

9. *Interpretation of Terms.*—In this Act, unless inconsistent with the context,—

“Bank” or “banker” means and includes every person, firm, or company using in its description or title “bank,” “banker,” “banking,” and every person, firm, or company receiving or accepting deposits of money subject to withdrawal by cheque, draft, or order, excepting savings-banks established under the provisions of the Savings-banks Act, 1908:

“Bank-note” means any bill, draft, or note issued by any bank for payment of money to bearer on demand, or which entitles or is intended to entitle the holder, without endorsement, or any further endorsement than may exist thereon at the time of issue, to the payment of any sum of money on demand, whether the sum shall be so expressed or not:

“Demand liabilities” means and includes all liabilities payable within thirty days or subject to less than thirty days’ notice before payment:

“Reserve balance” means balances held by other banks in the bank:

“Time liabilities” means and includes all liabilities payable after thirty days, or subject to not less than thirty days’ notice before payment.

NOTE.—It appears desirable that provision should also be made for the following:—

- (1) Penalties for forging or defacing the notes of the Reserve Bank;
- (2) The repeal of the existing restrictions on the export of gold coin.

## SCHEDULE A.

### STATUTES OF RESERVE BANK OF NEW ZEALAND.

#### CHAPTER I.—NAME, SEAT, AND OBJECT.

1. There shall be constituted, under the name of “The Reserve Bank of New Zealand” (hereinafter referred to as the Bank), a company limited by shares.

2. The bank shall be registered and have its head office in Wellington, New Zealand. The bank is empowered to establish branches or agencies or appoint agents anywhere in New Zealand, and may open agencies or appoint agents abroad.

3. The primary duty of the bank shall be to ensure that the value of its notes remains stable. To this end it must exercise control, within the limits of its statutes, over monetary circulation and credit in New Zealand.

#### CHAPTER II.—CAPITAL AND RESERVE.

4. The original capital of the bank shall be £500,000, in fully-paid shares of £5 each, all of which shall be offered for public subscription in New Zealand.

5. The shares shall be registered and transferable in the books of the bank.

The bank shall be entitled, without assigning any reason, to decline to accept any person or corporation as the transferee of a share.

6. Any premium obtained on any issue or sale of shares shall be added to the General Reserve Fund.

7. The share capital of the bank may be increased by the Board from time to time, subject to the consent of a general meeting of shareholders and with the approval of the Treasury.

8. The General Reserve Fund (and Special Reserve Funds, if any) shall be built up out of the annual net profits as provided for in Article 51.

#### CHAPTER III.—GENERAL MEETING.

9. Decisions of the general meeting of shareholders are binding upon all shareholders, including those absent from, or disqualified from voting at, a meeting, or dissentient from the decisions taken thereat.

10. The ordinary general meeting shall be convened by the Board, and held regularly once in every year not later than the month of July.

All questions to be discussed at the ordinary general meeting will be placed on the agenda by the Board.

Motions to be proposed by shareholders must be communicated to the Board not later than thirty days before the ordinary general meeting, accompanied by a statement of the arguments in support of them.

11. Extraordinary general meetings shall be held as often as may be required, and shall be convened by the Board.

On the request in writing of duly qualified shareholders representing at least one-quarter of the subscribed capital, the Board must call an extraordinary general meeting, which shall take place within thirty days from the date of such request. Every such demand shall be accompanied by the motions which are to be submitted to the meeting and by a statement of the arguments in support of them.

12. Notices to attend a general meeting shall be forwarded to the shareholders by letter to the address entered on the register, not later than twenty-one days before the meeting. The notice must specify: (a) The day and hour of the meeting; (b) the place of the meeting; (c) the agenda.

In the case of the ordinary general meeting the notice must be accompanied by a copy of the annual accounts and report, and copies of these documents shall also be available to shareholders at all offices of the bank. The notice shall likewise be published in the *Gazette*, and in such newspapers as may be selected by the Board, at least twenty-one days before the meeting.