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CHAPTER 265.

EXCHANGE CONTROL.

An Ordinance to confer powers, and impose duties and restrictions, in relation to gold, currency, payments, securities, debts, and the import, export, transfer and settlement of property and for purposes connected with the matters aforesaid.

10 of 1950.
13 of 1952.

[1ST JUNE, 1954] *

1. (1) This Ordinance may be cited as the Exchange Control Ordinance, and shall apply to the Colony and Protectorate.

Short title,
commencement
and
repeal.

(2) This Ordinance shall come into force on such day as the Governor may by Order appoint, and—

(a) different days may be appointed for different purposes and for different provisions thereof; and

(b) the power of the Governor to make transitional provisions consequent on the making of an Order under this Ordinance shall extend to the revocation, in consequence of any Order made under this sub-section, of any of the provisions of the Defence (Finance) Regulations, 1940.

P.N. No. 53
of 1940.

2. (1) In this Ordinance, unless the context otherwise requires— Interpretation.

“authorised dealer” means, in relation to gold or any foreign currency, a person for the time being authorised by an order of the Governor to act for the purposes of this Ordinance as an authorised dealer in relation to gold, or, as the case may be, that foreign currency;

“authorised depositary” means a person for the time being authorised by an order of the Governor to act as an authorised depositary for the purposes of Part III of this Ordinance;

“bearer certificate” means a certificate of title to securities by the delivery of which (with or without endorsement) the title to the securities is transferable;

“certificate of title to securities” means any document of title whereby a person recognises the title of another to securities issued or to be issued by the first-mentioned person, and in the case of any such document with coupons

(whether attached or on separate coupon sheets) includes any coupons which have not been detached;

“ coupon ” means a coupon representing dividends or interest on a security;

“ foreign currency ” has the meaning ascribed to it by section 3 of this Ordinance;

“ gold ” means gold coin or gold bullion;

“ policy of assurance ” means any policy securing the payment of a capital sum or annuity on the occurrence of a specified event which is certain to happen and includes—

(a) any policy by which the payment of money is assured on death (except death by accident only) or the happening of any contingency dependent on human life; and

(b) any policy securing the payment of an immediate annuity;

and the reference in this definition to the occurrence of a specified event which is certain to happen shall include the occurrence, which is certain to happen, of one of specified events none of which by itself is certain to happen;

“ prescribed ” means prescribed, for the purposes of the provision in question, by order of the Financial Secretary;

“ scheduled territories ” has the meaning ascribed to it by section 3 of this Ordinance;

“ secondary securities ” has the meaning ascribed to it by section 21 of this Ordinance;

“ securities ” means shares, stock, bonds, notes (other than promissory notes), debentures, debenture stock, units under a unit trust scheme and shares in an oil royalty;

“ specified currency ” has the meaning ascribed to it by section 4 of this Ordinance as extended by section 6 thereof;

“ unit trust scheme ” means any arrangements made for the purpose, or having the effect, of providing for persons having funds available for investment, facilities for the participation by them, as beneficiaries under a trust, in profits or income arising from the acquisition, holding, management or disposal of any property whatsoever;

“ unit ” means, in relation to a unit trust scheme, a right or interest (whether described as a unit, as a sub-unit or otherwise) which may be acquired under the scheme.

(2) Any provision of this Ordinance (however worded) the effect of which is to prohibit the doing of any act where a

person to or by whom the act is to be done or who stands in a specified relation to any property possesses any specified attribute as to residence or otherwise shall, where the act is done to or by two or more persons or, as the case may be, where two or more persons stand jointly in that relation to the property, operate to prohibit the doing of that act if any of those persons possess that attribute; and any provision of this Ordinance imposing an obligation on any person to do an act if he possesses any specified attribute as to residence or otherwise shall, in relation to any act which can only be done by two or more persons jointly—

(a) where all those persons possess that attribute, operate to impose a joint obligation on all of them to do the act; and

(b) where some only of them possess that attribute, operate to impose a separate obligation on each one of them who possesses that attribute to do all he can to secure the doing of the act.

(3) Any power conferred by this Ordinance to prescribe the declarations which are to be furnished on any occasion shall include a power to require that the declarations shall be made by specified persons and shall be verified in a specified manner.

