

Serial Number **1953/113**

Reprint under section 7 of the Regulations Act 1936 of the Finance Emergency Regulations 1940 (No. 2) (Serial No. 1940/118), as amended by the following enactments:

- The Finance Emergency Regulations 1940, Amendment No. 1 (Serial No. 1940/250).
- The Finance Emergency Regulations 1940, Amendment No. 3 (Serial No. 1945/53).
- The Finance Emergency Regulations 1940, Amendment No. 4 (Serial No. 1946/80).
- The Emergency Regulations Revocation Order No. 7 (Serial No. 1947/185).
- The Finance Emergency Regulations 1940, Amendment No. 5 (Serial No. 1947/210).
- The Finance Emergency Regulations 1940, Amendment No. 6 (Serial No. 1948/139).
- The Trustee Savings Banks Act 1948, s. 39 (2) and (5).
- The Finance Emergency Regulations 1940, Amendment No. 7 (Serial No. 1950/19).
- The Finance Emergency Regulations 1940, Amendment No. 8 (Serial No. 1953/88).

The principal regulations were also amended by the Finance Emergency Regulations 1940, Amendment No. 2 (Serial No. 1940/304), which were revoked by regulation 2 (1) of the Emergency Regulations Revocation Order No. 7.

S. 3 of the Emergency Regulations Amendment Act 1952 provides that the principal regulations and Amendments Nos. 1, 3, 4, 5, 6, and 7 shall continue in force until 31 December 1953, and shall then expire, unless they are sooner revoked.

THE FINANCE EMERGENCY REGULATIONS 1940 (NO. 2) (REPRINT)

GALWAY, Governor-General
ORDER IN COUNCIL

At the Government House at Wellington, this 18th day of June 1940

Present:

HIS EXCELLENCY THE GOVERNOR-GENERAL IN COUNCIL

PURSUANT to the Emergency Regulations Act 1939, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, doth hereby make the following regulations.

REGULATIONS

REGULATION 1—PRELIMINARY

(1) These regulations may be cited as the Finance Emergency Regulations 1940 (No. 2).

(2) These regulations are arranged as follows:

Regulation 1—Preliminary.

Regulation 2—Interpretation.

Regulation 3—Restriction on Export of Money and Securities.

Regulation 4—Money and Securities Taken by Travellers.

Regulation 5—Acquisition by Reserve Bank of Gold . . .

Regulation 6—Acquisition by Reserve Bank of Foreign Currency.

Regulation 7—Acquisition by Reserve Bank of Certain Foreign Securities.

Regulation 8—Payment of Price for Currency and Securities Acquired.

Regulation 9—Formation of Companies, etc.

Regulation 10—Overseas Companies Commencing Business in New Zealand.

Regulation 11—Increase of Capital of Companies.

Regulation 12—Control of Issues of Capital.

Regulation 13—Power to Control Advances for Industrial Purposes.

Regulation 14—Power to Require Contributions to War Purposes Loans.

Regulation 15—Emergency Finance Council.

Regulation 16—Delegation of Minister's Powers.

Regulation 17—Granting of Consents and Exemptions.

Regulation 18—Notices.

Regulation 19—Production of Books.

Regulation 20—Regulations Binding on Trustees, etc.

Regulation 21—Offences.

Regulation 22—Penalties.

(3) The Finance Emergency Regulations 1940* are hereby revoked.

(4) All applications, exemptions, permissions, conditions, declarations, seizures, delegations, and generally all acts of authority that originated under the regulations hereby revoked, and are subsisting or in force at the commencement of these regulations shall enure for the purposes of these regulations as fully and effectually as if they had originated under the corresponding provisions of these regulations, and accordingly shall, where necessary, be deemed to have so originated.

(5) All matters and proceedings commenced under the regulations hereby revoked and pending or in progress at the commencement of these regulations may be continued, completed, and enforced under these regulations.

The words "Coin and Bullion" were omitted from clause (2) in the reference to regulation 5 by regulation 4 of the Finance Emergency Regulations 1940, Amendment No. 6.

Regulations 14 and 15 were revoked by the Emergency Regulations Revocation Order No. 7.

REGULATION 2—INTERPRETATION

(1) In these regulations, unless the context otherwise requires,—

"Authorized officer", in relation to any matter, means any person acting or employed in that matter with the authority (whether precedent or subsequent) of the Minister; and includes any officer of Customs within the meaning of the Customs Act 1913, and any constable:

"Current rate of exchange" means a rate of exchange for the time being fixed or approved by the Reserve Bank:

"Foreign currency" means the bank notes or other currency, postal notes, or money orders of any country other than New Zealand; and includes promissory notes and bills of exchange payable otherwise than in New Zealand currency:

* Statutory Regulations 1940, Serial number 1940/65.

