

RESERVE BANK OF NEW ZEALAND AMENDMENT BILL

EXPLANATORY NOTE

THIS Bill amends the Reserve Bank of New Zealand Act 1964.

Clause 1 relates to the Short Title and commencement. *Clauses 4, 5, and 6 (2)* and the *First Schedule* (which relate to the registration and transfer of stock) are to come into force on 1 April 1978. All other clauses of the Bill are to come into force on the day on which the Bill receives the Governor-General's assent.

Clause 2 substitutes a new section 6 in the principal Act (which relates to the executive committee of the Bank). The new section is exactly the same as the original section 6 which was replaced in 1973. The principal differences between the new section and the present section are—

- (a) The new section provides that the executive committee shall consist of the Governor of the Bank, the Deputy Governor, and not less than one other Director acting by direction of the Bank or, in the absence of any such direction, acting with the concurrence of the Governor. The present section provides that the executive committee shall consist of the Governor, the Deputy Governor, the Secretary to the Treasury, and one other Director designated by the Bank with the approval of the Minister;
- (b) Unlike the present section, the new section does not provide that any Director of the Bank who is also a Director of the Bank of New Zealand shall be a member of the executive committee; and
- (c) Unlike the present section, the new section does not provide that the executive committee shall, at the request of the Minister, confer with the Minister on any matter coming within the scope of section 8 of the principal Act.

Clause 3 amends section 28 of the principal Act (which relates to the control of overseas exchange and other transactions). The principal effects of the amendments are—

- (a) To clarify the regulation-making powers contained in the section;
- (b) To empower the Minister of Finance to determine whether a person is deemed to be ordinarily resident in New Zealand for the purposes of this section in cases where there is doubt whether a person is deemed to be so resident pursuant to paragraph (a) or paragraph (b) of subsection (6) of the section. Any such determination of the Minister shall be final; and
- (c) To define the meaning of the term "borrow money outside New Zealand".

Clause 4 inserts in the principal Act a new Part VIA relating to the registration and transfer of stock. The new Part consolidates and amends sections 16 to 35 of the New Zealand Loans Act 1953 and sections 67 to 79 and 81 to 83 of the Local Authorities Loans Act 1956.

The new section 45A relates to interpretation.

The term "stock" is defined as registered Treasury Bills, Government stock, stock issued by a Local Authority, and any other securities of which the Bank is registrar.

Subclause (2) provides that the provisions of this Part shall, in respect of any particular stock, be subject to the provisions of any other enactment and to the terms of issue of the stock.

The new section 45B re-enacts existing provisions relating to the register of stock to be kept by the Reserve Bank.

The new section 45C re-enacts existing provisions to the effect that trusts are not to be entered on the register.

The new section 45D re-enacts, with minor alterations, existing provisions relating to evidence of contents of the register.

The new section 45E is new and empowers the Bank to correct errors in the register.

The new section 45F is new and provides that—

- (a) Where 2 or more persons are registered as the holders of the same stock by virtue of any application or other instrument then, unless the contrary is expressed in the application or instrument, the persons shall be deemed to hold the stock as joint tenants with right of survivorship; and
- (b) If 2 or more persons apply to be registered as holders of stock as tenants in common, the Bank may, after notifying the persons of its intention to do so, divide the stock into the shares for which each person is expressed to be entitled and register each person as the holder of the amount of stock representing his share. If the stock cannot be divided into shares that are expressed in whole dollars, the Bank may refuse to accept the application.

The new section 45G re-enacts, with minor alterations, existing provisions relating to certificates of title.

The new section 45H re-enacts existing provisions relating to the replacement of lost or damaged certificates of title to stock.

The new section 45I re-enacts, with minor alterations, existing provisions relating to the transfer of stock.

The new section 45J is new and provides that the Bank may, on the application of a registered holder of stock, certify on a memorandum of transfer of the stock that the person named therein as transferor is entered in the register as the holder of that stock.

The new section 45K re-enacts existing provisions relating to the acquisition of stock by operation of law.

The new section 45L is new and provides that—

- (a) Where a memorandum of transfer or other instrument dealing with stock is executed by a body corporate by a means other than by affixing its common or official seal thereto, the Bank may refuse to accept the instrument as properly executed until it is satisfied that the instrument has been executed under the authority of the body corporate; and
- (b) Where a memorandum of transfer or other instrument dealing with stock is executed by a body corporate by affixing its common or official seal thereto, the Bank may refuse to accept the instrument as properly executed until it receives a certificate, signed by an officer of the body corporate, to the effect that the instrument has been executed under the authority of the body corporate.