(4) Nothing in this Ordinance shall be construed as requiring the Financial Secretary to pay any sum otherwise than in sterling or British West African currency or otherwise than in Sierra Leone, and any provision of this Ordinance requiring the Financial Secretary to pay any sum to any person shall, where that sum is in a specified currency, be construed as a provision that the Financial Secretary shall pay to that person the amount in sterling or British West African currency which he would have received for the specified currency if he had sold it to an authorised dealer in pursuance of an offer made under section 4 of this Ordinance at the time when the said sum is paid.

13 of 1952.

(5) The obligations and prohibitions imposed by this Ordinance shall, subject to the express limitations contained therein, apply to all persons, notwithstanding that they are not British subjects.

PART I.—GOLD AND FOREIGN CURRENCY.

3. (1) Except with the permission of the Governor, no person, other than an authorised dealer, shall, in Sierra Leone, buy or borrow any gold or foreign currency from, or sell or lend any gold or foreign currency to, any person other than an authorised dealer.

Dealings in
gold and
foreign
currency.

(2) Except with the permission of the Governor, no person resident in the scheduled territories, other than an authorised dealer, shall, in Sierra Leone, do any act which involves, is in association with or is preparatory to buying or borrowing any gold or foreign currency from, or selling or lending any gold or foreign currency to, any person outside Sierra Leone.

(3) Where a person buys or borrows any gold or foreign currency in Sierra Leone or, being a person resident in the scheduled territories does any act which involves, is in association with or is preparatory to the buying or borrowing of gold or foreign currency outside Sierra Leone, he shall comply with such conditions as to the use to which it may be put or the period for which it may be retained as may from time to time be notified to him by the Financial Secretary.

(4) In this Ordinance—

“ Foreign currency.”

13 of 1952.

“ Scheduled territories.”

(a) the expression “ foreign currency ” does not include any currency or notes issued by the Government or under the law of any part of the scheduled territories but, save as aforesaid, includes any currency other than sterling or British West African currency and any notes of a class which are or have at any time been legal tender in any territory outside Sierra Leone, and any reference to foreign currency, except so far as the context otherwise requires, includes a reference to any right to receive foreign currency in respect of any credit or balance at a bank; and

(b) the expression “ the scheduled territories ” means the territories specified in the First Schedule to this Ordinance, so, however, that the Governor may at any time by order replace or amend the said Schedule, either by the addition or exclusion of territories or otherwise, and the said expression shall be construed accordingly.

Surrender of gold and foreign currency.

4. (1) Every person in Sierra Leone who is entitled to sell, or to procure the sale of, any gold, or any foreign currency to which this section applies, and is not an authorised dealer, shall offer it, or cause it to be offered, for sale to an authorised dealer, unless the Financial Secretary consents to his retention and use thereof or he disposes thereof to any other person with the permission of the Financial Secretary.

The foreign currency to which this section applies is such foreign currency (hereafter in this Ordinance referred to as “ specified currency ”) as may from time to time be specified by order of the Governor.

(2) If a person who has obtained the consent of the Financial Secretary to his retention and use of any gold or specified currency, and has stated in an application for the consent that he requires it for a particular purpose, no longer requires the gold or currency for that purpose, the preceding sub-section shall thereupon apply to him in relation to that gold or currency as if the Financial Secretary had revoked his consent to his retention and use thereof.

(3) A person who acquires any gold or specified currency from an authorised dealer shall be treated for the purposes of this section as if the Financial Secretary had consented to the retention and use by him of that gold or currency (subject, however, to any conditions notified to him in accordance with sub-section (3) of the preceding section), and as if any statement made by him in an application for that gold or currency as to the purpose for which he requires it had been made by him in an application for the Financial Secretary's consent to his retention and use thereof.

(4) Where a person has become bound under this section to offer or cause to be offered any gold or specified currency for sale to an authorised dealer, he shall not be deemed to comply with that obligation by any offer made or caused to be made by him, if the offer is an offer to sell at a price exceeding that authorised by the Financial Secretary, or without payment of any usual and proper charges of the authorised dealer, or otherwise on any unusual terms.

