



ANNO QUINQUAGESIMO SECUNDO ET QUINQUAGESIMO TERTIO

VICTORIÆ REGINÆ.

A.D. 1889.

No. 468.

An Act to give greater security to Holders of Bank Notes, and for other purposes.

[*Assented to, December 6th, 1889.*]

BE it Enacted by the Governor of the Province of South Preamble.
Australia, with the advice and consent of the Legislative
Council and House of Assembly, in this present Parliament
assembled, as follows:

1. This Act may be cited for all purposes as "The Bank Notes Short title.
Security Act, 1889."

2. In the interpretation of this Act the following terms shall Interpretation.
have the following meanings:—

"Bank" shall mean all companies and corporations carrying
on the business of banking in South Australia, either alone
or jointly with any other business:

"Bank Note" or "Note" shall mean all notes issued by any
Bank, and payable on demand in South Australia:

"General Assets" shall mean the funds available in South Aus-
tralia for payment of the general creditors, as well as the
noteholders of any Bank.

3. In the event of any Bank being wound up, the payment of all Notes a first charge
on assets.
notes issued by such Bank shall be a first charge upon the general
assets of such Bank.

4. If any banking company, firm, or individual banker, or any Penalty on
fraudulent issue of
notes.
person on behalf of such company, firm, or banker, otherwise than
in the ordinary course of business, issue or deal with, or authorise

The Bank Notes Security Act.—1889.

or cause to be issued and dealt with, any notes of such company, firm, or banker, which if issued and dealt with in the ordinary course of business would have any priority under the provisions of this Act, with a view to give any priority in the event of such company being wound up or such firm or banker being insolvent or bankrupt, or to secure any debt or liability incurred or to be incurred by such company, firm, or banker, every person so issuing, dealing with, authorising or causing to be issued or dealt with, such notes, shall be guilty of a misdemeanor, and on conviction thereof shall be liable to be imprisoned for any time not exceeding two years, with or without hard labor; and any such notes so issued or dealt with, not being in the hands of a *bonâ fide* holder thereof for value, without notice that the same were so issued or dealt with, shall be void.

Penalty on bank publishing misleading advertisements of its capital.

5. If any banking company publishes by advertisement any statement of the amount of its capital which is misleading, or in which the amount of nominal or authorised capital is stated without the words "nominal," or "authorised," or words to the like effect, so as to show that the amount of capital stated is only nominal or authorised, or in which the amount of nominal, or authorised, or subscribed capital is stated, but the amount of the paid-up capital is not stated, every such company, for every such offence, shall be liable to a penalty of not more than Five Hundred Pounds, to be recoverable, with full costs of suit, by any person who may sue for the same.

In the name and on behalf of Her Majesty, I hereby assent to this Bill.

KINTORE, Governor.