

No. 393

BILL NO. 16 OF 1965.

CURRENCY BILL, 1965.

Arrangement of Sections.

Section

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A BILL

Intituled

AN ORDINANCE to implement the British Caribbean Currency Agreement, 1964.

Enacted by the Legislature of British Guiana :—

A.D. 1965.

1. (1) This Ordinance may be cited as the Currency Ordinance, 1965. Short title and commencement.

(2) This Ordinance shall come into operation on such day as the Governor, by order, shall appoint.

2. In this Ordinance —

Interpretation.

“the Agreement” means the Agreement made on the 12th December, 1964, between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Trinidad and Tobago (as amended by exchange of letters between the aforesaid Governments) as set out in the schedule to this Ordinance; Schedule.

“the former Agreement” means the Agreement set out in the first schedule to the Currency Ordinance, 1959; No. 8 of 1959.

“Board” means the Board of Commissioners established in accordance with the terms of the Agreement;

“coin” means any coin provided, issued or re-issued in accordance with the terms of Articles 3, 4, 13 and 18 of the Agreement;

“currency note” means any note provided, issued, deemed to have been issued, or re-issued in accordance with the terms of Articles 3, 4, 5 and 13 of the Agreement.

3. The provisions of the Agreement shall have the force of law as if enacted in this Ordinance. Agreement to have the force of law.

4. (1) Currency notes issued in accordance with the terms of the Agreement shall be of such form and design and printed from such plates and on such paper and be authenticated in such manner as currency notes issued under the former agreement and in circulation in British Guiana immediately before the commencement of this Ordinance. Issue and form of currency notes and coin.

(2) For the purpose of preventing fraud and improper use, plates shall be prepared and kept and notes printed, authenticated, issued and cancelled in the manner and in accordance with conditions

No. 8 of
1959.

applicable under the Currency Ordinance, 1959, to the preparation and keeping of plates, and the printing, authentication, issue and cancellation of notes.

(3) Coins issued in accordance with terms of the Agreement shall be of such denominations and weight and be made of such metal or metals as the coins issued under the former agreement and in circulation in British Guiana immediately before the commencement of this Ordinance.

Legal tender.

5. (1) Currency notes shall be legal tender in British Guiana for the payment of any amount.

(2) Coin shall, if the coins have not been illegally dealt with, be legal tender to an amount not exceeding in the case of coins of denomination of not less than twenty-five cents, ten dollars, and in the case of coins of a lower denomination, two dollars.

(3) For the purposes of this Ordinance, a coin shall be deemed to have been illegally dealt with where the coin has been impaired, diminished, or lightened otherwise than by fair wear and tear, or has been defaced by having any name, word, device or number stamped or engraved thereon, whether the coin has or has not been thereby diminished or lightened.

Meeting of
deficiency.

6. Any sum which is required to meet any deficiency which the Government of British Guiana is liable to make good under the terms of the Agreement shall be charged upon the general revenue and shall be issued therefrom forthwith on the demand of the Board.

Demonetiza-
tion of notes
and coin.

7. The Governor may, after consultation with the Board, by notice in the Gazette declare that any currency notes or coin shall cease to be legal tender and provide for any matters incidental to the calling in and demonetization of such notes or coin, and any such notice shall have effect as from the date thereof or from such later date as may be specified.

Bills and
notes payable
to bearer on
demand.

8. (1) Except as provided by subsection (2) of this section, no person shall for the purpose of putting such instrument into circulation draw, exchange, make or issue any bill of exchange, promissory note or engagement for the payment of money payable to bearer on demand; or borrow, owe or take up any sum or sums of money on any bill of exchange, promissory note or engagement for the payment of money payable only to bearer on demand of any such person.

(2) Cheques or drafts payable to bearer on demand, may, in the usual course of commercial practice be drawn on bankers or their agents by their customers.

(3) Subsection (1) of this section shall not apply to bank notes issued before the commencement of this Ordinance by banks duly authorised to issue such notes.

(4) Notwithstanding anything to the contrary in any other law, any person contravening the provisions of this section shall be liable on summary conviction to a fine of five hundred dollars or to a fine equal to twice the amount of the bill, note or engagement in respect whereof the offence is committed, whichever is the greater.

(5) A prosecution under this section shall not be instituted except by the Board or by any agent duly authorised by the Board in writing.

Currency
Note under
this
Ordinance.
Cap. 14.
Cap. 10.

9. For the avoidance of doubt, it is hereby declared that a currency note under this Ordinance is within the meaning of the expression "currency note" in section 201 of the Summary Jurisdiction (Offences) Ordinance and in section 241 of the Criminal Law (Offences) Ordinance.

Regulations.

10. The Governor may, after consultation with the Board and with the approval of the Secretary of State, make regulations generally for the better carrying into effect of the provisions of this Ordinance.

11. The Currency Ordinance, 1959, is hereby repealed:

Repeal and
saving.
No. 8 of
1959.

Provided that the regulations made under the said Ordinance and in force immediately before the commencement of this Ordinance shall, until amended or revoked by regulations made under this Ordinance, remain good and valid as if made under this Ordinance:

Provided further that references in the regulations made under the said Ordinance to sections of that Ordinance shall be construed as references to the corresponding sections of this Ordinance.

SCHEDULE

Section 2.

