

New Zealand.



ANALYSIS.

- | | |
|---|--|
| <p>Title.</p> <ol style="list-style-type: none"> 1. Short Title. 2. Power of the Governor to make notes a legal tender. Conditions as to issue of Proclamation. 3. Proclamation to have the force of law. | <ol style="list-style-type: none"> 4. Payment of bank-notes by Treasury. 5. Managers and officers to answer inquiries made by Minister. 6. Exportation of gold prohibited unless with consent of Minister of Finance. |
|---|--|

1914, No. 4.

AN ACT to amend the Banking Act, 1908.

Title.

[5th August, 1914.]

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

1. This Act may be cited as the Banking Amendment Act, 1914, and shall form part of and be read together with the Banking Act, 1908. Short Title.

2. (1.) The Governor in Council may from time to time, as he thinks fit, by Proclamation declare that the notes payable on demand by any bank therein named, and then issued or thereafter to be issued or reissued within New Zealand under any lawful authority in that behalf, shall during the period limited by the Proclamation be everywhere within New Zealand a good and legal tender of money to the amount therein expressed to be payable. Power of the Governor to make notes a legal tender.

(2.) No such Proclamation shall be made unless the Governor in Council is satisfied,— Conditions as to issue of Proclamation.

(a.) In the case of a bank having its head office situated in New Zealand, that, as between the bank and its creditors, the assets of the bank exceed its liabilities by at least the amount of its paid-up capital; and

(b.) In the case of a bank having its head office situated outside New Zealand, that, as between the bank and its creditors, the assets of the bank within New Zealand exceed its liabilities therein.

(3.) Before making any such Proclamation the Governor in Council may require that adequate security be given by the bank for the performance of the condition that the bank shall pay

all such notes of its own issue in gold on presentation at the office of the bank at the place of issue of the said notes respectively after the expiration of the period limited by any original Proclamation under this section, or by successive Proclamations thereunder if more than one.

Proclamation to have the force of law.

3. On the publication in the *Gazette* of any Proclamation made under this Act such Proclamation shall, during the period limited by the Proclamation, have the force of law, notwithstanding any provision in any Act, charter, or document whatever.

Payment of bank-notes by Treasury.

4. At any time within six months after the expiration of the period limited by an original Proclamation under section two hereof, or by successive Proclamations thereunder if there have been more than one, the Minister of Finance, on being satisfied that a bank-note covered by any such Proclamation has been duly presented for payment at the bank issuing the same and has not been paid, shall, without further appropriation than this Act, pay the same in gold to any *bona fide* holder, not being a bank, who may present the same for payment at the Treasury.

Managers and officers to answer inquiries made by Minister.

5. Upon the request of the Minister of Finance the managing director, manager, or accountant of any bank shall make full and true answers to such written inquiries concerning the business, and the assets and liabilities, of the bank as the said Minister thinks fit to make for the purpose of the exercise of the power conferred on the Governor in Council by section two of this Act, and shall verify the same by his statutory declaration.

Exportation of gold prohibited unless with consent of Minister of Finance.

6. During the period limited by any Proclamation under this Act, the exportation of gold shall be prohibited unless with the consent in writing of the Minister of Finance. Such consent may be given subject to any conditions or restrictions.