(5) Where a person has become bound under this section to offer or cause to be offered any gold or specified currency for sale to an authorised dealer and has not complied with that obligation, the Governor may direct that that gold or currency shall vest in the Financial Secretary, and it shall vest in the Financial Secretary accordingly free from any mortgage, pledge or charge, and the Financial Secretary may deal with it as he thinks fit, but the Financial Secretary shall pay to the person who would but for the direction be entitled to the gold or currency such sum as he would have received therefor if he had sold it to an authorised dealer in pursuance of an offer made under this section at the time when the vesting occurred.

(6) In any proceedings in respect of a failure to comply with the provisions of this section, it shall be presumed, until the contrary is shown, that the gold or currency in question has not been offered for sale to an authorised dealer.

Bailees of
gold and
foreign
currency.

5. (1) Every person in Sierra Leone by whom or to whose order (whether directly or indirectly) any gold or any specified currency in the form of notes is held in Sierra Leone but who is not entitled to sell it or procure its sale shall notify the Financial Secretary in writing that he so holds that gold or currency.

(2) The Financial Secretary may direct any person in Sierra Leone by whom or to whose order (whether directly or indirectly) any gold or any specified currency in the form of notes is held in Sierra Leone, whether or not he is entitled to sell it or procure its sale, to cause that gold or currency to be kept at all times in the custody of such banker as may be specified in the direction.

Travellers'
cheques, etc.
13 of 1952.

6. (1) This section applies to any document of a kind intended to enable the person to whom the document is issued to obtain foreign currency from some other person on the credit of the person issuing it, and in particular to any traveller's cheque or other draft or letter of credit so intended.

(2) For the purposes of this Ordinance, the person issuing a document to which this section applies, and the person to whom it is issued, shall be deemed respectively to sell and buy foreign currency and where foreign currency is obtained by means of the document to sell and buy that foreign currency.

(3) Any such document not expressed in terms of sterling or British West African currency shall, if it is of a kind intended to enable the person to whom it is issued to obtain any specified currency, be treated also for the purposes of this Ordinance as itself being specified currency.

(4) Every person in Sierra Leone who holds or to whose order there is held any document to which this section applies, being a document expressed in terms of sterling or British West African currency shall encash it or cause it to be encashed in the scheduled territories with the person issuing it or with a banker, unless the Financial Secretary consents to his retention and use thereof and, where in his application for that consent he has stated that he requires it for a particular purpose, unless also he still requires it for that purpose.

(5) A person who acquires any document to which the last preceding sub-section applies from an authorised dealer shall be treated for the purposes of that sub-section as if the Financial Secretary had consented to the retention and use by him of that document (subject, however, to any conditions notified to him

in accordance with sub-section (3) of section 3 of this Ordinance), and as if any statement made by him in an application for that document as to the purpose for which he requires it had been made by him in an application for the Financial Secretary's consent to his retention and use thereof.

PART II.—PAYMENTS.

7. Except with the permission of the Financial Secretary, Payments in
Sierra Leone. no person shall do any of the following things in Sierra Leone, that is to say—

- (a) make any payment to or for the credit of a person resident outside the scheduled territories; or
- (b) make any payment to or for the credit of a person resident in the scheduled territories by order or on behalf of a person resident outside the scheduled territories; or
- (c) place any sum to the credit of any person resident outside the scheduled territories:

Provided that where a person resident outside the scheduled territories has paid a sum in or towards the satisfaction of a debt due from him, paragraph (c) of this section shall not prohibit the acknowledgment or recording of the payment.

8. (1) Except with the permission of the Financial Secretary, Payments
outside
Sierra Leone. no person in Sierra Leone shall, subject to the provisions of this section, make any payment outside Sierra Leone to or for the credit of a person resident outside the scheduled territories, and no person resident in the scheduled territories shall in Sierra Leone do any act which involves, is in association with or is preparatory to the making of any such payment.

(2) Nothing in this section shall prohibit the doing of anything otherwise lawful by any person with any foreign currency obtained by him in accordance with the provisions of Part I of this Ordinance or retained by him in pursuance of a consent of the Financial Secretary.