AN AGREEMENT made on the TWELFTH day of DECEMBER, in the year One thousand nine hundred and sixty-four Between The GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND (which is responsible for the international relations of the Governments of BRITISH GUIANA, BARBADOS, ANTIGUA, DOMINICA, GRENADA, MONTserrat, SAINT CHRISTOPHER, NEVIS AND ANGUILLA, SAINT LUCIA AND SAINT VINCENT (hereinafter collectively referred to as "the participating Governments")) of the One Part and THE GOVERNMENT OF TRINIDAD AND TOBAGO of the Other Part.

Whereas under an Agreement made on the 28th day of January, 1958, (hereinafter referred to as "the 1958 Agreement") between the Governments of Barbados, British Guiana, Trinidad and Tobago, the Leeward Islands and the Windward Islands, a Board of Commissioners of Currency, British Caribbean Territories (Eastern Group) (hereinafter referred to as "the Board") was constituted to provide for and control the supply of currency in the territories of the said Governments.

And Whereas Trinidad and Tobago became an independent country on the 31st day of August, 1962.

And Whereas the participating Governments and the Government of Trinidad and Tobago—

- (i) have indicated their intention to establish new currency authorities;
- (ii) desire the Board reconstituted as hereinafter provided to continue to provide for and control the supply of currency in the territories of the participating Governments and in Trinidad and Tobago pending the establishment of such new authorities; and
- (iii) desire to revise the 1958 Agreement and to provide for the Board to cease to issue currency in the territories of the participating Governments and in Trinidad and Tobago on the establishment of such new authorities.

And Whereas the participating Governments have agreed to the arrangements set forth in this Agreement and have agreed to sign this Agreement in token thereof.

And Whereas the Government of the United Kingdom and the Government of Trinidad and Tobago have agreed to enter into this Agreement.

Now Therefore the Government of the United Kingdom and the Government of Trinidad and Tobago have agreed as follows :—

1. This Agreement shall replace the 1958 Agreement which shall continue to have effect in so far only as is necessary for carrying into effect the provisions of this Agreement.

The 1958
Agreement
replaced.

2. (1) The Board shall be reconstituted as follows; that is to say it shall consist of five members, one appointed by the Government of Trinidad and Tobago to represent Trinidad and Tobago, the other four appointed by the Government of the United Kingdom, the Govern-

Constitution
of Board of
Commis-
sioners of
Currency

ments of Barbados and British Guiana each having the right to nominate one member to represent their respective territories, the Governments of Antigua, Saint Christopher, Nevis and Anguilla, and Montserrat having the right to nominate one member to represent their territories, and the Governments of Grenada, Saint Vincent, Saint Lucia and Dominica having the right to nominate one member to represent their territories:

Provided that the members of the Board of Commissioners of Currency appointed under the 1958 Agreement and holding office at the commencement of this Agreement shall, subject to the provisions of this Agreement, continue to function as the Board for the remainder of the terms for which they were respectively appointed:

Provided further that where a single currency authority is established for any of the participating Governments, then the participating Governments for which such a single currency authority is established shall be represented by a single member of the Board nominated or appointed by the Governments or Government who established such authority in place of their representative and the Board shall be reconstituted accordingly.

(2) The Board shall elect one of its number to be Chairman:

Provided that the Chairman elected under the 1958 Agreement and holding office at the commencement of this Agreement shall, subject to the provisions of this Agreement, continue to function as the Chairman for the remainder of the term for which he was appointed.

(3) The term of office of the members and the Chairman shall be three years, subject to their continuing resident within the territory they respectively represent. Subject to the foregoing conditions each member shall be eligible for re-appointment.

(4) In addition to the five members appointed under paragraph (1) of this Article there shall be an Executive Officer of the Board of which he shall be a member with the title of "Executive Commissioner" and the right to vote. The Executive Commissioner shall be appointed by the Government of the United Kingdom in agreement with the Government of Trinidad and Tobago:

Provided that the Executive Commissioner appointed under the 1958 Agreement shall be deemed to have been appointed under this Agreement. The Executive Commissioner shall be responsible, subject to the direction of the Board, for all executive matters connected with the procurement, issue, retirement, distribution and holding of the Board's notes and coin.

(5) The Chairman and members of the Board shall be paid such remuneration and allowances as may from time to time be determined by the Government of the United Kingdom in agreement with the Government of Trinidad and Tobago.

(6) Any duty devolving and any power conferred on the Board may be discharged or exercised by any four members, and, in the absence of the Chairman elected under paragraph (2) of this Article, members may for the purpose of any particular meeting elect a Chairman *ad hoc*. The Chairman shall have an original and a casting vote.

(7) The Board shall meet at least twice in every calendar year and at such other times as may be deemed necessary by the Chairman:

Provided that the Chairman shall call a meeting as soon as practicable after receiving a request from any member.

(8) The headquarters of the Board shall remain in Trinidad and offices shall be established at such other places, and the Board may employ such agents, officers, and persons as may be required:

Provided that any such agents, officers and persons in the employment of the Board at the commencement of this Agreement shall be deemed to have been employed under this Agreement.

(9) If any member of the Board is for the time being unable to act, the Government of Trinidad and Tobago or the participating Government or Governments by whom he was appointed or nominated as the case may be may appoint a fit person to act in his place during such inability.

(10) The Board and its officers and servants shall be deemed to be public servants for the purpose of the criminal law in force in Trinidad and Tobago and in the territories of the participating Governments.

