



Tonga

NATIONAL RESERVE BANK OF TONGA (CURRENCY) REGULATIONS

Chapter 38.20.2

2016 Revised Edition



NATIONAL RESERVE BANK OF TONGA (CURRENCY) REGULATIONS

Made under section 61 of the National Reserve Bank of Tonga Act¹

Commencement [31st January 1989]

1 Short Title

These regulations may be cited as the National Reserve Bank of Tonga (Currency) Regulations.

2 Interpretation

In these regulations, unless the context otherwise requires —

“**sealed parcel**” means a parcel, package, box, bag or container purporting to contain a number of currency notes or coins, all of one denomination, bearing a label recording the number and nature of the contents, and, in the case of new currency notes, their serial numbers, authenticated by the printers in the case of currency notes, the manufacturers in the case of coin, and bank under the provisions of regulation 7 or any person acting under the authority of these regulations, securely bound and sealed in such a manner as to preclude removal of the label or any of the contents.

3 Plates

The plates from which currency notes are printed shall be prepared by and the custody thereof entrusted to a person designated by the Board.

4 Supervision of Printing

The Board may delegate to any person the duty of supervision of the printing of currency notes, or may accept the supervision of the designated printer's security organisation provided that a paper balance certificate is supplied by the printers for each separate printing.

5 Custody of Stocks

Stocks of un-issued, redeemed and withdrawn currency notes and coin in the custody of the Bank shall be kept in secure fireproof vaults:

Provided that working stocks of currency for the Bank's own use up to a limit decided by the Governor may be kept apart from the vault stocks in such other secure storage as the Governor may designate.

6 Numbering of Notes

- (1) All currency notes shall be numbered consecutively in series distinguished by prefixes in such a manner as will ensure that not more than one note of any one design or denomination bears the same number.
- (2) The Bank shall record the prefixes and serial numbers of currency notes –
 - (a) as soon as stocks are received from the printer; and
 - (b) when new currency notes are issued by the Bank, so as to identify the person to whom they are first issued.

7 Banks may authenticate parcels

The Bank may authorise any bank carrying on banking business in Tonga to authenticate sealed parcels of currency.

8 Issue of Currency

- (1) Currency redeemed and selected for reissue shall be issued in preference to new currency.
- (2) As far as possible new currency notes shall be issued in the order of their serial numbers.
- (3) New coins shall be issued in the sealed parcels in which they were received by the Bank.
- (4) Currency redeemed and selected for reissue may, if in sealed parcels authenticated under the provisions of regulation 7 or by any person acting under the authority of these regulations, be issued in such sealed parcels.

9 Classification of redeemed and mutilated currency notes

- (1) All redeemed currency notes shall, as soon as possible after receipt by the Bank, be classified either for reissue or for destruction.
- (2) All mutilated currency notes shall be referred to the Bank which shall decide if the full amount or any portion thereof shall be paid.

10 Cancellation and destruction of currency notes

- (1) All redeemed, mutilated and withdrawn currency notes selected for destruction shall be —
 - (a) cancelled in such manner as the Board may specify; and
 - (b) destroyed by incineration, or such other method of destruction as may be approved by Cabinet, in the presence of two officers of the Bank appointed by the Governor.²
- (2) After currency notes have been destroyed, a certificate to that effect showing the total number and value of each denomination destroyed shall be signed by the officers appointed under paragraph (1)(b) of this regulation.

11 Disposal of coin

All withdrawn, worn or damaged coin not required for the Bank's own purposes, shall be disposed of by sinking them in the sea or by sale for their metal content to any person approved by the Board.

12 Control account

The Bank shall maintain currency control account records in which shall be shown by denomination and total the following —

- (a) currency in Tonga;
- (b) currency on hand;
- (c) currency on issue.

ENDNOTES

¹ GS 8 of 1989

² Amended by Act 42 of 2010