9. (1) Except with the permission of the Financial Secretary, Compensa-
tion deals. no person shall in Sierra Leone make any payment to or for the credit of a person resident in the scheduled territories, and no person resident in the scheduled territories shall in Sierra Leone do any act which involves, is in association with or is preparatory to the making of any such payment outside Sierra Leone, as consideration for or in association with—

(a) the receipt by any person of a payment made outside the scheduled territories, or the acquisition by any person of property which is outside the scheduled territories; or

(b) the transfer to any person, or the creation in favour of any person, of a right (whether present or future, and whether vested or contingent) to receive a payment outside the scheduled territories or to acquire property which is outside the scheduled territories.

(2) Nothing in this section shall prohibit the making of any payment in accordance with the terms of a permission or consent granted under this Ordinance.

PART III.—SECURITIES.

Issue of securities.

10. (1) Except with the permission of the Governor, no person shall in Sierra Leone issue any security or do any act which involves, is in association with or is preparatory to the issuing outside Sierra Leone of any security which is registered or to be registered in Sierra Leone, unless the following requirements are fulfilled, that is to say—

(a) neither the person to whom the security is to be issued nor the person, if any, for whom he is to be a nominee is resident outside the scheduled territories; and

(b) the prescribed evidence is produced to the person issuing the security as to the residence of the person to whom it is to be issued and that of the person, if any, for whom he is to be a nominee.

Cap. 249.

(2) The subscription of the memorandum of association of a company to be formed under the Companies Ordinance, by a person resident outside the scheduled territories, or by a nominee for another person so resident, shall, unless he subscribes the memorandum with the permission of the Governor, be invalid in so far as it would on registration of the memorandum have the effect of making him a member of or shareholder in the company, so, however, that this provision shall not render invalid the incorporation of the company; and if by virtue of this sub-section the number of the subscribers of the memorandum who on its registration become members of the company is less than the minimum number required to subscribe the memorandum, the provisions of the said Ordinance relating to the carrying on of business of a company the number of whose members is reduced below the legal minimum shall apply to the company as if the number of its members had been so reduced.

11. (1) Except with the permission of the Financial Secretary, a security registered in Sierra Leone shall not be transferred, and a security not so registered shall not be transferred in Sierra Leone, unless, in either case, the following requirements are fulfilled, that is to say—

Transfer of
securities
and coupons.

(a) neither the transferor nor the person, if any, for whom he is a nominee is resident outside the scheduled territories; and

(b) the transferor delivers to the transferee at or before the time of the transfer the prescribed declarations as to his residence and that of the person, if any, for whom he is a nominee; and

(c) neither the transferee nor the person, if any, for whom he is to be a nominee is resident outside the scheduled territories; and

(d) except where the security is registered in Sierra Leone otherwise than in a subsidiary register, the Financial Secretary is satisfied that the requirements of paragraph (c) of this sub-section are fulfilled:

Provided that—

(i) neither the transferee nor his agent shall be deemed to have committed an offence by reason only that the requirements of paragraph (a) of this sub-section were not fulfilled unless the transferee or, as the case may be, his agent, knew or had reason to believe that those requirements were not fulfilled; and

(ii) neither the transferor nor his agent shall be deemed to have committed an offence by reason only that any of the requirements of paragraphs (c) and (d) of this sub-section have not been fulfilled unless, in the case of a non-fulfilment of the requirements of the said paragraph (c), the transferor or, as the case may be, his agent, knew or had reason to believe that those requirements were not fulfilled.

(2) Except with the permission of the Financial Secretary, a security not registered in Sierra Leone shall not be transferred outside the Colony if either the transferor or the transferee, or the person, if any, for whom the transferor or transferee is or is to be a nominee, is resident in Sierra Leone.

(3) Except with the permission of the Financial Secretary—

(a) no coupon shall be transferred in Sierra Leone if either the transferee or the person, if any, for whom he is to be a nominee, is resident outside the scheduled territories;

(b) no person shall in Sierra Leone do any act which involves, is in association with or is preparatory to the transfer of any coupon outside Sierra Leone if either the transferor or transferee, or the person, if any, for whom the transferor or transferee is or is to be a nominee, is resident in Sierra Leone.

Issue of
bearer
certificates
and coupons.

12. Except with the permission of the Governor, no person shall, in Sierra Leone, issue any bearer certificate or coupon or so alter any document that it becomes a bearer certificate or coupon, and no person resident in the scheduled territories shall in Sierra Leone do any act which involves, is in association with or is preparatory to such issue or alteration outside Sierra Leone.