“Foreign security” means any security which is registered, inscribed, or situated outside New Zealand, or which creates a right (whether actual or contingent) to receive any payment outside New Zealand or in any foreign currency or out of any funds that are to be provided from outside New Zealand:

[“Gold” includes gold, gold coin, gold bullion, retorted gold, gold ores, gold amalgam, gold alloys, precipitates containing gold, slag, concentrates, tailings, and residues; but, with the exception of gold coin, does not include things manufactured of gold;]

“Local authority” means any local authority or public body that for the time being is a local authority within the meaning of the Local Government Loans Board Act 1926, whether by virtue of section 2 of that Act or of any Order in Council thereunder, or by virtue of the provisions of any other Act:

“Money” includes the bank notes and other currency, postal notes, money orders of New Zealand or any other country; and also includes promissory notes and bills of exchange:

“Minister” means the Minister of Finance; and includes any person for the time being authorized to exercise or perform any of the powers or functions of the Minister:

“Owner”, in relation to any security, includes any person who is registered as the proprietor or holder of the security, or who has power to sell or transfer the security, or who has the custody thereof, or who receives or is entitled to receive (whether on his own behalf or on behalf of any other person) dividends or interest thereon, or who has any other legal or equitable interest therein; and “to own” has a corresponding meaning:

“Person” includes a corporation sole and also a body of persons, whether corporate or unincorporate:

“Reserve Bank” means the Reserve Bank of New Zealand established under the Reserve Bank of New Zealand Act 1933:

“Security” includes shares, stock, bonds, debentures, debenture stock, and Treasury bills; but does not include bills of exchange or promissory notes.

(2) For the purposes of these regulations the transfer of any security includes transfer by way of loan, mortgage, pledge, or bailment, and a person shall be deemed to transfer a security from New Zealand if he transfers it from a register in New Zealand to a register outside New Zealand.

(3) For the purposes of these regulations a body corporate shall be deemed to be resident in New Zealand if it is incorporated in New Zealand or has its head office in New Zealand. The head office of a body corporate means the centre of its administrative management.

(4) For the purposes of these regulations, where any body corporate incorporated outside New Zealand and carrying on business in New Zealand owns any gold, foreign currency, or foreign securities on account of its New Zealand business, the person for the time being having control

of the company's business in New Zealand shall be deemed to be the owner of that gold or currency or those securities and to be ordinarily resident in New Zealand, but nothing in this clause shall be construed to relieve the company from any obligation or penalty under these regulations.

The definition of the term "gold" in clause (1) was substituted for the original definition by regulation 2 of the Finance Emergency Regulations 1940, Amendment No. 6.

In connection with regulation 14 of these regulations a definition of "war purposes loan" was added to clause (1) by regulation 2 (1) of Serial No. 1940/304, and was repealed, on the repeal of regulation 14, by regulation 2 (1) of Serial No. 1947/185.

REGULATION 3—RESTRICTION ON EXPORT OF MONEY AND SECURITIES

(1) Subject to the exemptions set out in clause (3) of this regulation, no person shall, except with the consent of the Minister,—

(a) Take or send any money out of New Zealand:

(b) Draw or negotiate any bill of exchange or promissory note, transfer any security, or acknowledge any debt so that a right (whether actual or contingent) to receive a payment in New Zealand is created or transferred as consideration—

(i) For receiving a payment or acquiring property outside New Zealand; or

(ii) For a right (whether actual or contingent) to receive a payment or acquire property outside New Zealand—

or make any payment in New Zealand as such consideration:

(c) Create or transfer a right (whether actual or contingent) to receive a payment or acquire property outside New Zealand, or dispose of or otherwise deal with any money, securities, or property held or payable outside New Zealand as consideration for receiving a payment or acquiring property in New Zealand, or for a right (whether actual or contingent) to receive a payment or acquire property in New Zealand, or for the discharge of a debt payable in New Zealand:

(d) Take, send, or transfer any securities from New Zealand.

(2) No person shall be a party to any transaction which involves the conversion of New Zealand currency into the currency of any other country or the conversion of the currency of any other country into New Zealand currency at a rate of exchange other than the current rate of exchange between New Zealand and that country.

(3) The following transactions shall be exempt from the restrictions imposed by the foregoing provisions of this regulation:

(a) The taking or sending of money out of New Zealand pursuant to permission in that behalf granted by the Reserve Bank:

(b) The taking or sending of money out of New Zealand within the limitations set out in the *Coined Silver Regulations 1931*, or any regulations made in amendment thereof or in substitution therefor:

(c) The transfer of money to New Zealand through any bank acting as agent of the Reserve Bank:

(d) Any class of transactions for the time being exempted by the Minister from the said restrictions by notice in the *Gazette*.

(4) For the purposes of this regulation money shall be deemed to be taken or sent if it is taken or sent by telegraph or post or by means of draft, letter of credit, traveller's cheque, transfer of account, or any other means whatsoever.