3. (1) Subject to the provisions of Articles 11 and 13 of this Agreement the Board shall have the sole right to issue currency notes and coin in Trinidad and Tobago and in the territories of participating Governments who shall not issue any such notes or coin nor authorise such issue by other persons.

The right of
the Board to
issue currency

(2) The Government of Trinidad and Tobago and the participating Governments shall demonetize the United Kingdom coin now in current circulation in Trinidad and Tobago and in the territories of the participating Governments.

(3) The notes and coin to be issued by the Board shall be in the following denomination :—

<i>Notes</i>	<i>Coin</i>
20 dollars	50 cents
10 dollars	25 cents
5. dollars	10 cents
2 dollars	5 cents
1 dollar	2 cents
	1 cent

Provided that notes and coin of other denominations may be issued as required with the approval of the Government of the United Kingdom in agreement with the Government of Trinidad and Tobago; such notes and coin to be in dollars at the rate of 100 cents for each dollar of the value equivalent to four shillings and two pence of sterling in London:

Provided also that the 100 dollar notes and half cent coins of the Board issued under the terms of the 1958 Agreement shall be treated in all respects as having been issued under this Agreement.

4. (1) Subject to the provisions of Articles 11 and 13 of this Agreement the Board shall issue on demand to any person desiring to receive currency notes at any of its offices or agencies, currency notes to the equivalent value (at the rate of one dollar for four shillings and two pence) of sums in sterling lodged with the Crown Agents for Oversea Governments and Administrations in London (hereinafter referred to as the "Crown Agents") by the said person and shall pay on demand through the Crown Agents to any person desiring to receive sterling in London the equivalent value calculated as aforesaid of currency notes lodged with the Board at any of its offices or agencies by the said person:

Conversion
of currency
notes and
coin into
sterling and
vice versa.

Provided that—

- (a) no person shall be entitled to lodge with the Crown Agents or the Board, as the case may be, less than such minimum sum as may from time to time be prescribed for the purpose of obtaining currency notes or sterling, as the case may be; and
- (b) the Board shall be entitled to charge and levy from any person obtaining currency notes or sterling commission at such rate or rates as the Board may think fit not

exceeding one per centum and in addition the cost of any telegrams sent by the Board or by the Crown Agents in connection with any transfer as above described.

(2) The Board may, at its option, issue and redeem coin in the same manner and subject to the same conditions as are prescribed in paragraph (1) of this Article for the issue and redemption of currency notes.

Board may issue currency notes to value of securities of the Government of Trinidad and Tobago and the participating Governments held by it.

Currency.

5. The Board in its discretion may issue currency notes to the equivalent market value of securities of, or guaranteed by, the Government of Trinidad and Tobago or by any of the participating Governments lodged with the Board at its headquarters at Trinidad as part of such a transaction as is permitted by proviso (a) of paragraph 3 of Article 6 of this Agreement.

6. (1) The Board shall establish and maintain a fund to be called "The Currency Fund" (hereinafter referred to as "the Fund") which subject to the terms of proviso (a) to paragraph (3) of this Article, shall be held in London by the Crown Agents for meeting the redemption of currency and shall not be applied for any other purposes except as provided by this Agreement:

Provided that The Currency Fund established and maintained under the 1958 Agreement shall be deemed to have been established under this Agreement.

(2) There shall be paid into the Fund all sterling received in exchange for currency notes or coin.

(3) The Fund may be invested in sterling securities of or guaranteed by the Government of any part of Her Majesty's dominions or of any territory under Her Majesty's protection or of any territory administered by the Government of any part of Her Majesty's dominions under the trusteeship system of the United Nations or such other securities as the Crown Agents, with the approval of the Government of the United Kingdom in agreement with the Government of Trinidad and Tobago, may select:

Provided that—

(a) not more than an amount in dollars equivalent (at the rate of one dollar for four shillings and two pence) to two million five hundred thousand pounds sterling of the moneys in the Fund may at any time be invested in securities of or guaranteed by the Government of Trinidad and Tobago or any of the participating Governments, such securities being in any case as the Board may select and, if issued in Trinidad and Tobago or in any of the territories administered by any of the participating Governments, to be held by the Board at its headquarters in Trinidad; and

(b) a proportion of the Fund shall be held in London in liquid form and such proportion may be determined and varied from time to time by the Board who in determining such proportion shall have regard to the provisions of Article 11 of this Agreement.

(4) The liquid portion of the Fund may be held in cash or on deposit at the Bank of England or in Treasury Bills or may be lent out at call or for short terms in such ways or invested in such readily realisable securities as may be approved by Her Majesty's Government in the United Kingdom in agreement with the Government of Trinidad and Tobago.

(5) Notwithstanding anything in the preceding paragraphs contained the Board may—

(a) use any coins held for the account of the Fund for the purpose of having them reminted and coined into current coin;

(b) pay from the Fund the cost of the purchase of metal to be minted into current coin;

(c) pay to the Fund the proceeds of the sale for metal value of coin withdrawn from circulation and destroyed.

(6) The value of the Fund for any of the purposes of this Agreement shall be the current realisable value of the whole of the assets held in the Fund, investments of the Fund being valued at the current market price at the time of valuation.

