciation in the market value of such securities.

The notice calling upon a Banker to make up his Bank Note Reserve Fund to the full value of his Bank Note issue shall be in writing, and shall be given on behalf of the Governor by the Colonial Secretary, and if a Banker fails within twenty-one days from the date of his receipt of such

notice to comply with the demands contained therein, he shall be liable to a penalty of Fifty Pounds for every day during which he fails to satisfy the legal requirements of such notice.

5. The amount of bank notes issued under this Ordinance by any Banker shall in no case exceed the amount of the paid up capital of the bank making such issue. Limit of amount of note issue.

6. No Bank Note issued under the provisions of this Ordinance shall be of a less value than One Pound sterling. Minimum value.

7. The Bank Note Reserve Fund shall be held by the Crown Agents for the Colonies or by the Trustees separately or jointly as a special fund primarily available for and liable to the satisfaction of the claims of the holders of Bank Notes issued as aforesaid, but any net income derived from the fund either from interest on deposits of the coin or on the securities or otherwise after payment of necessary expenses of administration, shall be the property of the Banker by whom such coin or securities have been deposited. In the event of a Banker failing to pay his Bank Notes when presented, or becoming bankrupt or insolvent or ceasing to carry on business as such Banker in this Colony, the securities (if any) may be realised by the Crown Agents or the Trustees, and the fund shall be applied so far as may be necessary to the redemption of the Bank Notes of such Banker without prejudice to the rights of the holders of such Bank Notes against any uncalled capital of the Banker and to their rights of ranking with other creditors of the Banker against his general assets. Subject to his primary liability the fund shall be applicable as part of the general assets of the Banker. Reserve Fund.

8. Such part of the books of any Banker who shall issue Bank Notes under this Ordinance as may contain any entry relating to the Bank Notes issued or to be issued by such Banker or relating to the amount of such Bank Notes in circulation from time to time, or any account, minute or memorandum, the sight or inspection whereof may tend to ensure the rendering or taking of true accounts for any period of the average amount of such Bank Notes in circulation or to test the truth of any such account, shall be open for the inspection and examination at all reasonable times of any person authorized in that behalf by writing signed by the Colonial Secretary. Inspection of books.

Every such authorized person shall be at liberty to take copies or extracts from any such book or account as aforesaid.

If any Banker or other person keeping any such books or having the custody or possession thereof or power to produce the same shall upon demand made by any such authorized person showing if demanded his authority on that behalf, refuse to produce any such book to him for his inspection and examination or to permit him to inspect and examine the same or to take copies thereof or extracts therefrom or of or from any such account, minute or memorandum as aforesaid, he shall for every such offence forfeit the sum of One hundred Pounds sterling.

Provided that the Colonial Secretary shall not exercise or cause to be exercised the powers aforesaid without the consent of the Governor.

Penalty for  
issue in  
excess.

9. Whenever a Banker shall issue Bank Notes in excess of the amount authorized by the provisions of this Ordinance he shall forfeit a sum not exceeding Five Pounds a day for every day during which such excess of any sum not exceeding one thousand pounds shall continue, and a further sum of Five Pounds a day for every day during which such excess shall continue for every complete additional sum of one thousand pounds in bank notes so issued in excess.

Unlawful issue  
of notes.

10. Any Banker who shall issue Bank Notes without complying with all the provisions of this Ordinance shall be liable to a penalty of One hundred Pounds, and a further penalty of Five Pounds for every day during which such unlawful issue shall continue.

Exemption  
from deposit  
of securities in  
certain cases.

11. Whenever it is provided to the satisfaction of the Secretary of State for the Colonies that by the law of any British Possession the redemption of Bank Notes issued by a Banker having his principal establishment in such Possession and issuing notes under the law of the said Possession and desirous of doing business as such Banker in this Colony, is sufficiently secured as well in this Colony as in the said Possession, it shall be lawful for the said Secretary of State upon the application of such Banker to dispense, either wholly or in part, with the requirements of this Ordinance in regard to the deposit of security against the issue of Bank Notes; and after such dispensation shall have been notified

in the *Royal Gazette* such requirements shall to the extent specified in the said notice be thereupon dispensed with. It shall be lawful for the said Secretary of State at any time to revoke any such dispensation.

12. Every Banker issuing Bank Notes under the provisions of this Ordinance shall keep and publish such accounts and render such returns as the Governor in Executive Council may from time to time prescribe. Accounts and returns.

Any Banker who shall fail or neglect to publish such accounts or render such returns as may be from time to time prescribed under this section, within twenty-one days after the day appointed for the publishing and rendering of such accounts and returns, shall be liable to a penalty of Five Pounds for every day after the said twenty-first day such accounts remain unpublished or such returns are not rendered.

13. It shall be compulsory upon every Banker issuing Bank Notes to take up and pay such Bank Notes in coin or in currency notes within the meaning of "The Government Currency Notes Ordinance 1903," on the presentation of the same at the place where such Bank Notes were issued; and all persons holding Bank Notes that are dishonoured (protest having been made by a Notary Public) shall be entitled to receive and shall receive interest on the amount of such Bank Notes from the date of the protest, together with the expense of such protest. Payment in coin. Dishonour.

14. All penalties and forfeitures under this Ordinance shall be sued for in the Supreme Court in the name of the Attorney-General, and the proceeds thereof when recovered shall be paid into the Treasury to the credit of the general revenue of the Colony. Recovery of penalties.

15. This Ordinance shall not commence unless and until the Governor notifies by proclamation that it is His Majesty's pleasure not to disallow the same, and thereafter it shall commence upon such day as the Governor shall notify by the same or by any other proclamation. Commencement.

Passed in Council this Twenty-third day of December in the year of Our Lord one thousand nine hundred and three.

C. J. ROOKS,  
*Clerk of the Council.*