The Coined Silver Regulations 1931 were revoked by the Customs Import Prohibition Order 1941, No. 1 (Serial No. 1941/93); see now the Customs Export Prohibition Order 1941, No. 1 (Serial No. 1941/94).

As to exemption from the restrictions imposed by para. (d) of clause (1), see clause 2 of the Sterling Area Currency and Securities Exemption Notice 1953 (Serial No. 1953/1), enacted in the following terms:

PURSUANT to the Finance Emergency Regulations 1940 (No. 2)* (hereinafter referred to as the regulations), the Minister of Finance hereby gives notice as follows:

1. This notice may be cited as the Sterling Area Currency and Securities Exemption Notice 1953.

2. Subject to the provisions of clause 5 of this notice, foreign securities which are registered or inscribed in any of the countries specified in the Schedule hereto are hereby exempted from the restrictions imposed by paragraph (d) of subclause (1) of regulation 3 of the regulations.

3. Subject to the provisions of clause 5 of this notice, foreign currency of any of the countries specified in the Schedule hereto is hereby exempted from the operation of regulation 6 of the regulations.

4. Subject to the provisions of clause 5 of this notice, foreign securities which are domiciled in any of the countries specified in the Schedule hereto are hereby exempted from the operation of regulation 7 of the regulations.

5. The exemptions contained in the foregoing provisions of this notice do not apply to any foreign securities or foreign currency held by any of the following banks in respect of its New Zealand business, namely:

- (a) The Bank of New Zealand:
- (b) The Bank of New South Wales:
- (c) The National Bank of New Zealand Limited:
- (d) The Commercial Bank of Australia Limited:
- (e) The Australia and New Zealand Bank Limited:
- (f) The Bank of Australasia Limited:
- (g) The Union Bank of Australia Limited.

6. The Sterling Area Currency and Securities Exemption Order 1950† is hereby revoked.

SCHEDULE

COUNTRIES OF THE STERLING AREA

The United Kingdom.
Australia.
The Union of South Africa.
Pakistan.
Ceylon.
The Republic of India.

The Dependent Territories of the
Countries of the British Common-
wealth other than Canada.
The Republic of Ireland.
Burma.
Iceland.
Iraq.

Dated at Wellington, this 6th day of January 1953.

CHAS. M. BOWDEN,
Associate Minister of Finance.

* Statutory Regulations 1940, Serial number 1940/118, page 407.

† Statutory Regulations 1950, Serial number 1950/20, page 60.

REGULATION 4—MONEY AND SECURITIES TAKEN BY TRAVELLERS

(1) Every person who is about to leave New Zealand (hereinafter referred to as the traveller) shall—

(a) If he has attained the age of sixteen years, make a declaration in the form set out in the Schedule hereto as to whether or not he is taking with him either on his person or otherwise any money or securities, such declaration to be made immediately prior to his embarkation on the vessel or aircraft in which he proposes to leave New Zealand, and to be delivered on embarkation to an authorized officer:

(b) If requested so to do by an authorized officer, produce to that officer any money or securities which he has with him.

(2) Any authorized officer may search the traveller and examine or search any article which the traveller has or is taking with him for the purpose of discovering any money or securities and may seize any money or securities so produced or discovered unless the authorized officer is satisfied that the taking thereof does not involve a contravention of regulation 3 of these regulations.

(3) An authorized officer may examine and search any goods consigned or otherwise taken or sent from New Zealand to a destination outside New Zealand for the purpose of ascertaining whether there are being sent with the goods any money or securities and may seize any money or securities found upon such an examination or search unless the authorized officer is satisfied that the sending thereof does not involve a contravention of regulation 3 of these regulations.

(4) Any money or securities seized by an authorized officer under the provisions of this regulation shall be forfeited to and become the property of the Crown unless the Minister otherwise directs.

REGULATION 5—ACQUISITION BY RESERVE BANK OF GOLD . . .

(1) Every person ordinarily resident in New Zealand who at the date on which this regulation comes into force is, or at any later date becomes, entitled to sell or to procure the sale of any gold shall forthwith after that date or later date, as the case may be, offer that gold or cause it to be offered for sale to the Reserve Bank or to a person specified by the Minister for the purposes of this regulation, at such price as may be determined by the Minister, having regard to the current price of gold in London.

(2) The price payable in respect of the acquisition of any gold under this regulation shall be paid either in cash or by the issue of New Zealand Government stock, or partly in cash and partly by the issue of Government stock, at the option of the owner of that gold.

(3) This regulation shall come into force on a date to be specified in that behalf by the Minister by a notice published in the *Gazette*.

The words "Coin and Bullion" were omitted from the heading to regulation 5 by regulation 3 of the Finance Emergency Regulations 1940, Amendment No. 6.

Regulation 5 was declared to come into force on 20 August 1948 by regulation 2 of the Gold Acquisition Notice 1948 (Serial No. 1948/140).