Substitution
of securities
and certifi-
cates outside
Sierra Leone.

13. Except with the permission of the Financial Secretary—

(1) No person in Sierra Leone shall do any act with intent to secure—

(a) that a security which is—

(i) registered in Sierra Leone; or

(ii) transferable by means of a bearer certificate in Sierra Leone,

becomes, or is replaced by, a security registered outside Sierra Leone or a security transferable by means of a bearer certificate outside Sierra Leone; or

(b) that a certificate of title to any other security, is issued outside Sierra Leone in substitution for or in addition to a certificate of title thereto which is in, or is or has been lost or destroyed in, Sierra Leone.

(2) No person resident in the scheduled territories shall in Sierra Leone do any act which involves, is in association with or is preparatory to any such transaction outside Sierra Leone as is referred to in sub-paragraphs (a) or (b) above.

Payment of
capital
moneys
outside
Sierra Leone.

14. Except with the permission of the Financial Secretary—

(1) No person in Sierra Leone shall do any act with intent to secure that capital moneys payable on a security registered in Sierra Leone are paid outside Sierra Leone, or that, where the certificate of title to a security is in Sierra Leone, capital moneys payable on the security are paid outside Sierra Leone without production of the certificate to the person making the payment.

(2) No person resident in the scheduled territories shall in the Colony do any act which involves, is in association with or is preparatory to any such transaction outside the Colony as is referred to in sub-paragraph (1) above.

15. Except with the permission of the Financial Secretary, no person concerned with the keeping of any register in Sierra Leone shall—

Duties of persons keeping registers.

(a) enter in the register the name of any person in relation to any security unless there has been produced to him the prescribed evidence that the entry does not form part of a transaction which involves the doing of anything prohibited by this Ordinance; or

(b) enter in the register, in respect of any security, an address outside the scheduled territories, except for the purpose of any transaction for which the permission of the Financial Secretary has been granted with the knowledge that it involved the entry of that address; or

(c) do any act in relation to the register which recognises or gives effect to any act appearing to him to have been done with such intent as is mentioned in the two last preceding sections, whether done by a person in or resident in Sierra Leone or not.

16. (1) Where—

Additional provisions as to nominee holdings.

(a) the holder of a security is a nominee and the person for whom he is a nominee is resident outside the scheduled territories; or

(b) the holder of a security is not a nominee and is resident outside the scheduled territories,

then, except with the permission of the Financial Secretary, no person resident in Sierra Leone shall do any act whereby the holder becomes his nominee in respect of the security.

(2) Except with the permission of the Financial Secretary, a person resident in Sierra Leone for whom the holder of a security is a nominee shall not do any act whereby—

(a) the holder, being a person resident outside the scheduled territories, holds the security otherwise than as his nominee; or

(b) the holder, not being a person resident outside the scheduled territories, holds the security as nominee for a person resident outside the scheduled territories.

(3) Where the holder of a security is a nominee, then, except with the permission of the Financial Secretary, neither he, if he is resident in Sierra Leone, nor any person resident in Sierra Leone through whose agency the exercise of all or any of the holder's rights in respect of the security are controlled, shall—

(a) do any act whereby he recognises or gives effect to the substitution of another person as the person from whom he directly receives his instructions unless both the person previously instructing him and the person substituted for that person were, immediately before the substitution, resident in the scheduled territories and not elsewhere; or

(b) do any act whereby he ceases to be a person bound to give effect to the instructions of another person in relation to the security, unless the person who theretofore instructed him is resident in the scheduled territories and not elsewhere.

(4) Where the holder of a security is not a nominee and is resident in Sierra Leone, then, except with the permission of the Financial Secretary, he shall not do any act whereby he becomes the nominee of another person in respect of the security, unless that other person is resident in the scheduled territories and not elsewhere.

(5) No person resident in the scheduled territories shall in Sierra Leone do any act which involves, is in association with or is preparatory to any such transaction outside Sierra Leone as is referred to in this section.

Deposit of
certificates
of title.