The new section 45M re-enacts, with minor alterations, existing provisions to the effect that money payable in respect of stock shall constitute a debt due by the issuer thereof.

The new section 45N re-enacts, with the following alteration, existing provisions to the effect that infants may be registered as holders of stock.

The new section provides that infants of the age of 7 years or upwards may be registered as holders of stock. The New Zealand Loans Act 1953 and the Local Authorities Loans Act 1956 provide that infants of the age of 10 years or upwards may be registered as holders of stock.

The new section 45O re-enacts, with minor alterations, existing provisions relating to powers of attorney.

The new section 45P re-enacts existing provisions to the effect that the Supreme Court may prohibit dealings with stock.

The new section 45Q re-enacts, with minor alterations, existing provisions relating to estate duty stock.

The new section 45R re-enacts existing provisions requiring the Bank to supply statements to the issuers of stock.

The new section 45s re-enacts existing provisions relating to agreements by the Bank with issuers of stock.

Clause 5 makes amendments and repeals that are consequential upon *clause 4*.

Clause 6 amends section 50 of the principal Act (which empowers the making of regulations).

Subclause (1) substitutes a new paragraph (c) in section 50. The new paragraph (c) differs from the present paragraph (c) in that—

- (a) It clarifies the extent of the paragraph; and
- (b) It empowers the making of regulations providing that any books or documents produced pursuant to the regulations may be retained or impounded by the person to whom they are produced.

Subclause (2) adds a new paragraph (ga) to section 50. The new paragraph empowers the making of regulations prescribing fees to be charged by the Bank in respect of any matter under Part VIA of the principal Act (as inserted by *clause 4*).

Clause 7 relates to penalties for offences.

Subclause (1) substitutes new paragraphs (a) and (b) in section 52 (1) of the principal Act. The new paragraphs provide that every person who commits an offence against the principal Act for which no penalty is provided elsewhere is liable on conviction on indictment—

(a) In the case of an individual, to imprisonment for a term not exceeding 12 months, or to a fine not exceeding \$10,000, or to both such imprisonment and such fine. (The present penalties are imprisonment for a term not exceeding 12 months or a fine not exceeding \$2,000 and, if the offence is a continuing one, a further fine not exceeding \$1,000 for every day on which the offence has continued, or both such imprisonment and such fine):

(b) In the case of a body corporate, to a fine not exceeding \$25,000. (The present penalties are a fine not exceeding \$4,000 and, if the offence is a continuing one, a further fine not exceeding \$2,000 for every day on which the offence has continued.)

Subclause (2) amends a number of sections of the principal Act by removing therefrom provisions prescribing the penalties for contravening the sections. Generally speaking, the penalties presently prescribed in each of these sections are a fine not exceeding \$4,000 and, if the offence is a continuing one, a further fine not exceeding \$2,000 for every day on which the offence has continued. The removal of these provisions will mean that the penalty provisions in section 52 of the principal Act (outlined above) will apply in the case of contravention of the sections.

Subclause (3) makes a consequential repeal.

Clause 8 inserts a new section 52B in the principal Act. The new section provides that certificates as to certain matters signed by the Governor of the Bank shall, in the absence of proof to the contrary, be sufficient evidence of the matters stated therein in any proceedings.

Right Hon. Mr Muldoon

RESERVE BANK OF NEW ZEALAND AMENDMENT

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A BILL INTITULED

An Act to amend the Reserve Bank of New Zealand Act 1964

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the
5 same, as follows:

No. 95—1

1. Short Title and commencement—(1) This Act may be cited as the Reserve Bank of New Zealand Amendment Act 1977, and shall be read together with and deemed part of the Reserve Bank of New Zealand Act 1964* (hereinafter referred to as the principal Act). 5

(2) Sections 4, 5, and 6 (2) of, and the First Schedule to, this Act shall come into force on the 1st day of April 1978.

