

THE BANKING ACT

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SCHEDULES.

THE BANKING ACT

[31st December, 1992.]

Acts
17 of 1992,
26 of 1997,
11 of 2002,
28 of 2004.

PART I. *Preliminary*

1. This Act may be cited as the Banking Act.

Short title.

2.—(1) In this Act—

Interpre-
tation.

“assigned capital” means such portion of the capital of a foreign bank, consisting of unencumbered assets, as is specifically assigned by the bank to the financing of its Jamaican operations;

“authorized officer” has the same meaning as in the Bank of Jamaica Act;

“bank” means any company licensed under this Act to carry on banking business;

“banking business” means the business of receiving from the public, on current account or deposit account, money which is repayable on demand by cheque or order and which may be invested by way of advances to customers or otherwise; and such other business of a like nature as the Minister may, by order, prescribe;

“capital base” in relation to a bank means—

26/1997
S. (2)(a)(i).

- (a) the amount of shareholder’s equity and eligible reserves of the bank, calculated in such a manner and by such methods as may be prescribed from time to time by regulations made under section 38; and
- (b) the amount of special debentures which for the time being may be taken into account in the calculation of the bank’s capital base pursuant to section 46 (7);
- (c) the retained earnings reserve;
- (d) the share premium account;

- (e) any other fund established by the bank and approved by the Bank of Jamaica as being part of the bank's capital base; and
- (f) the amount of special debentures which for the time being may be taken into account in the calculation of the bank's deposit liabilities pursuant to section 46 (5),

less any amount by which that total has become impaired;

"company" means a body corporate whether incorporated under the law of Jamaica or of any other country;

"competent authority" means a supervisory authority in a foreign country which has supervisory duties and responsibilities—

- (a) with respect to a company which is incorporated in and provides financial services in that country; and
- (b) which are similar to the duties and responsibilities of the Bank of Jamaica and the Financial Services Commission;

"connected person" shall be construed in accordance with subsection (2);

"control" in relation to a bank or any other company, means the power of a person to secure by means of the holding of shares or the possession of voting power in or in relation to that bank or any other company, or by any agreement or by virtue of any other powers conferred by the articles of association or other document regulating the bank or any other company, that the affairs of the bank or other company are conducted in accordance with the wishes of that person;

"credit facilities" includes loans, advances, comfort letters, standby and commercial letters of credit and any other arrangement whereby a customer of a bank has access to funds or financial guarantees of the bank or the bank undertakes on behalf of a customer financial liability to another person;

28/2004
S. 2 (a).