17. (1) This and the next following section apply to any security except—

(a) a security which is registered in Sierra Leone otherwise than in a subsidiary register, and on which none of the dividends or interest is payable on presentment of a coupon; and

(b) any such other securities as may be prescribed, and in the following provisions of this section and in the next following section the expressions "security", "certificate of title" and "coupon" mean respectively a security to which the said sections apply, a certificate of title to such a security, and a coupon representing dividends or interest on such a security.

(2) It shall be the duty of every person by whom or to whose order (whether directly or indirectly) a certificate of title is held in Sierra Leone, and of every person resident in Sierra Leone by whom or to whose order (whether directly or indirectly) a certificate of title is held outside Sierra Leone, to cause the

certificate of title to be kept at all times, except with the permission of the Financial Secretary, in the custody of an authorised depositary, and nothing in this Part of this Ordinance shall prohibit the doing of anything for the purpose of complying with the requirements of this sub-section.

(3) Except with the permission of the Financial Secretary, an authorised depositary shall not part with any certificate of title or coupon required under this section to be in the custody of an authorised depositary:

Provided that this sub-section shall not prohibit an authorised depositary—

(a) from parting with a certificate of title or coupon to or to the order of another authorised depositary, where the person from whom the other authorised depositary is to receive instructions in relation thereto is to be the same as the person from whom he receives instructions;

(b) from parting with a certificate of title, for the purpose of obtaining payment of capital moneys payable on the security, to the person entrusted with payment thereof;

(c) from parting with a coupon in the ordinary course for collection.

(4) Except with the permission of the Financial Secretary, no capital moneys, interest or dividends shall be paid in Sierra Leone on any security except to or to the order of an authorised depositary having the custody of the certificate of title to that security, so, however, that this sub-section shall not be taken as restricting the manner in which any sums lawfully paid on account of the capital moneys, interest or dividends may be dealt with by the person receiving them.

(5) Except with the permission of the Financial Secretary, an authorised depositary shall not do any act whereby he recognises or gives effect to the substitution of one person for another as the person from whom he receives instructions in relation to a certificate of title or coupon, unless there is produced to him the prescribed evidence that he is not by so doing giving effect to any transaction which is prohibited by this Ordinance.

(6) Where a certificate of title which under this section should for the time being be in the custody of an authorised depositary is not in the custody of an authorised depositary, then, except with the permission of the Financial Secretary, no person shall in Sierra Leone, buy, sell, transfer, or do anything which affects his rights or powers in relation to, the

security, or do any act which involves, is in association with or is preparatory to any such transaction outside Sierra Leone.

(7) Except with the permission of the Financial Secretary, no person in or resident in Sierra Leone shall, in the case of a certificate of title with coupons (whether attached or on separate coupon sheets), detach any of the coupons otherwise than in the ordinary course for collection.

Additional provisions as to deposited certificates.

18. (1) Where a certificate of title to a security is by the last preceding section required to be and is in the custody of an authorised depositary, the provisions of this section shall, except so far as the Financial Secretary otherwise directs, have effect in relation thereto until—

(a) there are delivered to him the prescribed declarations as to the ownership of the security and the residence of the owners thereof; and

(b) in the case of a certificate of title which—

(i) would ordinarily be accompanied by coupons (whether attached or on separate coupon sheets); but

(ii) when it comes into the custody of the authorised depositary wants, in order to render it complete, any coupons which would not in the ordinary course have been detached for collection,

there have also been deposited with him the coupons so wanting at the time when the certificate of title comes into his custody:

Provided that where the said declarations have been delivered to an authorised depositary and he has parted with the certificate of title, paragraph (a) of this sub-section shall not again apply on the certificate coming into the custody of another authorised depositary or again coming into his own custody.

(2) Except with the permission of the Financial Secretary, the authorised depositary shall not part with or destroy the certificate of title or any coupons belonging thereto, otherwise than as mentioned in paragraphs (b) and (c) of the proviso to sub-section (3) of the last preceding section, or do any act whereby he recognises or gives effect to the substitution of one person for another as the person from whom he receives instructions in relation thereto:

Provided that, where the person from whom an authorised depositary receives instructions in relation to any certificate of title becomes bankrupt in Sierra Leone or dies, this sub-section shall not prohibit the authorised depositary from recognising

the trustee in bankruptcy or personal representative as the person entitled to give instructions in relation to the certificate of title.