(3) Except as provided in subsection (2) of this section, this Act shall come into force on the day on which it receives the Governor-General's assent. 10

2. Executive committee of Bank—(1) The principal Act is hereby amended by repealing section 6 (as substituted by section 4 of the Reserve Bank of New Zealand Amendment Act 1973), and substituting the following section:

“6. (1) There shall be an executive committee of the Bank, consisting of the Governor, the Deputy Governor, and not less than one other director acting by direction of the Bank or, in the absence of any such direction, acting with the concurrence of the Governor. 15

“(2) The committee shall be competent to deal with any matter within the competence of the Bank, but every decision of the committee shall be placed before the Bank at its next meeting. 20

“(3) The Governor, or in his absence the Deputy Governor, shall be the Chairman of the executive committee, and shall convene meetings of the committee whenever he deems it necessary to do so. 25

“(4) No business shall be transacted by the committee unless the Governor or the Deputy Governor and at least one other member of the committee are present.” 30

(2) Section 4 of the Reserve Bank of New Zealand Amendment Act 1973 is hereby consequentially repealed.

3. Control of overseas exchange and other transactions—

(1) Section 28 (2) (e) of the principal Act is hereby amended by adding the words “or a borrowing of money outside New Zealand”. 35

(2) Section 28 (2) of the principal Act is hereby further amended by adding the following paragraphs:

5 “(h) Any dealing or transaction relating to payment for the use of a patent, trade mark, design, or copyright, or any knowledge, information, or assistance, where the first proprietary rights thereto originated outside New Zealand:

10 “(i) The restriction, regulation, and control of non-resident accounts or any particular non-resident account or accounts.”

(3) Section 28 (5) of the principal Act is hereby amended by repealing the definition of the term “person”, and substituting the following definitions:

15 “‘Non-resident account’ means an account kept in New Zealand in the name, or directly or indirectly for the benefit, of any person, or any 2 or more persons, if that person or any of those persons is—

20 “(a) Not ordinarily resident in New Zealand; or
“(b) A trustee for or a nominee or agent of any person not ordinarily resident in New Zealand:

“‘Person’ includes any individual person, a corporation sole, a corporation aggregate, and any association or combination of individual persons or corporate or unincorporate bodies:”.

25 (4) Section 28 of the principal Act is hereby further amended by repealing subsection (6), and substituting the following subsections:

30 “(6) For the purposes of this section, an individual person shall be deemed to be ordinarily resident in New Zealand at any time if—

“(a) He is domiciled in New Zealand at that time; or
“(b) He is residing in New Zealand at that time and his usual place of abode is, and has been for the immediately preceding period of 12 months, in New Zealand, whether or not he has been occasionally or temporarily absent from New Zealand during that period; or

35 “(c) The Minister has determined that he is deemed to be so resident pursuant to subsection (6A) of this section, and has not revoked that determination.

40 “(6A) Where there is doubt whether an individual person is deemed to be ordinary resident in New Zealand pursuant to paragraph (a) or paragraph (b) of subsection (6) of this

4 *Reserve Bank of New Zealand Amendment*

section, the Minister may determine whether the person is deemed to be so resident and any such determination shall be final. The Minister may revoke any such determination at any time."

(5) Section 28 of the principal Act is hereby further amended by adding the following subsections: 5

"(10) For the purposes of this section, a person shall be deemed to borrow money outside New Zealand—

"(a) If the money borrowed is received in, or is repayable in, a foreign currency; or 10

"(b) If the money borrowed outside New Zealand is made available either outside New Zealand or in New Zealand; or

"(c) If the money is borrowed outside New Zealand on the security of property in New Zealand; or 15

"(d) If he sells any land or interest in land in New Zealand to a person not ordinarily resident in New Zealand on terms providing a right for the vendor or any nominee of the vendor to continue in possession or to resume or take possession of the land or any part of it (whether under a lease or otherwise) and also providing a right for the vendor or any nominee of the vendor to repurchase the land or any part of it. 20

"(11) Any reference in this section to the borrowing of money outside New Zealand includes— 25

"(a) The making of any arrangement by which a sum of money that is payable in a foreign currency and that would otherwise be payable at any date, is payable at a later date; and, in particular, includes a reference to the making of any arrangement that involves payment of money in a foreign currency and by which the whole or any part of the price of any property is allowed to remain unpaid either for a fixed period or indefinitely; and 30 35

"(b) The acceptance in New Zealand or the issue in New Zealand of any bill of exchange or promissory note that is drawn in a foreign currency or payable to a person not ordinarily resident in New Zealand or his nominee, where the consideration or part of the consideration for such acceptance or issue is received or receivable outside New Zealand; and 40

“(c) The making of any call in respect of any shares issued by a body incorporated in New Zealand and held by a person not ordinarily resident in New Zealand.

5 “(12) Nothing in subsections (10) and (11) of this section shall be construed to limit the generality of any reference in this section to the borrowing of money outside New Zealand.