REGULATION 6—ACQUISITION BY RESERVE BANK OF FOREIGN CURRENCY

(1) Every person ordinarily resident in New Zealand who at the date on which these regulations come into force is, or at any later date becomes, entitled to sell or to procure the sale of any foreign currency, shall forthwith after that date or later date, as the case may be, offer it or cause it to be offered for sale to the Reserve Bank or to a person specified by the Minister for the purposes of this regulation, at such price as may be determined by the Minister, having regard to the current rate of exchange.

(2) Every person ordinarily resident in New Zealand who at the date on which these regulations come into force is, or at any later date becomes, entitled to assign or to procure the assignment of any right to receive outside New Zealand, in respect of any credit or balance at a bank or with any other person, payment of any amount in a foreign currency shall forthwith after that date or later date, as the case may be, unless notice to the contrary is given to him by the Minister, do all things necessary for the purpose of assigning that right to the Reserve Bank or to a person specified by the Minister for the purposes of this regulation. The price payable as consideration for any assignment made in accordance with this clause shall be such as may be determined by the Minister, having regard to the current rate of exchange.

(3) Every person who at any time holds on behalf of any other person ordinarily resident in New Zealand (whether as trustee, agent, banker, or otherwise) any foreign currency or any right to which clause (2) of this regulation applies shall, within fourteen days after the date on which these regulations come into force or the date on which he commences so to hold that foreign currency or right (whichever date is the later), furnish to the Minister, or as he directs, the name and address of the person on whose behalf the foreign currency or right is so held, together with such other information and particulars in relation thereto as may be required by the Minister.

[(4) (a) For the purposes of this clause—

“Fixed deposit” means any moneys on fixed deposit at a bank or with any other person:

“Owner”, in relation to any fixed deposit, includes any person in whose name the fixed deposit is made, or who receives or is entitled to receive (whether on his own behalf or on behalf of any other person) the amount of the deposit or interest thereon, or who has any other legal or equitable interest therein.

(b) The owner of every fixed deposit repayable in a foreign currency shall, within fourteen days after the date on which this clause comes into force or the date on which he becomes the owner of the fixed deposit (whichever date is the later), furnish to the Minister, or as he directs, such information and particulars in relation thereto as may be required by the Minister.

(c) This clause shall come into force on the 1st day of October 1940.]

[(5) Except with the consent of the Minister, no person shall sell, transfer, charge, or otherwise dispose of or deal with, any foreign currency to which clause (1) of this regulation applies, or any right to which clause (2) of this regulation applies, or any fixed deposit to which clause (4) of this regulation applies:

Provided that the restrictions imposed by this clause shall not apply to the transfer of money to New Zealand through any bank acting as the agent of the Reserve Bank.

(6) The Minister, in his discretion, may refuse any application for his consent under clause (5) of this regulation, or may grant it either wholly or partly and either unconditionally or upon or subject to such conditions as he thinks fit.】

【(7) This regulation applies to all foreign currency owned by persons ordinarily resident in New Zealand except such foreign currency as may from time to time be exempted from the operation of this regulation by the Minister by notice published in the *Gazette*.】

Clause (4) was added by regulation 3 of the Finance Emergency Regulations 1940, Amendment No. 1.

Clauses (5) and (6) were added by regulation 2 of the Finance Emergency Regulations 1940, Amendment No. 3.

Clause (7) was added by regulation 2 of the Finance Emergency Regulations 1940, Amendment No. 7.

As to the exemption of certain foreign currencies from the operation of this regulation, see clause 3 of the Sterling Area Currency and Securities Exemption Notice 1953 (Serial No. 1953/1), set out in the notes to regulation 3, *ante*.

REGULATION 7—ACQUISITION BY RESERVE BANK OF CERTAIN FOREIGN SECURITIES

(1) This regulation applies to all foreign securities owned by persons ordinarily resident in New Zealand except such foreign securities or classes of foreign securities as may from time to time be exempted from the operation of this regulation by the Minister by notice published in the *Gazette*.

(2) Except with the consent of the Minister, no person shall sell, transfer, or do anything which involves the creation of a charge on any securities to which this regulation applies.

【(2A) The Minister, in his discretion, may refuse any application for his consent under clause (2) of this regulation, or may grant it either wholly or partly and either unconditionally or upon or subject to such conditions as he thinks fit.】

(3) The owner of any security to which this regulation applies shall, within fourteen days after the date on which these regulations come into force or the date on which he becomes the owner of the security (whichever date is the later), furnish to the Minister, or as he directs, such information and particulars in relation thereto as may be required by the Minister.

(4) Every person who at any time holds on behalf of any other person (whether as trustee, agent, bailee, mortgagee, or otherwise) any security to which this regulation applies shall, within fourteen days after the date on which these regulations come into force or the date on which he commences so to hold that security (whichever date is the later), furnish to the Minister, or as he directs, the name and address of the person on whose behalf the security is so held, together with such other information and particulars in relation thereto as may be required by the Minister.