7. (1) The Board shall open and maintain an account to be called the "Currency Fund Income Account" (hereinafter referred to as the "Income Account") into which shall be paid all dividends, interest or other revenue derived from investments or from the employment in any other manner of the moneys of the Fund and all commissions paid to the Board in connection with the issue or redemption of currency notes or coin: Currency
Fund
Income
Account.

Provided that the Currency Fund Income Account opened and maintained under the 1958 Agreement shall be deemed to have been opened under this Agreement.

(2) There shall be charged upon the Income Account—

- (a) all the expenses other than the expenses referred to in Article 6 of this Agreement incurred by the Board and by the Crown Agents in the preparation, transport, issue, redemption and demonetization of currency notes and coin and the transaction of any business relating thereto;
- (b) any expenses incurred by the Board for the protection of the currency against counterfeiting or forgery of coins or notes;
- (c) a sum equal to one per centum of the value of the Fund at the end of each year calculated in accordance with paragraph (6) of Article 6 of this Agreement which shall be paid annually into the Fund; and
- (d) such sum as the Board may decide to be credited to a Contingencies Reserve Fund:

Provided that the Board may with the approval of the Government of the United Kingdom in agreement with the Government of Trinidad and Tobago direct that any expenditure of an exceptional nature may be charged upon the Fund and not upon the Income Account: Provided also that the Board may meet any expenses from the Contingencies Reserve Fund.

(3) If on the last day in any year or on the 30th June, 1967 there is a surplus in the Income Account it shall be paid to the credit of an account to be called the "British Caribbean Territories (Eastern Group) (Currency Surplus) Account" (hereinafter referred to as the "Surplus Account") to be set up as provided in Article 8 of this Agreement; but if on the last day of any year or on the 30th June, 1967 there is a deficiency in the Income Account it shall be met by the Government of Trinidad and Tobago and the participating Governments in the proportions prescribed in paragraph (2) of Article 8 of this Agreement from any sums held by the Board to the credit of the Government concerned or from moneys to be appropriated and paid from the revenue of the Governments: Provided that no Government shall be required to meet such a deficiency if the Board did not issue currency notes in the territory of that Government during the year to which such a deficiency relates and that the Governments remaining liable to meet such a deficiency shall share in meeting it in the ratio of the proportions attributed to them in paragraph (2) of Article 8. If any Government should default on any payment due under this paragraph, the amount in default may be recovered from any subsequent payment due to that Government from any of the funds held by the Board:

Provided that if on the last day in any year or on the 30th June, 1967 the face value of the currency notes and current coin in circulation exceeds the value of the Fund calculated in accordance with paragraph (6) of Article 6 of this Agreement there shall be paid into the Fund the whole of the said surplus in the Income Account or such part thereof as shall make up the moneys of the Fund as aforesaid to an amount equal to the face value of the currency notes and current coin in circulation.

Currency
Surplus
Account.

8. (1) There shall be set up a British Caribbean Territories (Eastern Group) (Currency Supplies) Account, into which shall be paid any surplus in the Income Account arising as provided in Article 7 of this Agreement.

(2) The Government of Trinidad and Tobago and the participating Governments shall be entitled to share in the Surplus Account in the proportions which apply at the present under the 1958 Agreement, that is to say:—

Trinidad and Tobago	..	..	..	48.1
British Guiana	..	.....	..	26.5
Barbados	..	..	..	9.1
Dominica	..	..	..	2.5
Grenada	..	..	..	5.2
St. Lucia	..	..	..	1.3
St. Vincent	..	..	..	1.0
Antigua	..	..	..	4.0
Montserrat	..	..	..	0.3
St. Christopher-Nevis-Anguilla	..	..	..	2.0

Provided that no Government shall be entitled to share in any surplus paid into the surplus account if the Board did not issue currency notes in the territory of that Government during the year to which such a surplus relates and that the Governments entitled to share in any such surplus shall share in it in the ratio of the proportions attributed to them in this paragraph.

(3) The Government of Trinidad and Tobago and each of the participating Governments shall from time to time authorise the Board to pay out of its share of the sums standing to the credit of the Surplus Account its share of such charges in addition to the charges referred to in Article 7 of this Agreement as the Government of Trinidad and Tobago and each of the participating Governments may from time to time agree should be so paid.

(4) Any balance remaining in the Surplus Account to the credit of any Government at the end of any year or on the 30th of June, 1967 after the payment of any charges as provided in paragraph (3) of this Article shall be paid to that Government.

Meeting of
deficiencies
in the Cur-
rency Fund.

9. (1) If the assets of the Fund should at any time prove inadequate to meet legal demands upon the Board for the conversion of currency into sterling, the Government of Trinidad and Tobago and the participating Governments shall be liable to meet any deficiency in the Fund.

(2) If the value of the Fund calculated as provided in paragraph (6) of Article 6 of this Agreement shall at any time be less than the face value of the currency notes and coin in circulation and in the opinion of the Government of the United Kingdom in agreement with the Government of Trinidad and Tobago it shall be necessary to make up such deficiency in the Fund either wholly or partly the Government of Trinidad and Tobago and the participating Governments shall be liable for the sum which in the opinion of the Government of the United Kingdom in agreement with the Government of Trinidad and Tobago is required to be paid into the Fund.

(3) Any liability under paragraphs (1) and (2) of this Article shall be borne by the Government of Trinidad and Tobago and the participating Governments in accordance with the proportions prescribed in paragraph (1) of Article 14.

