



ANALYSIS

Title	3. Guarantee of deposits made with, and bonds and securities issued by, trustee bank's successor company on or after appointed day
1. Short Title	
2. Application of certain provisions may be excluded	

1989, No. 27

An Act to amend the Trustee Banks Restructuring Act 1988 [27 May 1989]

BE IT ENACTED by the Parliament of New Zealand as follows:

1. Short Title—This Act may be cited as the Trustee Banks Restructuring Amendment Act 1989, and shall be read together with and deemed part of the Trustee Banks Restructuring Act 1988 (hereinafter referred to as the principal Act).

2. Application of certain provisions may be excluded—The principal Act is hereby amended by inserting, after section 36, the following section:

“36A. (1) The Governor-General may, from time to time, on the recommendation of the Minister, by Order in Council, declare—

“(a) That nothing in subsections (5), (6), and (7) of section 4 of this Act shall apply in respect of a trustee bank's successor company named in the order:

“(b) That nothing in subsections (2) and (3) of section 22 of this Act shall apply in relation to the shares held by a community trust in the capital of a trustee bank's successor company named in the order:

“(c) That nothing in section 34 of this Act shall apply in respect of any director of a trustee bank's successor company named in the order or any director of any company of which 2 or more trustee banks'

successor companies named in the order are subsidiaries.

“(2) The Minister shall not make a recommendation under subsection (1) of this section unless the Minister has been indemnified by a person acceptable to the Minister, and, if that indemnity has been given on terms and conditions, on terms and conditions acceptable to the Minister, against any liability of the Minister under section 30 of this Act in respect of claims by depositors of, or the holders of bonds and securities issued by, that trustee bank’s successor company or those trustee banks’ successor companies, as the case may be.

“(3) Every such order shall have effect according to its terms.”

3. Guarantee of deposits made with, and bonds and securities issued by, trustee bank’s successor company on or after appointed day—Section 30 of the principal Act is hereby amended by repealing subsection (3), and substituting the following subsection:

“(3) Subsections (1) and (2) of this section shall cease to apply at the expiration of 2 years from and after the appointed day to all deposits made, and bonds and securities issued, after the appointed day except in the case of claims by depositors or the holders of bonds or securities for the repayment of deposits, bonds or securities that, according to the terms of issue, fell due for repayment before the expiration of that period where the money available to the company was not sufficient to meet those claims.”

This Act is administered in the Reserve Bank of New Zealand.