10 “(13) For the purposes of this section, where, in consideration of a right to receive valuable consideration outside New Zealand, a person promises to provide valuable consideration in New Zealand (whether in addition to any other consideration or not) the performance of the promise shall be deemed to be the consideration for the right to receive the valuable consideration outside New Zealand.”

15 **4. New Part relating to registration and transfer of stock inserted**—The principal Act is hereby amended by inserting, after section 45, the following new Part:

“PART VIA

“REGISTRATION AND TRANSFER OF STOCK

20 “45A. **Interpretation**—(1) In this Part of this Act, unless the context otherwise requires,—

25 “‘Estate duty stock’ means stock issued pursuant to the Public Finance Act 1977, or any corresponding former enactment, with the condition of availability for payment of estate duty:

“‘Principal’, in relation to stock, means the government, local authority, public body, authority, or person, by whom or on whose behalf the stock is issued:

30 “‘Register’ means the register of stock kept by the Bank pursuant to section 45B of this Act; and ‘registered’ has a corresponding meaning:

“‘Registrar’ means the Bank in its capacity as registrar of stock:

35 “‘Stock’ means—

“(a) Registered Treasury bills issued pursuant to the Public Finance Act 1977 or any corresponding former enactment;

40 “(b) Government stock (including estate duty stock) issued pursuant to the Public Finance Act 1977 or any corresponding former enactment;

“(c) Stock that is issued by a local authority pursuant to the Local Authorities Loans Act 1956 or any corresponding former enactment; or

“(d) Any other securities of which the Bank is registrar. 5

“(2) The provisions of this Part of this Act shall, in respect of any particular stock, be subject to the provisions of any other enactment and to the terms of issue of the stock.

“Registration of Stock

“45B. Register of stock—(1) The Registrar shall keep a 10 register of all stock.

“(2) The register may be kept in book form, or in the form of a paper or card record, or by computer or any device by means of which information is recorded or stored. If the register is kept by computer or any such device— 15

“(a) The recording or storing of any information therein shall be deemed to be the entry thereof in the register; and

“(b) Any material subsequently derived from information so recorded or stored shall be deemed to be an 20 extract from the register.

“(3) The Registrar shall cause to be entered in the register the following particulars of every holder of stock:

“(a) The name and address of the holder:

“(b) The amount of stock held by him: 25

“(c) The rate of interest payable in respect of the stock:

“(d) The date or dates in each year on which the interest is payable:

“(e) The due date of repayment of the principal sum:

“(f) Such other particulars as may from time to time be 30 required by the principal or the Registrar.

Cf. 1953, No. 74, s. 18; 1956, No. 63, s. 67

“45c. Trusts not to be entered on register—No notice of any trust in respect of any stock shall be entered in the register or be receivable by the Registrar; and no liability shall attach to 35 the Crown, the principal, or the Registrar by reason of any express, implied, or constructive notice of any trust affecting any stock.

Cf. 1953, No. 74, s. 19; 1956, No. 63, s. 68

“45D. **Evidence of contents of register**—Any extract from the register, certified as correct by an officer of the Registrar purporting to act in the course of his duties as such shall, in the absence of evidence to the contrary, for all purposes and in
5 all Courts, be sufficient evidence of the entry in the register to which the extract relates as on the date when the extract was so certified. Any such certificate purporting to have been signed by such an officer shall, in the absence of proof
10 to the contrary, be deemed for all purposes to have been duly signed by such an officer.

Cf. 1953, No. 74, s. 20; 1956, No. 63, s. 69

“45E. **Errors in register may be corrected**—The Registrar may, on such evidence as appears to it to be sufficient, correct errors and remedy omissions in the register or any entry
15 therein or in certificates of title to stock, and may call in any outstanding certificate of title for that purpose.

“45F. **Co-ownership of stock**—(1) Where 2 or more persons are registered as the holders of the same stock by virtue of any application for stock, memorandum of transfer, or other
20 instrument, then, unless the contrary is expressed in the application, memorandum, or other instrument, the persons shall be deemed to hold the stock as joint tenants with right of survivorship.

“ (2) If 2 or more persons apply (whether on application for
25 the stock or by memorandum of transfer or other instrument) to be registered as holders of stock as tenants in common, the Registrar may, after notifying the persons of its intention to do so, divide the stock into the shares for which each person is expressed to be entitled and register each person as the
30 holder of the amount of stock representing his share. If the stock cannot be divided into shares that are expressed in whole dollars, the Registrar may refuse to accept the application, memorandum, or other instrument, as the case may be.