(4) If any of the Governments mentioned in paragraph (1) of this Article shall make default in any of the obligations set out in that paragraph or in paragraph (2) of this Article, then the other Governments so mentioned shall make good the amount of such default in proportions determined between them in like manner as in paragraph (3) of this Article:

Provided that in the event of a default being so made good any sums due thereafter to the defaulting Government or Governments from any funds held by the Board shall be paid to the Governments which have made good such defaults in the like proportions until the amount so made good by them has been refunded.

10. (1) The accounts of all transactions of the Board shall be audited once in every year by such persons and in accordance with such regulations as the Government of the United Kingdom in agreement with the Government of Trinidad and Tobago may direct. Accounts and Returns.

(2) An abstract of such accounts shall as soon as may be after such audit, be published in the Gazette of Trinidad and Tobago and of each of the participating Governments.

(3) The Board shall on the first day of each month make up and as soon as may be thereafter publish in the Gazette of Trinidad and Tobago and of each of the participating Governments, an abstract showing the whole amount of currency notes and coin in circulation on the said day and the average amount in circulation during the previous month.

(4) The Board shall also publish half yearly in the Gazette of Trinidad and Tobago and of each of the participating Governments an abstract showing—

- (a) the amount of the liquid portion of the Fund;
- (b) the nominal value and price paid for and the latest known market price of the securities belonging to the Fund.

(5) The amount of currency notes and coin in circulation at a particular date shall be deemed to be the total nominal amount of currency notes and coin issued prior to that date by the Board after deducting the total nominal amount of currency notes and coin received by the Board prior to that date.

(6) The said abstracts shall from time to time and at least once a quarter be verified by a Board of Survey appointed in accordance with such regulations as the Government of the United Kingdom in agreement with the Government of Trinidad and Tobago may direct.

11. (1) Any Government establishing another authority in place of the Board to issue currency in its territory to replace currency issued by the Board shall give to the Board at its head office notice in writing (hereinafter referred to as a "Notice of Replacement") such Notice of Replacement being for such period as may be agreed between the Government of the United Kingdom and the Government of Trinidad and Tobago after consultation with the Executive Commissioner: Establishment of new separate Currency Authority.

Provided however that if any Government gives to the Board at its head office a Notice of Replacement for a period of six months or more it will not be required to obtain the prior agreement of the Governments of the United Kingdom and Trinidad and Tobago as provided in paragraph (1) of this Article.

(2) Subject to the provisions of Article 13 of this Agreement the Board at the expiration of the period stipulated in such Notice of Replacement shall—

- (a) relinquish the right vested in it by paragraph (1) of Article 3 of this Agreement to issue currency notes and coin in the territory of the Government lodging such Notice of Replacement;

- (b) cease to issue currency notes and coin under Article 4 of this Agreement in the territory of the Government lodging such Notice of Replacement.

(3) (a) Neither the lodgment of a Notice of Replacement nor the commencement of the issue of currency by a new authority established by the Government lodging the notice shall affect the right, if any, of that Government to share in any distribution of the Board's funds under paragraph (2) of Article 8 of this Agreement or the liability, if any, of that Government to make good deficiencies under paragraph (3) of Article 7 and Article 9 of this Agreement.

(b) The lodgment of a Notice of Replacement with the Board shall in no manner affect the constitution of the Board as prescribed by Article 2 of this Agreement.

(4) On the 1st January, 1966 the Board shall insofar as it has not already done so under paragraph (2) of this Article—

- (a) relinquish the right vested in it by paragraph (1) of Article 3 of this Agreement to issue currency notes and coin in the territories of the Governments; and
- (b) cease to issue currency notes and coin under Article 4 of this Agreement in the territories of the Governments.

(5) (a) Upon the lodgment of a Notice of Replacement, the Board shall consult with the new currency authorities individually, to arrange the procedures for the withdrawal and redemption of currency and coin, insofar as coin is to be withdrawn, and all other matters incidental thereto, as from the date, or dates, on which the new currency authorities, severally, commence to issue their own currencies.

(b) Each Government shall endeavour to ensure that the currency notes and coin of the Board circulating in its territory shall, so far as practicable, be presented for redemption to the Board by the new authority established by that Government or the Agent of that new authority; and subject to paragraph (8) of Article 2 the Board shall close its office, or offices, and terminate any agency arrangements in such territory at the earliest practicable date after it ceases to issue currency notes and coin therein.

(6) In redeeming currency notes and coin presented to the Board by a new currency authority, the Board shall:

- (a) Subject to the provisions of subparagraph (d) of this paragraph in the first instance transfer to that authority in lieu of sterling any securities which it may hold under proviso (a) to paragraph (3) of Article 6 of this Agreement of the Government or Governments which have established the said new authority and the new authority shall accept such securities at their nominal value;
- (b) Otherwise redeem its currency notes and coin in sterling at the rate of four shillings and two pence to the dollar;
- (c) Notwithstanding the provisions of subparagraph (b) of paragraph (1) of Article 4 of this Agreement levy no commission for such redemptions;
- (d) In order to meet the special need of a new currency authority the Board shall on request by the new authority redeem its currency in the first instance in accordance with subparagraphs (b) and (e) of this paragraph:

Provided that the Board shall have transferred the whole of the holdings of the Board of the securities referred to in sub-paragraph (a) of this paragraph to the said new authority by the date on which the amount of the currency of the Board redeemed for that new authority is equivalent to twice the amount of the said securities held by the Board on the day on which the Board commences to redeem currency for that authority;

- (e) Notwithstanding the provisions of sub-paragraph (b) of this paragraph consult with the new authority with a view to arranging where it is mutually desired for the transfer, at their market value, of sterling securities held by the Board in lieu of sterling.

