



THE  
**CEYLON GOVERNMENT**  
**GAZETTE**

**EXTRAORDINARY.**

---

---

No. 8,653 — WEDNESDAY, AUGUST 21, 1940.

---

---

*Published by Authority.*

**PART I.—GENERAL.**

**GOVERNMENT NOTIFICATIONS.**

L. D.—CF 25 c/39

THE EMERGENCY POWERS (DEFENCE) ACT, 1939.

DEFENCE regulations made by the Governor by virtue of the powers vested in him by section 1 of the Emergency Powers (Defence) Act, 1939, of the Imperial Parliament, as adapted, modified and extended to Ceylon by the Emergency Powers (Colonial Defence) Order in Council, 1939.

By His Excellency's command,

E. R. SUBBURY,  
Secretary to the Governor.

Colombo, August 21, 1940.

**REGULATIONS.**

1. Subject to any exemption which may be granted by order of the Governor, no person shall, except with permission given by or on behalf of the Controller of Exchange, import or bring into Ceylon any bank note to which these regulations apply.
2. Nothing in regulation 1 shall restrict the doing of anything, within the scope of his authority, by a person authorized by or on behalf of the Governor to deal in foreign exchange.
3. (1) At the time of the disembarkation of any person (hereinafter referred to as "the traveller") from any vessel or aircraft at any place in Ceylon, the authorized officer may request such traveller—
  - (a) to declare whether or not he has with him any bank note (to which these regulations apply); and
  - (b) to produce any such bank note which he may have with him.
- (2) An authorized officer, and any person acting under his direction, may search any traveller who has disembarked at any place in Ceylon from any vessel or aircraft and examine or search any article which such traveller has with him, for the purpose of ascertaining whether he has with him any bank note to which these regulations apply, and may seize any such bank note which is produced or found upon such examination or search, unless the authorized officer is satisfied that the traveller is, in respect of any bank note which he has with him on that occasion, exempt from the restriction imposed by regulation 1.
- (3) No female shall be searched in pursuance of this regulation except by a female.
4. As respects any goods consigned to Ceylon from any place outside Ceylon, the authorized officer, and any person acting under his direction, may examine or search the goods for the purpose of ascertaining whether any bank note to which these regulations apply is being sent therewith, and may seize any such bank note found upon such examination or search.
5. (1) Where any bank note to which these regulations apply is found in any letter or other postal article transmitted to Ceylon from any place outside Ceylon, the Censor or the Postmaster-General shall send or deliver the bank note to the Controller; and the Controller if he is satisfied that the bank note has not been imported into Ceylon by any person who is exempted by order of the Governor or has obtained the permission of the Controller under regulation 1, may seize the bank note.
  - (2) Whenever the Controller seizes any bank note under paragraph (1), he shall send written notice of the seizure to the addressee of the letter or other postal article in which the bank note was found, and inform him that written application for payment of the value of the bank note in Ceylon currency may be made, by him, to the Financial Secretary,

6. (1) Every bank note seized under regulation 3 or regulation 4 or regulation 5 shall be forfeited to His Majesty, and may, when so forfeited, be dealt with or disposed of in such manner as the Governor may direct :

Provided that the importer of any bank note so forfeited may, in accordance with such directions as may be issued by the Financial Secretary either generally or specially in the circumstances of any particular case, be paid in Ceylon currency an amount not exceeding the value in Ceylon currency of any such bank note.

(2) Payment to any importer under paragraph (1) shall be made by or by order of the Deputy Financial Secretary ; and any money required for any such payment is hereby charged upon the public revenue and other funds of the Island.

(3) In this regulation " importer " means—

- (a) in a case where any bank note has been seized under regulation 3, the traveller referred to in that regulation ;
- (b) in a case where any bank note has been seized under regulation 4, the person who, in the opinion of the Collector of Customs, is the actual importer of such bank note, whether or not he is the importer of the goods with which such bank note has been sent ;
- (c) in a case where any bank note has been seized under regulation 5, the addressee of the letter or other postal article in which the bank note was found by the Censor or the Postmaster-General.

(4) No direction given or act done or decision made by the Financial Secretary or the Deputy Financial Secretary or the Collector of Customs under the preceding provisions of this regulation shall be called in question or subject to review in any court of law.

7. The bank notes to which these regulations apply are the bank notes issued by any of the following banks :—

(1) The Bank of England.

(2) The following banks in Scotland :—

- (a) The Bank of Scotland.
- (b) The Royal Bank of Scotland.
- (c) The British Linen Bank.
- (d) The Commercial Bank of Scotland.
- (e) The National Bank of Scotland.
- (f) The Union Bank of Scotland.
- (g) The North of Scotland Bank.
- (h) The Clydesdale Bank.

(3) The following banks in Northern Ireland :—

- (a) The Bank of Ireland.
- (b) The Provincial Bank of Ireland.
- (c) The Belfast Banking Co.
- (d) The Northern Bank.
- (e) The Ulster Bank.
- (f) The National Bank.

Cap. 185.

8. These regulations shall be read and construed as one with the Customs Ordinance and with the Defence (Finance) Regulations, 1939, so far as they are consistent with the provisions thereof ; and for the purposes of the application of the Customs Ordinance, these regulations shall be deemed to be an Ordinance and any bank note to which these regulations apply shall be deemed to be an article the importation of which is restricted by Ordinance.

9. These regulations may be cited as the Defence (Finance No. 3) Regulations.