“Certificates of Title to Stock

35 “45G. **Certificates of title to stock**—(1) On application in writing (in such form as the Registrar requires) by any registered holder of stock, the Registrar shall issue to the applicant a certificate of title certifying that the applicant is the registered holder of the stock referred to therein (being the whole
40 or any part of the amount of the stock of which he is the registered holder).

“(2) Any such certificate of title shall be in such form as the Registrar with the consent of the principal prescribes and shall be conclusive evidence of the ownership of the stock to which it relates by the person named therein as the holder.

“(3) The transfer, whether by delivery or otherwise, of any such certificate of title shall not operate as a transfer of the legal or equitable interest of the holder in the stock to which it relates. The Registrar shall not repay nor record any dealing with any stock for which a certificate of title has been issued, unless the certificate of title has been produced to and cancelled by the Registrar.

“(4) The Registrar shall enter in the register particulars of the issue of every certificate of title to stock.

Cf. 1953, No. 74, s. 28; 1956, No. 63, s. 72

“45H. **Replacing certificates of title to stock**—(1) Where any certificate of title to stock has been lost, destroyed, mutilated, or rendered illegible, the Registrar, on receiving evidence to its satisfaction of the loss or destruction or, as the case may be, on the surrender of the mutilated or illegible certificate of title, may, on such terms and subject to such conditions as the Registrar with the consent of the principal prescribes, issue a substitute certificate of title with the word ‘substitute’ stamped or written thereon, and shall record the issue thereof in the register.

“(2) Every such substitute certificate of title shall have the same effect to all intents and purposes as the original certificate of title for which it is substituted.

Cf. 1953, No. 74, s. 28; 1956, No. 63, s. 79

“Transfer of Stock

“45I. **Transfer of stock**—(1) The registered holder of any stock may by memorandum of transfer, in such form as the Registrar with the consent of the principal prescribes, transfer to any other person the whole or any part of the stock, being an amount expressed in whole dollars or such other amount as the Registrar in any particular case agrees to.

“(2) On production of a duly executed memorandum of transfer, the Registrar shall enter in the register the name of the transferee as the registered holder of the stock to which the memorandum of transfer relates.

“(3) Every such entry shall operate as a transfer of the stock to which it relates, and shall vest that stock in the transferee.

Cf. 1953, No. 74, s. 30; 1956, No. 63, s. 74

5 “45J. **Certification of transfers**—(1) The Registrar may, on the application of a registered holder of stock, certify on a memorandum of transfer of the stock that the person named therein as transferor is entered in the register as the holder of that stock. Any such certificate may be subject to such
10 conditions as the Registrar thinks fit to impose.

“(2) Where a memorandum of transfer of stock has been certified under this section, the Registrar may refuse to repay, or record any dealing with, the stock until the memorandum has been produced to it and the certificate thereon cancelled.

15 “(3) The Registrar shall enter in the appropriate register particulars of every memorandum of transfer certified under this section.

“45K. **Acquisition of stock by operation of law**—Subject to sections 45G (3) and 45J (2) of this Act, when the right
20 to any stock is acquired by any person on the death or bankruptcy of the registered holder, or under a writ of execution, or in any manner other than by way of a transfer under section 45I of this Act, the Registrar, on application by or on behalf of the person entitled and on being satisfied that he
25 is legally entitled to be registered as the holder of the stock, shall enter his name in the register as the holder of the stock accordingly.

Cf. 1953, No. 74, s. 31; 1956, No. 63, s. 75

30 “45L. **Execution of transfer by body corporate**—(1) Where a memorandum of transfer or other instrument dealing with stock is executed by a body corporate by a means other than by affixing its common or official seal thereto, the Registrar may refuse to accept the instrument as properly executed until the Registrar is satisfied that the instrument has been
35 executed under the authority of the body corporate and is binding on it.

“(2) Where a memorandum of transfer or other instrument dealing with stock is executed by a body corporate by affixing its common or official seal thereto, the Registrar may
40 refuse to accept the instrument as properly executed until the Registrar receives a certificate, signed by an officer of

the body corporate, to the effect that the instrument has been executed under the authority of the body corporate and is binding on it.