(7) An authority established by any Government or Governments in place of the Board may appoint the Board to act as the agent of such Authority to assist such Authority in the issue of currency in the Territory of the Government or Governments to replace currency issued by the Board and the Board may accept such appointment and as such agent shall have and exercise such powers as may be given to it by the authority appointing it.

(8) As soon as may be deemed expedient after the Board has ceased to issue currency in the territory of any Government, that Government shall, after consultation with the Board notify in the Official Gazette of such Government the date upon which currency notes or coin of the Board shall no longer be legal tender in that territory.

12. The liabilities, obligations and responsibilities which the Board assumed under paragraph (2) of Article 2 of the 1958 Agreement, in respect of the Government currency notes of the Governments of Trinidad and Tobago, British Guiana and Barbados, issued and in circulation on the 1st day of August, 1951, shall revert to the said Governments severally as from the respective dates on which the new currency authorities established by the said Governments commence to issue currency in each of the said territories. On such dates the Board shall transfer from the Fund to the Governments of Trinidad and Tobago, British Guiana and Barbados, respectively, an amount in sterling or, by mutual agreement, in sterling securities at current market value equivalent to the face value of the notes of the Government concerned outstanding in the books of the Board on such dates. Thereafter the Board shall have no liabilities, obligations nor responsibilities whatsoever in respect of such notes.

Government
notes of
Trinidad and
Tobago,
British
Guiana and
Barbados.

13. (1) In default of the commencement of the issue of currency notes by a new currency authority, the Board shall, if requested by the Government of Trinidad and Tobago or any participating Government, continue the issue of currency notes in the territory of that Government, in accordance with Articles 3 and 4 of this Agreement up to 1st January, 1966:

Temporary
use of the
Board's
currency
and continued
use of the
Board's coin.

Provided that:—

- (i) On the 1st January, 1966, or as soon as a new authority commences to issue currency in a territory whichever is the earlier the right and obligation of the Board to issue currency notes and coin under Articles 3 and 4 of this Agreement shall forthwith be abrogated in respect of the said territory; and the Board shall thereupon cease to issue currency notes and coin therein;
- (ii) for as long as the Board shall continue to issue currency notes in a territory under this paragraph such currency shall remain legal tender in the said territory in accordance with the provisions of the law in force in that territory; and thereafter, currency notes of the Board shall, in respect of the said territory, be redeemed in the manner prescribed in paragraph (6) of Article 11 of this Agreement and demonetized in the same manner and subject to the same conditions as prescribed in paragraph (7) of Article 11 of this Agreement.

(2) If requested by any Government, the Board shall make available to the new currency authority established by that Government coin of the Board for continued circulation in the territory of that Government as from the date on which such new authority commences to issue currency notes or from the 1st January, 1966, until 30th June, 1967:

Provided that :—

- (i) any coin so supplied to such new authority shall be made available in the same manner and subject to the same conditions as are prescribed by paragraph (2) of Article 4 of this Agreement and such coin shall be treated for all pur-

poses as if it had been issued in accordance with the provisions of that Article;

- (ii) the detailed arrangements, terms and conditions for making coin available in accordance with this paragraph shall be agreed between the Board and the new currency authority concerned;
- (iii) the Board shall at all times endeavour to meet all reasonable demands for coin made upon it by the new currency authority concerned;
- (iv) so long as the Board shall continue to make coin available under the paragraph such coin shall remain legal tender in the territory concerned to the extent to which it had previously been legal tender therein; and thereafter coin of the Board shall, in respect of that territory, be redeemed in the manner prescribed in paragraph (6) of Article 11 of this Agreement and demonetized in the same manner and subject to the same conditions as are prescribed in paragraph (7) of Article 11 of this Agreement.

Dissolution
of Board.

14. (1) On the 30th June, 1967, the Board shall after

- (i) making full provision in accordance with Article 15, to meet its residual liability in respect of its currency notes not yet redeemed;
- (ii) making full provision in accordance with Article 17 or 18 as the case may be in respect of its coin not yet redeemed; establish the amount of any surplus or deficiency in its total assets and thereafter shall be dissolved.

Any surplus so established shall be distributed among the participating Governments in the following proportions :

Trinidad and Tobago	..	..	..	47.78
British Guiana	..	..	..	26.02
Barbados	..	..	..	10.34
Antigua	..	..	..	3.47
Dominica	..	..	..	2.37
Grenada	..	..	..	4.40
Montserrat	..	..	..	0.51
St. Christopher-Nevis-Anguilla	..	..	..	2.50
St. Lucia	..	..	..	1.59
St. Vincent	..	..	..	1.02

and any deficiency shall be made good in like proportions by the said Governments.

(2) Any payment due to the Government of Trinidad and Tobago and the participating Governments under paragraph (1) of this Article shall be made either in sterling or at the discretion of the Board wholly or partially in sterling securities held by the Board by the transfer in the proportions of sterling and of each security as the case may be prescribed in paragraph (1) of this Article, to each Government, such transfer being made at the market value of the said securities on the date on which the surplus was established under paragraph (1) of this Article.