(5) The Minister, if he is of the opinion that it is necessary or expedient so to do for the purpose of strengthening the financial position of New Zealand, may from time to time, by writing under his hand, transfer to the Reserve Bank, or to such other person as the Minister thinks fit, any securities or class of securities to which this regulation applies at such price as the Minister thinks fit, being a price which, in the opinion of the Minister, is not less than the market value of the securities at the date of the transfer.

(6) Where the Minister transfers any securities under this regulation—

- (a) Those securities shall forthwith vest in the Reserve Bank or other person as aforesaid free from any mortgage, pledge, charge, or other encumbrance:
- (b) The owner of any of those securities, and any person who is responsible for keeping any register or book in which any of those securities is registered or inscribed or who is otherwise concerned with the registration or inscription of those securities, shall do all such things as are necessary or as the Minister may direct to be done for the purpose of securing that the security or any document of title relating thereto will be delivered to the Reserve Bank or to such person as the Minister may direct and, in the case of any registered or inscribed security, that the security will be registered or inscribed in the name of the Reserve Bank or such person as the Minister may direct :
- (c) It shall be lawful for the Reserve Bank to acquire those securities in accordance with this regulation and to hold them and to sell them.

(7) The duty to deliver any security under the last preceding clause shall include a duty to do all such things as are necessary to secure that any dividends or interest on that security becoming payable on or after the date of the transfer will be paid to the Reserve Bank or to such person as the Minister may direct, and where, in the case of any security payable to bearer which is delivered in pursuance of the said clause, any coupons representing any such dividends or interest are not delivered with the security, such reduction in the price payable therefor shall be made as the Minister thinks fit:

Provided that, where the price fixed by the Minister in relation to any securities is *ex* any dividend or *ex* any interest, this clause shall not apply to that dividend or interest, or to any coupon representing it.

(8) A certificate signed by the Minister that any specified securities are securities transferred to the Reserve Bank or any person under this regulation shall be treated by all persons responsible for keeping any registers or books in which the securities are registered or inscribed, or who are otherwise concerned with the registration or inscription of those securities, as conclusive evidence that the securities have been so transferred.

(9) Where, by virtue of paragraph (a) of clause (6) of this regulation, any security has become vested in the Reserve Bank or any other person, then, at any time before the steps required by paragraph (b) of that clause to be taken in relation to that security have been taken, the Minister may, by writing under his hand, divest the Reserve Bank

or that other person of the security; and thereupon that security shall be deemed, for all purposes, not to have been transferred under clause (5) of this regulation.

Clause (2A) was inserted by regulation 3 of the Finance Emergency Regulations 1940, Amendment No. 3.

As to exemption of certain foreign securities from the operation of this regulation, see clause 4 of the Sterling Area Currency and Securities Exemption Notice 1953 (Serial No. 1953/1), set out in the notes to regulation 3, *ante*.

REGULATION 8—PAYMENT OF PRICE FOR CURRENCY AND SECURITIES ACQUIRED

(1) The price payable in respect of the acquisition under these regulations of any currency, right, or securities shall be paid either in cash or by the issue of New Zealand Government stock, or partly in cash and partly by the issue of Government stock, as the Minister in his discretion directs, either generally or in respect of any particular case or class of cases.

(2) These regulations, in so far as they relate to the creation or issue of Government stock, shall be deemed to be an authorizing Act within the meaning of the New Zealand Loans Act 1932, and all such stock shall be created and issued subject to the provisions of that Act.

REGULATION 9—FORMATION OF COMPANIES, ETC.

Except with the consent of the Minister no company, society, or association shall be registered under the Companies Act 1933, the Industrial and Provident Societies Act 1908, the Building Societies Act 1908, or the Mutual Fire Associations Act 1908:

[Provided that the restrictions imposed by this regulation shall not apply to the registration under the Companies Act 1933, of any company with a nominal capital not exceeding £10,000.]

The proviso was added by regulation 2 of the Finance Emergency Regulations 1940, Amendment No. 4.

REGULATION 10—OVERSEAS COMPANIES COMMENCING BUSINESS IN NEW ZEALAND

Except with the consent of the Minister it shall not be lawful for any company incorporated outside New Zealand, and not lawfully carrying on business in New Zealand at the date on which these regulations come into force, to commence to carry on business in New Zealand.