“General Provisions

“45M. Money payable in respect of stock shall constitute a debt due by principal—(1) All money payable to a registered holder of stock in respect of the stock shall constitute a debt due to the registered holder by the principal. 5

“(2) Where the Registrar fails to pay money payable in respect of stock, it shall be under no liability in respect of the failure if the failure was due to a default by the principal. 10

Cf. 1956, No. 63, s. 81

“45N. Infants may be registered as holders of stock—Any infant of the age of 7 years or upwards may be registered as the holder of any stock and may transfer or do anything else in relation to the stock as effectually in all respects as if he were of full age. 15

Cf. 1953, No. 74, s. 24; 1956, No. 63, s. 70

“45O. Powers of attorney—(1) Any person may by power of attorney, in a form prescribed by the Registrar, appoint any other person to be his attorney for any purpose relating to stock. 20

“(2) Every power of attorney under this section shall be deposited in the office of the Registrar.

“(3) Every power of attorney under this section shall be valid and effectual for all the purposes mentioned therein until notice in writing of its revocation, or of the death, disability, bankruptcy, winding up, or dissolution of the donor has been received in the office of the Registrar. 25

“(4) Nothing in this section shall derogate from the right that any person has to appoint, by a power of attorney in a form other than that prescribed by the Registrar, any other person to be his attorney for any purpose relating to stock. 30

Cf. 1953, No. 74, s. 33; 1956, No. 63, s. 77

“45P. Supreme Court may prohibit dealings with stock—(1) The Supreme Court may, on the application of any interested person made either *ex parte* or on notice to any other person as the Court may direct, make an order pro- 35

hibiting, for the time and subject to the conditions specified in the order, any dealings with any stock specified in the order, and may discharge any such order with or without costs, and generally may make such orders as, in the opinion
5 of the Court, the justice of the case requires.

“(2) The Registrar, without being made a party to the proceedings, shall, on being served with any such order, make an entry of the order in the register.

“(3) No liability shall attach to the principal or to the
10 Registrar for any entry made or thing done by the Registrar pursuant to an order under this section.

Cf. 1953, No. 74, s. 34; 1956, No. 63, s. 78

“45q. **Estate duty stock**—(1) The administrator of the estate of any deceased person, or other person by whom estate
15 duty may be payable in respect of that estate, may pay the whole or any part of the estate duty payable by him in respect of that estate by means of estate duty stock held in the name of the deceased, and the Commissioner of Inland Revenue shall accept any such stock accordingly in satisfaction in
20 whole or in part, as the case may be, of the amount of estate duty payable as aforesaid.

“(2) If provision in that behalf has been made in the prospectus or terms of issue of the stock, the administrator of the estate of any deceased person may pay the whole or any part
25 of the income tax payable in respect of income derived by the deceased before his death by means of any such estate duty stock held in the name of the deceased, and the Commissioner of Inland Revenue shall accept any such stock accordingly in satisfaction in whole or in part, as the case
30 may be, of the amount of income tax payable as aforesaid.

“(3) All estate duty stock transferred to the Commissioner of Inland Revenue under this section shall be deemed to mature for payment, and to be accepted by the Commissioner in satisfaction of estate duty or income tax as aforesaid,
35 on the date of execution of the memorandum of transfer by the transferor; and all such stock shall for the purposes of this section be deemed to be of the nominal value thereof and shall carry interest till that date.

“(4) Subject to subsection (3) of this section, if any estate
40 duty stock is transferred, it shall cease to be estate duty stock, and may be dealt with accordingly.

“(5) If on the death of the registered holder of any estate duty stock the whole or any part of that stock is not used for the payment of estate duty in respect of the estate of the deceased or in the payment of income tax owing by the deceased, the stock so remaining unused shall cease to be estate duty stock, and may be dealt with accordingly. 5

Cf. 1953, No. 74, s. 22

“45R. **Statements by Registrar to principal**—(1) Subject to any other Act, the Registrar shall from time to time supply to every principal certified statements as to the amount of stock registered on its behalf, together with such other particulars as the principal requires. 10

“(2) The Audit Office and any other auditor may for all purposes accept as correct any certified statement supplied by the Registrar under this section. 15

Cf. 1953, No. 74, s. 35; 1956, No. 63, s. 82

“45S. **Agreements by Registrar with principals**—(1) The Registrar may from time to time enter into agreements with principals for the purpose of giving full effect to the provisions of this Part of this Act. 20

“(2) Without limiting subsection (1) of this section, any agreement under that subsection may relate to the remuneration payable to the Registrar in regard to the issue and management of the stock, and the giving of indemnities to the Registrar.” 25

Cf. 1953, No. 74, s. 17 (2); 1956, No. 63, s. 83

5. Amendments and repeals consequential upon section 4—

(1) The enactments specified in the First Schedule to this Act are hereby consequentially amended in the manner indicated in that Schedule. 30