Liability for
the Board's
notes after
the Board
has been
dissolved.

15. (1) On the 30th June, 1967, the Board shall forthwith transfer to the Crown Agents in sterling for account of the Government of Trinidad and Tobago and the participating Governments jointly an amount equivalent at the rate 4s. 2d. to the dollar to the nominal value of the currency notes constituting the aforementioned residual liability of the Board in respect of currency notes not yet redeemed. Thereafter the Board shall cease to be liable for the redemption of currency notes; and subject to paragraph (5) of Article 16 such currency notes shall become a liability of the Government of Trinidad and Tobago and of each of the participating Governments in the proportions determined in accordance with Article 14.

(2) The Government of Trinidad and Tobago and the participating Governments shall authorise the Crown Agents to pay out of the funds held by them under paragraph (1) of this Article, such sums as may be claimed from them under the provisions of paragraph (3) of this Article.

(3) The Government of Trinidad and Tobago and the participating Governments shall appoint the new currency authorities established by the Government of Trinidad and Tobago, the Government of British Guiana and the new currency authority established by the Governments of Barbados, Antigua, Dominica, Grenada, Montserrat, St. Christopher, Nevis and Anguilla, St. Lucia and St. Vincent, or as many of them as establish such an authority, their agents to redeem notes issued by the Board for any persons presenting such notes in Trinidad and Tobago, British Guiana or Barbados for payment at the rate of four shillings and two pence to one dollar, and shall authorise the said new currency authorities to re-imburse themselves by claiming sterling from the Crown Agents under paragraph (2) of this Article.

(4) The new currency authorities appointed under paragraph (3) of this Article shall cancel and destroy notes presented to them for redemption, in accordance with such arrangements as the Government of Trinidad and Tobago and the participating Governments may agree.

(5) The Crown Agents and the new currency authorities appointed under paragraph (3) of this Article shall keep accounts and records of transactions carried out under this Article which shall be audited annually and copies submitted to the Government of Trinidad and Tobago and the participating Governments.

(6) The Crown Agents and the said new currency authorities shall be entitled to recoup themselves out of the assets held by the Crown Agents for any expenses necessarily incurred by them in the course of their duties under this Article.

16. (1) The Crown Agents shall from time to time distribute among the Government of Trinidad and Tobago and the participating Governments such part of the assets held by them under paragraph (1) of Article 15 as the Government of Trinidad and Tobago and the participating Governments may jointly direct. Distribution by Crown Agents and meeting of deficiency in assets

(2) On the 30th June, 1977 the assets held by the Crown Agents under paragraph (1) of Article 15 shall be distributed among the new currency authorities as are specified in paragraph (3) of this Article in the manner set forth in paragraph (4).

(3) The said assets referred to in paragraph (2) of this Article shall be distributed among the following namely:— the new currency authorities established by the Government of Trinidad and Tobago, the Government of British Guiana, and the Governments of Barbados, Antigua, Dominica, Grenada, Montserrat, St. Christopher, Nevis and Anguilla, St. Lucia and St. Vincent or as many of them as shall have established new currency authorities.

(4) The said assets shall be distributed among the new currency authorities as are specified in paragraph (3) of this Article in manner following, that is to say, so that the share of each new authority in the total amount of the assets shall bear the same proportion to such total as the aggregate value of the currency notes of the Board redeemed by the Board for each authority under the provisions of subparagraph (b) of paragraph (5) of Article 11 and redeemed by each authority under the provisions of paragraph (3) of Article 15 bears to the value of all notes so redeemed up to the 30th of June, 1977.

(5) Following the distribution of assets provided for in paragraph (4) of this Article the liability of the Government of Trinidad and Tobago and the participating Governments for the redemption of

the currency notes of the Board shall be transferred to the new currency authorities referred to in paragraph (3) and each such authority shall assume liability for the redemption of currency notes of the Board up to the amount of the assets received by it under paragraph (4).

(6) If at any time the assets held by the Crown Agents under paragraph (1) of Article 15, prove insufficient to meet the redemption of notes, the Government of Trinidad and Tobago and the participating Governments shall provide such sums as may be required to make good the deficiency; and the Government of Trinidad and Tobago and the participating Governments shall indemnify the Crown Agents and the said new currency authorities against all claims of whatsoever kind arising out of their appointment under Article 15.

(7) Any distribution or claims in accordance with the provisions of paragraphs (1) and (6) of this Article shall be apportioned among the Governments of Trinidad and Tobago and the participating Governments in the proportions agreed for the purposes of paragraph (1) of Article 14 of this Agreement.

Liability for
the Board's
coin after the
Board has
been dissolved

17. If on the 30th June, 1967 the Board considers that it has met all its liabilities in Trinidad and Tobago and British Guiana in respect of its coin save in respect of a residual amount of coin which is unlikely to be presented for redemption shortly, the Board shall—

- (a) transfer forthwith to the new currency authority established by the Governments of Barbados, Antigua, Dominica, Grenada, Montserrat, St. Christopher, Nevis and Anguilla, St. Lucia, and St. Vincent, or so many of them as establish such an authority, an amount in sterling equivalent at the rate of four shillings and two pence to the dollar to the nominal value of coin of the Board not redeemed. Thereafter such coin shall become the liability of the said new authority and be deemed to have been issued by the said new authority;
- (b) sell to the said new authority unissued stocks of coin of the Board at cost; and
- (c) authorise the transfer to the said new authority of the dies of the Board, now in custody of the Royal Mint, from which such coin was minted, so that the new authority may mint for issue, in accordance with the law from time to time in force in the said territories, coin of the same design, weight and composition as that previously minted for the Board.