REGULATION 11—INCREASE OF CAPITAL OF COMPANIES

Except with the consent of the Minister no company or person acting for or on behalf of a company shall increase the nominal capital of the company or make a call upon shares issued by the company:

[Provided that the restrictions imposed by this regulation shall not apply to—

- (a) Any increase of the nominal capital of a company where the amount of that increase, together with the amount of all other increases of the nominal capital of the company made within one year before that increase, does not exceed £10,000:

- (b) Any call made by a company upon its shares where the amount of that call, together with the amount of all other calls made by the company upon its shares within one year before that call and the amount of all issues of capital, as defined in regulation 12 (3) hereof, made by the company in New Zealand within one year before that call, does not exceed £10,000.]

The proviso was added by regulation 3 of the Finance Emergency Regulations 1940, Amendment No. 4.

REGULATION 12—CONTROL OF ISSUES OF CAPITAL

(1) Except with the consent of the Minister it shall not be lawful for any person, other than a local authority, to make an issue of capital in New Zealand, or to make in New Zealand any public offer of securities for sale:

【Provided that the restrictions imposed by this clause shall not apply to—

- (a) Any issue of capital or public offer of securities for sale made by a company where the amount of the issue of capital made or offered to be made, together with the amount of all other issues of capital made in New Zealand by the company within one year before that issue or offer and the amount of all calls made by the company upon its shares within one year before that issue or offer, does not exceed £10,000:
- (b) Any issue of capital or public offer of securities for sale made by any person not being a company where the amount of the issue of capital made or offered to be made, together with the amount of all other issues of capital made in New Zealand by the same person within one year before that issue or offer, does not exceed £10,000.]

(2) It shall not be lawful to issue any prospectus or other document offering for subscription or publicly offering for sale any securities which does not include a statement that the consent of the Minister has been obtained to the issue or offer of the securities [or (as the case may be) a statement that the consent of the Minister is not required to the issue or offer of the securities].

(3) For the purposes of this regulation a person shall be deemed to make an issue of capital who—

- (a) Issues any securities (whether for cash or otherwise); or
- (b) Receives any money on loan on the terms or in the expectation that the loan will or may be repaid wholly or partly by the issue of any securities, or by the transfer of any securities issued after the making of the loan.

(4) A security shall not be invalid by reason that the consent of the Minister has not been given thereto, but nothing in this clause shall be construed as modifying the liability of any person to any penalty in respect of any failure to obtain such consent.

(5) In this regulation references to securities and to the issue of securities respectively include references to any mortgage or charge, whether legal or equitable, [if] created by a company or other corporation or by an unincorporated body (other than a partnership) [but not otherwise], and to the creation of, or the increasing of the amount

secured by, any such mortgage or charge; and the term "security" includes a deposit receipt for money lent issued by any person carrying on any business (not being a bank within the meaning of the Banking Act 1908, or the Post Office Savings Bank, or a [trustee savings bank established under the Trustee Savings Banks Act 1948]).

(6) For the purposes of the last preceding clause the extension or renewal of the term or currency of a mortgage or charge shall not be deemed to be the creation of a new mortgage or charge, and the term or currency of a mortgage or charge shall be deemed to be extended or renewed if the moneys secured thereby are not repaid but become repayable under another mortgage or charge.

(7) Nothing in this regulation shall prevent or affect in any way any transaction in respect of an advance made by any bank within the meaning of the Banking Act 1908 in good faith in the ordinary course of business and on such security as the bank usually requires, if the advance is repayable on demand.

(8) No such bank shall, without the consent of the Minister, transfer any securities issued to it after the commencement of these regulations in connection with any transaction of the kind specified in the last preceding clause, except—

(a) By way of discharge, to the person to whom an advance was made in pursuance of the terms of the transaction; or

(b) To a guarantor who, in pursuance of the terms of his guarantee, has repaid to the bank the whole or part of the moneys due to the bank under the transaction.

(9) No such bank shall, without the consent of the Minister,—

(a) Charge interest on any advance made by the bank and existing at the date on which these regulations come into force at a rate exceeding the rate of interest on the advance in force on that date:

(b) Charge on any advance made by the bank after that date interest at a rate exceeding the rate of interest charged by the bank on that date in respect of similar advances to its customers.

(10) Any sum charged as interest in contravention of the provisions of the last preceding clause shall be a debt due by the bank to which it was paid to the person by whom it was paid, and may be recovered in any Court of competent jurisdiction.

(11) The interest payable on any advance made by a bank in respect of any period after the commencement of these regulations shall not exceed interest payable at the rate chargeable under clause (9) of this regulation, and the remedies for enforcing any covenant or agreement to pay interest on any such advances shall be limited to enforcing payment of interest at the rate so chargeable.

The proviso to clause (1) was added by regulation 4 (1) of the Finance Emergency Regulations 1940, Amendment No. 4.

The words printed within square brackets at the end of clause (2) were added by regulation 4 (2) of the Finance Emergency Regulations 1940, Amendment No. 4.

The words printed within square brackets in clause (5) were inserted by regulation 4 of the Finance Emergency Regulations 1940, Amendment No. 1, except the words at the end, which have been substituted for the words "savings bank constituted under the Savings Banks Act 1908" pursuant to s. 39 (5) of the Trustee Savings Banks Act 1948.