(2) Section 9 (1) of the principal Act is hereby consequentially amended by repealing paragraph (k), and substituting the following paragraph:

“(k) Keep a register of stock, in accordance with Part VIA of this Act, for and on behalf of the Crown, any local authority or other public body in New Zealand, or (with the prior consent of the Minister) the government of, or any authority or public body constituted or established in, any other country:” 35
40

(3) The following enactments are hereby consequentially repealed:

- (a) Subsections (2) and (2A) of section 9 of the principal Act:
- 5 (b) The Reserve Bank of New Zealand Amendment Act 1967:
- (c) Sections 16 to 35 of the New Zealand Loans Act 1953:
- (d) Sections 67 to 79 and 81 to 83 of the Local Authorities Loans Act 1956:
- 10 (e) So much of the First Schedule to the Age of Majority Act 1970 as relates to the New Zealand Loans Act 1953 and the Local Authorities Loans Act 1956.

6. Regulations—(1) Section 50 of the principal Act is hereby amended by repealing paragraph (c), and substituting
15 the following paragraph:

“(c) Providing for the furnishing of information and the production of books or documents to the Minister or the Bank or any other person for any of the purposes of any such regulations (whether or not
20 the effect thereof may be to require the furnishing of information, or the production of books or documents, that will reveal the identity or affairs of any particular person); and providing for the verification of any such information; and providing
25 that any such books or documents may be copied, and may be retained or impounded, by any person or persons to whom they are produced:”.

(2) Section 50 of the principal Act is hereby further amended by inserting, after paragraph (g), the following
30 paragraph:

“(ga) Prescribing fees to be charged by the Bank in respect of any matter under Part VIA of this Act:”.

7. Penalties for offences—(1) Section 52 (1) of the principal Act (as amended by section 7 of the Decimal Currency
35 Act 1964) is hereby further amended by repealing paragraphs (a) and (b), and substituting the following paragraphs:

- “(a) In the case of an individual, to imprisonment for a term not exceeding 12 months, or to a fine not exceeding \$10,000, or to both such imprisonment and such fine:
- 40 “(b) In the case of a body corporate, to a fine not exceeding \$25,000.”

(2) The principal Act is hereby amended in the manner indicated in the Second Schedule to this Act.

(3) Section 12 (3) of the Reserve Bank of New Zealand Amendment Act 1973 is hereby consequentially repealed.

8. Evidence—The principal Act is hereby amended by inserting, after section 52A (as inserted by section 5 of the Reserve Bank of New Zealand Amendment Act 1968), the following section: 5

“52B. (1) A copy of any resolution of the Bank certified by the Governor to be correct shall, in the absence of proof to the contrary, be sufficient evidence of the resolution in any proceedings. 10

“(2) A certificate signed by the Governor to the effect that—

“(a) Any approval or consent required under any Act has or has not been given by the Bank, or is or is not for the time being in force; or 15

“(b) Any document has been duly signed by, or on behalf of, the Bank or the Governor—

shall, in the absence of proof to the contrary, be sufficient evidence of the matters stated therein in any proceedings. 20

“(3) Any certificate purporting to have been signed by the Governor shall, in the absence of proof to the contrary, be deemed for all purposes to have been duly signed by him.”

SCHEDULES

Section 5

FIRST SCHEDULE

AMENDMENTS CONSEQUENTIAL UPON SECTION 4

Enactment	Amendment
1948, No. 62—The Trustee Savings Banks Act 1948 (Reprinted 1973, Vol. 2, p. 1663)	By omitting from section 24 (2) (as substituted by section 3 of the Trustee Savings Banks Amendment Act 1970) the words “the New Zealand Loans Act 1953”, and substituting the words “ <u>Part VIA</u> of the Reserve Bank of New Zealand Act 1964”.
1950, No. 55—The National Provident Fund Act 1950 (1957 Reprint, Vol. 10, p. 787)	By repealing subsection (2E) of section 3c (as substituted by section 2 (1) of the National Provident Fund Amendment Act 1959 and amended by section 3 (1) of the National Provident Fund Amendment Act 1976), and substituting the following subsection: “(2E) In respect of any certificate of investment issued under subsection (2A) of this section the provisions of sections <u>45C, 45D, 45G (2), 45G (3), 45H, 45I (except subsection (1)), 45K, 45O, 45P, and 45R</u> of the Reserve Bank of New Zealand Act 1964 shall apply, so far as they are applicable and with the necessary modifications, as if references in those provisions to the Registrar were references to the Registrar of Certificates of Investment under this section and references to stock and certificates of title to stock were references to certificates of investment.”
1956, No. 63—The Local Authorities Loans Act 1956 (Reprinted 1974, Vol. 3, p. 2301)	By adding to section 66 the words “, and <u>Part VIA</u> of the Reserve Bank of New Zealand Act 1964 shall apply accordingly”. By inserting in section 109, after subsection (2), the following subsection: “(2A) All the provisions of <u>Part VIA</u> of the Reserve Bank of New Zealand Act 1964 shall apply, so far as they are applicable and with the necessary modifications, to stock issued in respect of a joint special loan to which this Part of this Act applies as if references in those provisions to the principal were references to the principal local authority.”