Establishment
of Coin
Continuation
Board.

18. (1) If on the 30th June, 1967, there is more than one new Currency Authority which is availing itself of the provisions of paragraph (2) of Article 13 or the Board considers that the amount of coin which is then circulating in Trinidad and Tobago and in British Guiana makes it necessary for special provision to be made for the redemption thereof, then there shall be established a Coin Continuation Board (hereinafter referred to as "the Coin Board").

(2) The Coin Board shall be constituted in the same manner as the Board was constituted on the 30th June, 1967 and shall in relation to its functions keep and maintain proper books of account and save as is hereinafter provided exercise the same rights and perform the same duties and in all respects act in the same manner in relation thereto as if it were the Board.

(3) The Board shall on the 30th June, 1967 transfer to the Coin Board—

- (a) the sterling equivalent at the rate of four shillings and two pence to the dollar of the nominal value of the coin of the Board not yet redeemed which sum will be held by

the Crown Agents and be constituted the Coin Fund and the Coin Board shall be responsible for the redemption of such coin; and

- (b) the unissued stocks of coin held by the Board on the 30th June, 1967.

(4) Any surplus or deficit in the income of the Coin Board shall be distributed or made good by the Government of Trinidad and Tobago and the participating Governments in the proportion which the coin in circulation in each of the territories of the respective Governments bears to the total coin in circulation. For the purpose of this paragraph the amount of coin in circulation shall be deemed to be the average monthly circulation as determined by the Coin Board during the year in respect of which the apportionment is made.

(5) When the Coin Board considers that it has met all its liabilities in Trinidad and Tobago and British Guiana save in respect of a residual amount of coin which is unlikely to be presented for redemption shortly, then the provisions contained in Article 17 relating to the Board and the new authority mentioned therein shall equally apply to the Coin Board and the said new authority.

(6) The Coin Board shall be dissolved by a resolution of the Coin Board to that effect on the earliest practicable date after it ceases to have any liabilities, obligations and responsibilities in respect of coin under the provision of this Article.

(7) Any surplus in the Coin Fund remaining after the transfer of assets under paragraph (5) of this Article shall be distributed between the Government of Trinidad and Tobago and the participating Governments according to the proportions provided in paragraph (1) of Article 14. Any surplus remaining in the income account of the Coin Board shall be distributed according to the provisions of paragraph (4) of this Article.

19. (1) No person shall be entitled to recover from the Board or the Agents or the Currency Authority of any participating Government appointed under paragraph (3) of Article 15 the value of any mutilated or imperfect notes.

(2) The circumstances in which, and the conditions and limitations subject to which the value of mutilated or imperfect notes may be refunded as an act of grace shall be within the absolute discretion of the Board or by agreement between the Agents appointed under paragraph (3) of Article 15 or in the case of an application for a refund made after June 30, 1977 to the Currency Authority of a participating Government in the absolute discretion of that authority.

(3) No person shall be entitled to recover from the Board or the Coin Board the value of any mutilated or imperfect coin or any coin which has been illegally dealt with.

(4) The circumstances in which and the conditions and limitations under which the value of mutilated or imperfect coin or coins which have been illegally dealt with may be refunded as an act of grace shall be within the absolute discretion of the Board and the Coin Board or in the case of an application for a refund made after June 30, 1977 to the Currency Authority of a participating Government in the absolute discretion of that authority.

20. The Government of the United Kingdom and the Government of Trinidad and Tobago hereby undertake to give legal effect to the provisions appropriate of this Agreement by procuring the enactment of and enacting appropriate legislation and subsidiary regulations in the territories of the respective participating Governments and in Trinidad and Tobago (by the 31st January, 1965)

Enactment of appropriate legislation.

to be brought into full force and effect on a date to be agreed between the Government of the United Kingdom and the Government of Trinidad and Tobago after consultation with the Executive Commissioner for effectively carrying out the purpose of this Agreement and providing for any matters ancillary thereto:

Provided that such legislation may be subject to Exchange Control legislation which has been enacted or may be enacted by any Government.

Settlement of
dispute.

21. Any dispute arising from the interpretation of this Agreement shall be referred to an arbitrator appointed by the Government of the United Kingdom in agreement with the Government of Trinidad and Tobago and the decision of such arbitrator shall be final and binding on all the Governments concerned and on the Board.

Citation.

22. This Agreement may be cited as the British Caribbean Currency Agreement 1964.

In Witness Whereof the representatives of the Government of the United Kingdom and the Government of Trinidad and Tobago, being duly authorised to that effect, have executed this Agreement; and the representatives of the participating Governments being duly authorised, have also signed this Agreement in signification of their concurrence therein.

Done in duplicate at Port-of-Spain on the Twelfth day of December, 1964.

OBJECTS AND REASONS

This Bill seeks to implement the British Caribbean Currency Agreement, 1964, by repealing the re-enacting with modifications the Currency Ordinance, 1959.

P. S. D'AGUIAR,
Minister of Finance.

A
(M.P. G.313/1954).