REGULATION 13—POWER TO CONTROL ADVANCES FOR INDUSTRIAL PURPOSES

(1) The Minister may from time to time, if it appears to him to be necessary or expedient in the public interest so to do for the purpose of extending, increasing, or maintaining the primary or secondary production of New Zealand or for the purpose of any other works of national importance,—

- (a) Give such directions as the Minister thinks fit to any person or class of persons for the time being carrying on the business of lending money for the purpose of controlling the general policy of that person or class of persons in relation to the making, renewal, and increasing of advances:
- (b) Give in respect of any advances made by any person or class of persons carrying on that business such guarantee, indemnity, or security, upon or subject to such terms and conditions, as the Minister thinks fit.

(2) Any directions given by the Minister under this regulation may be at any time in like manner revoked or varied.

(3) In the exercise of his functions under this regulation the Minister shall have regard to any recommendations made by the Bureau of Industry appointed under the Industrial Efficiency Act 1936, or by the Primary Industries Controller appointed under the *Primary Industries Emergency Regulations 1939*, or by the *Emergency Finance Council* appointed under these regulations.

The Primary Industries Emergency Regulations 1939 (Serial No. 1939/164) were revoked by s. 2 (1) of the Supply Regulations Amendment Act 1948.

The Emergency Finance Council was constituted by regulation 15 of these regulations, but that regulation was revoked by the Emergency Regulations Revocation Order No. 7 (Serial No. 1947/185).

[REGULATIONS 14 AND 15. *Rev. by regulation 2 (1) of 1947/185.*]

REGULATION 16—DELEGATION OF MINISTER'S POWERS

(1) The Minister may from time to time, by writing under his hand, delegate to the Governor of the Reserve Bank, the Secretary to the Treasury, or any other person any of his powers under these regulations.

(2) Every such delegation shall be revocable at will, and no such delegation shall prevent the exercise of any power by the Minister in person.

(3) Any such delegation may be made subject to such conditions and restrictions as the Minister thinks fit and may be made either generally or in relation to any particular matter.

(4) Unless and until any such delegation is revoked, it shall continue in force according to its tenor. In the event of the Minister by whom any such delegation has been made ceasing to hold office, it shall continue to have effect as if made by the person for the time being holding office as Minister of Finance; and in the event of the Governor of the Reserve Bank or the Secretary to the Treasury to whom any such delegation has been made ceasing to hold office, it shall continue to have effect as if made to the person for the time being holding office as Governor of the Reserve Bank or Secretary to the Treasury, as the case may be.

REGULATION 17—GRANTING OF CONSENTS AND EXEMPTIONS

(1) Every person who applies to the Minister or to any other person for any consent, permission, or exemption under these regulations shall furnish such information and particulars as the Minister or other person may from time to time require.

(2) Subject to the provisions of these regulations, the Minister or other person, in his discretion, may refuse any such application, or may grant the application wholly or partly, and either unconditionally or upon or subject to such conditions as he thinks fit.

(3) Any consent, permission, or exemption granted under these regulations may be at any time revoked by the Minister (whether or not he granted it) or by the other person (if any) by whom it was granted, and any condition upon or subject to which any such consent, permission, or exemption is granted may from time to time be varied, revoked, or added to by the Minister or by the other person (if any) who grants the consent, permission, or exemption.

REGULATION 18—NOTICES

(1) The Minister may give notice in the *Gazette* of the exercise of any of his powers under these regulations or of any direction given by him under these regulations, and all persons shall be bound thereby.

(2) The Minister may, without any notice in the *Gazette*, give notice to any person of any direction given by him under these regulations, and every person to whom the notice is given shall be bound thereby.

(3) Except where otherwise specially provided, any notice required to be given to any person for the purposes of these regulations may be given by causing it to be delivered to that person, or to be left at his usual or last known place of abode or business or at the address specified by him in any application, notice, or other document received from him by the Minister, or to be posted in a letter addressed to him at that place of abode or business or at that address.

(4) If any such notice is sent to any person by registered letter it shall be deemed to have been delivered to him when it would have been delivered in the ordinary course of post, and in proving the delivery it shall be sufficient to prove that the letter was properly addressed and posted.

(5) Except where otherwise specially provided, every notice under these regulations shall take effect when it is published or given, or at such later time as may be specified in that behalf in the notice.

(6) Any notice given under these regulations may be at any time varied or revoked by a subsequent notice.

REGULATION 19—PRODUCTION OF BOOKS

If the Minister has reason to suspect that any person has committed an offence against these regulations, the Minister may require that person or any other person to produce to the Minister, or as he directs, any books or documents which may be in the possession or under the control of any such person and which in the opinion of the Minister may furnish evidence in relation to that offence.