(3) The authorised depositary shall place any capital moneys, dividends or interest on the security received by him to the credit of the person by virtue of whose authority he received them, but shall not permit any part of the sums received to be dealt with except with the permission of the Financial Secretary.

19. (1) The Governor may, if in his opinion there are circumstances rendering it necessary or expedient so to do, by order direct that this section shall apply to such securities as may be prescribed in the order, being securities on which capital moneys, dividends or interest are payable in a specified currency or as respects which the holder has an option to require payment of any capital moneys, dividends or interest thereon in a specified currency.

(2) Except with the permission of the Financial Secretary, no person shall, in Sierra Leone, transfer, or do anything which affects his rights or powers in relation to, any security to which this section applies, and no person resident in the scheduled territories shall in Sierra Leone do any act which involves, is in association with or is preparatory to any such transaction outside Sierra Leone.

20. (1) The title of any person to a security for which he has given value on a transfer thereof, and the title of all persons claiming through or under him, shall, notwithstanding that the transfer, or any previous transfer, or the issue of the security, was by reason of the residence of any person concerned other than the first-mentioned person prohibited by the provisions of this Ordinance relating to the transfer or issue of securities, be valid unless the first-mentioned person had notice of the facts by reason of which it was prohibited.

(2) Without prejudice to the provisions of sub-section (1) of this section, the Financial Secretary may issue a certificate declaring, in relation to a security, that any acts done before the issue of the certificate purporting to effect the issue or transfer of the security, being acts which were prohibited by this Ordinance, are to be, and are always to have been, as valid as if they had been done with the permission of the competent authority, and the said acts shall have effect accordingly.

(3) Nothing in this section shall affect the liability of any person to prosecution for any offence against this Ordinance.

Special provisions as to dealings in certain securities.

Validation of certain transfers.

Application of Part III to secondary securities.

21. (1) This Part of this Ordinance shall apply, with such modifications (if any) as may be prescribed, in relation to any such document as is mentioned in the following sub-section, as if the document created, and were the certificate of title to, a security (hereafter in this Ordinance referred to as a "secondary security").

(2) The documents referred to in the preceding sub-section are any letter of allotment which may be renounced, any letter of rights, any warrant conferring an option to acquire a security, any deposit certificate in respect of securities (but not including a receipt by an authorised depositary for any certificate of title deposited in pursuance of this Part of this Ordinance), and such other documents conferring, or containing evidence of, rights as may be prescribed.

Interpretation of Part III.

22. (1) In this Part of this Ordinance—

- (a) the expression "registered" includes inscribed;
- (b) the expressions "registered in Sierra Leone" and "registered outside Sierra Leone" mean respectively, registered in a register in, and registered in a register outside, Sierra Leone;
- (c) the expression "security which is registered in Sierra Leone otherwise than in a subsidiary register" means a security which either—
 - (i) is registered in Sierra Leone and is not and cannot without the necessity for an entry in the register in Sierra Leone become, registered outside; or
 - (ii) is registered both in Sierra Leone and outside but on a transfer cannot, without the necessity for an entry in the register in Sierra Leone, become registered outside in the name of the transferee; and
- (d) the expression "a register" includes any book, file or index in which securities are registered.

(2) For the purposes of any provision of this Part of this Ordinance prohibiting the transfer of securities, a person shall be deemed to transfer a security if he executes any instrument of transfer thereof, whether effective or not, and shall be deemed to transfer it at the place where he executes the instrument.

(3) References in this Part of this Ordinance to the person holding a certificate of title or coupon shall be construed as references to the person having physical custody of the certificate of title or coupon:



Provided that where the certificate of title or coupon is deposited with any person in a locked or sealed receptacle from which he is not entitled to remove it without the authority of some other person, that other person shall be deemed for the purposes of this provision to have the physical custody thereof.

(4) In this Part of this Ordinance, the expression "holder"—

(a) in relation to a security transferable by means of a bearer certificate or to a coupon, includes the person holding the certificate or coupon; and

(b) in relation to a security which is registered in the name of a deceased person, or of any person who, by reason of bankruptcy, unsoundness of mind or any other disability is incapable of transferring the security, means the personal representative, trustee in bankruptcy or other person entitled to transfer the security.