FIRST SCHEDULE—*continued*

AMENDMENTS CONSEQUENTIAL UPON SECTION 4—*continued*

Enactment	Amendment
1971, No. 51 — The Stamp and Cheque Duties Act 1971	By repealing paragraph (y) of section 11 (1), and substituting the following paragraph: “(y) A power of attorney for the purposes of <u>section 45o</u> of the Reserve Bank of New Zealand Act 1964.”
1977, No. 20 — The Securities Transfer Act 1977	By repealing paragraph (b) of the proviso to section 8 (1), and substituting the following paragraph: “(b) Nothing in this Act shall in any way derogate from <u>section 45g (3)</u> of the Reserve Bank of New Zealand Act 1964.” By repealing paragraphs (c) and (d) of section 8 (2), and substituting the following paragraphs: “(c) <u>Section 45i</u> of the Reserve Bank of New Zealand Act 1964: “(d) Section 60 of the Local Authorities Loans Act 1956.”

Section 7 (2)

SECOND SCHEDULE

AMENDMENTS OF PRINCIPAL ACT

Section of Principal Act Amended	Amendment
Sections 31 (7) and 34 (4) (as amended by section 7 of the Decimal Currency Act 1964)	By omitting the words “and is liable on summary conviction to a fine not exceeding \$4,000 and, if the offence is a continuing one, to a further fine not exceeding \$2,000 for every day on which the offence has continued”, and substituting in each case the words “against this Act”.
Section 33 (7) (as amended by section 7 of the Decimal Currency Act 1964)	By omitting the words “and is liable on summary conviction to a fine not exceeding \$4,000 and, if the offence is a continuing one, to a further fine not exceeding \$2,000 for every day during which the offence has continued”, and substituting the words “against this Act”.

SECOND SCHEDULE—*continued*

AMENDMENTS OF PRINCIPAL ACT—*continued*

Section of Principal Act Amended	Amendment
Section 34A (5) (as inserted by section 9 of the Reserve Bank of New Zealand Amendment Act 1973)	By omitting the words “, and is liable on summary conviction to a fine not exceeding \$4,000 and, if the offence is a continuing one, to a further fine not exceeding \$2,000 for every day on which the offence has continued”, and substituting the words “against this Act”.
Section 34B (3) (as inserted by section 10 of the Reserve Bank of New Zealand Amendment Act 1973)	By omitting the words “, and is liable on summary conviction to a fine not exceeding \$2,000 and, if the offence is a continuing one, to a further fine not exceeding \$1,000 for every day on which the offence has continued”, and substituting the words “against this Act”.
Section 34C (3) (as inserted by section 11 of the Reserve Bank of New Zealand Amendment Act 1973)	By omitting the words “and is liable on summary conviction to a fine not exceeding \$4,000 and, if the offence is a continuing one, to a further fine not exceeding \$2,000 for every day during which the offence has continued”, and substituting the words “against this Act”.
Section 35 (5) (as substituted by section 12 (3) of the Reserve Bank of New Zealand Amendment Act 1973)	<p>By repealing this subsection, and substituting the following subsection:</p> <p>“(5) Any trading bank or other financial institution commits an offence against this Act if, without lawful justification or excuse,—</p> <p>“(a) It fails to comply with any requirement of the Reserve Bank under subsection (2) of this section; or</p> <p>“(b) It makes any return or statement or furnishes any information required to be made or furnished which is incorrect in any material particular:</p> <p>“Provided that nothing in this section shall authorise the inspection of any book or accounts containing information that will reveal the identity or affairs of any particular customer or require the furnishing of information with respect to the identity or affairs of any particular customer.”</p>