



**THE FINANCE COMPANIES (INVESTMENT) REGULATIONS 1983,
AMENDMENT NO. 4**

DAVID BEATTIE, Governor-General

ORDER IN COUNCIL

At the Government Buildings at Wellington this 7th day of May 1984

Present:

THE HON. J. K. MCLAY PRESIDING IN COUNCIL

PURSUANT to sections 34C and 50 of the Reserve Bank of New Zealand Act 1964, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, hereby makes the following regulations.

REGULATIONS

1. Title and commencement—(1) These regulations may be cited as the Finance Companies (Investment) Regulations 1983, Amendment No. 4, and shall be read together with and deemed part of the Finance Companies (Investment) Regulations 1983* (hereinafter referred to as the principal regulations).

(2) These regulations shall come into force on the 1st day of June 1984.

2. Finance companies to hold Government stock—Regulation 6 of the principal regulations is hereby amended by revoking subclause (1) (as amended by regulation 2 of the Finance Companies (Investment) Regulations 1983, Amendment No. 3), and substituting the following subclauses:

“(1) Every finance company—

“(a) Shall at all times during every month in the period beginning on the 1st day of June 1984 and ending with the close of the 31st

*S.R. 1983/13

Amendment No. 1: (Revoked by S.R. 1984/5)

Amendment No. 2: (Revoked by S.R. 1984/23)

Amendment No. 3: S.R. 1984/23

day of December 1984 hold and have registered in its name an amount of Government stock at least equal in nominal value to the aggregate of—

“(i) Thirty percent of its investments, as at the end of the immediately preceding month; and

“(ii) One hundred percent of the amount (if any) by which its investments as at the end of the immediately preceding month exceed the adjusted base value of its investments as at the end of that month; and

“(b) Shall at all times during every month in the year beginning on the 1st day of January 1985 and in every subsequent year hold and have registered in its name an amount of Government stock at least equal in nominal value to 30 percent of its investments as at the end of the immediately preceding month.

“(1A) For the purposes of subclause (1)(a)(ii) of this regulation, the expression ‘adjusted base value’ means, in relation to the investments of any finance company as at the end of any month, the value determined by increasing the amount of those investments as at the 31st day of December 1983 by 1 percent of that amount for each complete month that has elapsed since the 31st day of December 1983.”

3. Revocation—The Finance Companies (Investment) Regulations 1983, Amendment No. 3 are hereby consequentially revoked.

P. G. MILLEN,
Clerk of the Executive Council.

EXPLANATORY NOTE

This note is not part of the regulations, but is intended to indicate their general effect.

These regulations, which come into force on 1 June 1984, increase the amount of Government stock which every finance company is required to hold during every month in the period beginning on 1 June 1984 and ending with the close of 31 December 1984. Every finance company is to be required, during every month in that period, to hold and have registered in its name an amount of Government stock at least equal in nominal value to the aggregate of 30 percent of its investments as at the end of the immediately preceding month and 100 percent of the amount (if any) by which its investments as at the end of the immediately preceding month exceed the adjusted base value of its investments as at the end of that month. The adjusted base value, in relation to the investments of any finance company as at the end of any month, is the amount of its investments as at 31 December 1983, increased by 1 percent of that amount for each complete month that has elapsed since 31 December 1983. But for the amendment effected by these regulations the amount of Government stock required to be held would be only 30 percent of its investments as at the end of the immediately preceding month.

Issued under the authority of the Regulations Act 1936.

Date of notification in *Gazette*: 8 May 1984.

These regulations are administered in the Reserve Bank of New Zealand.