(5) The holder of a security or coupon shall be deemed for the purposes of this Part of this Ordinance to be a nominee in respect thereof if, as respects the exercise of any rights in respect thereof, he is not entitled to exercise those rights except in accordance with instructions given by some other person, and references in this Part of this Ordinance to the person for whom the holder of a security or coupon is a nominee shall be construed as references to the person who is entitled to give instructions, either directly or through the agency of one or more persons, as to the exercise of any rights in respect of the security or coupon and is not in so doing himself under a duty to comply with instructions given by some other person:

Provided that—

(a) a person shall not by reason only that he has a controlling interest in a body corporate be deemed for the purposes of this sub-section to be entitled to give instructions to that body corporate as to the exercise of rights in respect of any security or coupon of which it is the holder; and

(b) a person shall not be deemed to hold a security or coupon as a nominee by reason only that he holds it as trustee if he is entitled to transfer the security or coupon without permission from any other person.

(6) A certificate of title shall not for the purposes of this Part of this Ordinance be treated as in the custody of an authorised depositary if either—

(a) the depositary has no notice of the nature of the certificate; or

(b) in respect of the default of a sufficient distress to satisfy any such sum, shall, in cases where the sum exceeds twenty pounds, be increased in accordance with the following scale, that is to say—

<i>Where the amount of the sum adjudged to be paid by the conviction, as ascertained by the conviction</i>	<i>The said period shall not exceed</i>
Exceeds twenty pounds but does not exceed one hundred pounds	Four months.
Exceeds one hundred pounds	Six months.

PART III.

Import and Export.

1. The enactments relating to customs shall, subject to such modifications, if any, as may be prescribed to adapt them to this Ordinance apply in relation to anything prohibited to be imported or exported by any of the provisions of Part IV of this Ordinance except with the permission of the Financial Secretary as they apply in relation to goods prohibited to be imported or exported by or under any of the said enactments, and any reference in the said enactments to goods shall be construed as including a reference to anything prohibited to be imported or exported by any of the provisions of the said Part IV except with the permission of the Financial Secretary.

2. Any declaration required to be given under Part IV of this Ordinance Cap. 271. shall, for the purposes of the Customs Ordinance be deemed to be a declaration in a matter relating to customs.

3. If anything prohibited to be exported by any provision of the said Part IV is exported in contravention thereof, or is brought to a quay or other place, or water-borne, for the purpose of being so exported, the exporter or his agent shall be liable to the same penalty as that to which a person is liable for an offence to which the Customs Ordinance applies.

4. Without prejudice to any of the preceding provisions of this Part of this Schedule, any person who, on any occasion, is about to leave Sierra Leone or arrives in Sierra Leone (which person is hereafter in this paragraph referred to as "the traveller") shall, if on that occasion he is required so to do by an officer of Customs or an immigration officer—

(a) declare whether or not he has with him anything prohibited to be imported or exported by any of the provisions of the said Part IV except with the permission of the Financial Secretary; and

(b) produce any such thing as aforesaid which he has with him, and the officer may examine or search any article which the traveller has with him for the purpose of ascertaining whether he is conveying or has in his possession any such thing, and, if the officer has reasonable grounds for suspecting that the traveller has about his person any such thing, search him, and may seize anything produced as aforesaid or found upon such examination or search as aforesaid as to which the officer has reasonable ground for suspecting that it is prohibited to be imported or exported by

any of the provisions of the said Part IV except with permission of the Financial Secretary:

Provided that no female shall be searched in pursuance of this paragraph except by a female.

5. Sub-paragraph (2) of paragraph 1 of Part II of this Schedule shall apply also to offences punishable by virtue of this Part of this Schedule.

Section 38.

SIXTH SCHEDULE.

RETENTION OF DEFENCE REGULATIONS.

The regulations which the Governor is empowered to retain in force are the following—

13 of 1952.

- Regulation 3 of the Defence (Finance) Regulations, 1940.
- Regulation 4A of the Defence (Finance) Regulations, 1940.
- Regulation 8 of the Defence (Finance) Regulations, 1940.
- Regulation 10 of the Defence (Finance) Regulations, 1940.
- Regulation 11 of the Defence (Finance) Regulations, 1940.