REGULATION 20—REGULATIONS BINDING ON TRUSTEES, ETC.

No obligation or limitation imposed on any person by or by virtue of any Act or other instrument determining his functions or powers, or by virtue of any trust, or otherwise howsoever, shall prevent or excuse that person from complying with any provision of these regulations or of any direction, notice, requirement, or condition given or imposed under these regulations.

A clause (2) was added to this regulation by regulation 7 of the Finance Emergency Regulations 1940, Amendment No. 1, but revoked by s. 39 (2) of the Trustee Savings Banks Act 1948.

REGULATION 21—OFFENCES

- (1) Every person commits an offence against these regulations who—
- (a) With intent to deceive, makes any false or misleading statement or any material omission in any declaration made for the purposes of these regulations or in any communication with or application to the Minister or any other person (whether in writing or otherwise) for the purposes of these regulations:
 - (b) Resists, obstructs, or deceives any person who is exercising or attempting to exercise any power or function under these regulations:
 - (c) Without lawful excuse, acts in contravention of or fails to comply in any respect with any provision of these regulations or any direction, notice, requirement, or condition given or imposed under these regulations.
- (2) Every person who commits an offence against these regulations shall be liable on summary conviction,—
- (a) In the case of an individual, to imprisonment for a term not exceeding twelve months, or to a fine not exceeding £200 (or, if the offence is a continuing one, to a fine not exceeding £200 for every day during which the offence continues), or to both such imprisonment and to such fine:
 - (b) In the case of a body corporate, to a fine not exceeding £1,000 or, if the offence is a continuing one, to a fine not exceeding £1,000, for every day during which the offence continues.
- [(3) With respect to any offence against these regulations the period of six months prescribed by section 50 of the Justices of the Peace Act 1927 for the laying of an information shall not run while the person charged is outside New Zealand.]

Clause (3) was added by regulation 2 of the Finance Emergency Regulations 1940, Amendment No. 8. Clause (3) is not to apply to offences committed before 31 July 1953.

REGULATION 22—PENALTIES

(1) Every person who, in respect of any gold, currency, or securities, wilfully commits an offence against regulation 5, clause (1) or clause (2) of regulation 6, or clause (2), clause (3), or clause (6) of regulation 7 hereof shall [in addition to any other penalty or punishment to which he may be liable on summary conviction] be liable to a penalty of an amount equal to the value of that gold or currency or of those securities, as the case may be.

[(1A) If, on the conviction of any person for any such wilful offence in respect of any currency, that currency or any part of it is found to be the property of the convicted person, that currency or that part of it shall be deemed to be forfeited and to become the property of the Crown, and may be sold or otherwise disposed of as the Minister may direct.

(1B) The amount or proceeds of any currency belonging to any person which is forfeited under this regulation shall, so far as it extends, be applied in satisfaction of the penalty imposed on that person under this regulation.]

(2) Every such penalty shall constitute a debt due by the offender to His Majesty the King, and shall be recoverable, together with costs of suit, by a civil action in the Supreme Court, instituted by the Attorney-General for and in the name of His Majesty.

(3) Every penalty recovered under this regulation shall be paid into the [Consolidated Fund].

The words printed within square brackets in clause (1) were inserted by regulation 3 (a) of the Finance Emergency Regulations 1940, Amendment No. 5.

Clauses (1A) and (1B) were inserted by regulation 2 of the Finance Emergency Regulations 1940, Amendment No. 5.

The words "Consolidated Fund" in clause (3) were substituted for the words "War Expenses Account" by regulation 3 (b) of the Finance Emergency Regulations 1940, Amendment No. 5.

SCHEDULE

Finance Emergency Regulations 1940 (No. 2)

DECLARATION BY TRAVELLERS (SIXTEEN YEARS OR OVER) RESPECTING MONEY AND SECURITIES

I, [Name in full], of [Address], being about to depart from New Zealand in the [Name of vessel], do hereby solemnly declare that I am not taking from New Zealand either on my person or otherwise any money or securities except the money or securities detailed hereunder:

Particulars.	Authority for Taking From New Zealand.
Money:	
Securities:	

Signature :

Date :

NOTE.—(1) This declaration must be signed immediately prior to the departure of the traveller, and it must be delivered to an officer of the Customs or member of the Police Force or other authorized officer when the traveller is boarding the vessel or aircraft.

(2) The traveller must have any money or securities that he has been authorized to take in readiness for production to the authorized officer at the time of presentation to him of the declaration, together with evidence of the authority.

C. A. JEFFERY,
Clerk of the Executive Council.

Certified for the purposes of section 7 of the Regulations Act 1936, this 30th day of July 1953.

T. CLIFTON WEBB,
Attorney-General.

Issued under the authority of the Regulations Act 1936.

Date of publication of principal regulations in *Gazette*: 18 June 1940.

These regulations are administered in the Treasury.