

NEW ZEALAND.

ANNO VICESIMO QUARTO ET VICESIMO QUINTO

VICTORIÆ REGINÆ.

Local and Personal.

No. 2.

ANALYSIS:

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| Title.<br>Preamble.<br>1. Short Title.<br>2. Company incorporated and empowered to sue &c.<br>3. Bye Laws.<br>4. Business of the Bank.<br>Powers restricted.<br>5. Bank notes may be issued and circulated.<br>6. Bank Notes, how dated and payable.<br>Limit.<br>7. Branch Banks' liability.<br>8. Increase of Capital.<br>9. Capital and shares to be personalty.<br>10. Corporation not bound to notice trusts affecting shares.<br>11. Landed property may be held for Bank pur- | poses.<br>12. Lands may be sold &c. to the Company.<br>13. Amount to which general liabilities to be limited.<br>Certain liabilities not taken into account.<br>14. What deemed Bullion.<br>15. What deemed public securities.<br>16. Discounts &c. to Directors or officers.<br>17. Dividends out of profits only.<br>18. Abstract to be published.<br>19. Actions or suits for calls.<br>20. Transactions before passing of Act.<br>21. Limits to liabilities.<br>22. Officers of Bank although proprietors may be proceeded against criminally.<br>23. Corporate Seal.<br>24. Saving rights. |
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**AN ACT to incorporate the proprietors of a certain Banking Company called "The Bank of New South Wales" and for other purposes. [29th July, 1861.]** Title.

**WHEREAS** a Joint Stock Banking Company called the Bank of New South Wales has been established in Sydney in the Colony of New South Wales under and subject to the covenants clauses articles stipulations regulations and provisions contained in a certain Indenture or Deed of Settlement bearing date the twenty-third day of August in the year of our Lord one thousand eight hundred and fifty purporting to be a Deed of Settlement of the said Company And whereas by the said Indenture or Deed of Settlement the several parties thereto respectively and mutually covenanted and agreed to be and continue (until dissolved under the provisions in that behalf therein contained) a Joint Stock Company or Partnership under the name style and title of the Bank of New South Wales for the purpose of carrying on the business of a Bank of Issue and deposit the lending of money on cash credits Promissory Notes Bills of Exchange or Letters of Credit and other securities the dealing in money bullion specie and exchanges of and with all countries and in Notes Bills or other securities for money and generally the transacting of all such other business as was or should or might at any time thereafter be usual and lawful for establishments carrying on Banking in all its branches or dealing Preamble.

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Powers restricted.

it shall also be lawful for the said Corporation to deal in money bullion specie precious metals and exchanges of and with all countries and in notes bills or other securities for money and generally to transact all such other business as it is or shall or may at any time hereafter be usual or lawful for Establishments carrying on Banking in all its branches to do or transact including therein the dealing in money bullion or specie precious metals or in notes or bills and to establish agencies or connexions in relation to the said business in any part of the British Dominions or elsewhere and to give Letters of Credit on Agents and Banking connexions abroad But it shall not be lawful for the said Corporation to hold shares in its own stock nor advance or lend to any Shareholder or proprietor of shares in the said Corporation any sum or sums of money on the security of his share or shares nor invest lay out or employ any part of the capital or funds of the said Corporation in the purchase of lands houses or other real or leasehold property whatsoever (save and except as herein specially provided) nor of any share or shares in the capital stock for the time being of the said Company nor in any trading or mercantile speculation or business whatsoever not usually considered as falling within the ordinary and legitimate purposes and operations of Banking Establishments Provided also that nothing herein contained shall invalidate the lien secured by the Deed of Settlement to the Company over the shares belonging to any proprietor becoming indebted or coming under engagements to the Company or making default in the fulfilment of any covenants in the said Deed of Settlement contained or prevent the Company from holding the shares forfeited by such default for the purposes of sale as provided in the said Deed of Settlement And provided further that nothing herein contained shall be taken or construed to prevent the said Corporation taking as collateral security for any advances of money made by the said Corporation or for any money due to the said Corporation lands houses or ships or from taking security by the hypothecation of bills of lading for the payment of any bill or bills of exchange drawn against any shipment of gold wool tallow or other colonial produce or any other description of merchandize shipped for exportation either to any port or place beyond the sea or from one part to another within the Colony of New Zealand.

Bank notes may be issued and circulated.

V. It shall be lawful for the said Corporation to make issue and circulate at or from any city town or place in which they may have opened or established any bank branch bank or agency under or by virtue of this Act or of the said Deed of Settlement any bank notes or bills for one pound or five pounds sterling each or for any greater sum than five pounds sterling each but not for any fractional part of a pound and from time to time to re-issue any such notes or bills when and so often as the Corporation shall think fit but such privilege shall cease in case of the suspension of specie payments on demand for the space of sixty days in succession or for any number of days at intervals which shall amount altogether to sixty days within any one year or in case the said Corporation shall not well and truly maintain abide or perform and observe all and every the rules orders provisions and directions herein contained and set forth upon which the said Corporation is empowered to open banking establishments or to issue and circulate promissory notes.

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VI. All such notes shall bear date at the city town and place at and from which the same respectively shall be made and issued and the same respectively shall in all cases be payable in specie to bearer on demand at the place of date and also at the principal Banking Establishment of the Corporation at Auckland And the total amount of the Promissory Notes payable on demand issued and in circulation within the said Colony of New Zealand shall not at any one time exceed the amount of the coin bullion and public securities which shall for the time being be held by the said Corporation within the said Colony Provided always that the total amount of such notes shall not at any one time exceed by three times the amount of the coin and bullion which shall for the time being be held by the said Corporation within the said Colony.

Bank Notes how dated and payable.

Limit.

VII. No Branch Bank or Establishment of the said Corporation other than and except the principal Banking establishment in Auckland aforesaid shall be liable to be called upon to pay any Notes or Bills of the said Corporation other than and except such as have been originally made and issued at and from such particular Branch Bank or Establishment and except such notes or bills as may be specially drawn upon or made payable at such Branch Bank or Establishment.

Branch Banks' liability.

VIII. It shall be lawful for the said Corporation from time to time to extend or increase their capital for the time being by the creation allotment and disposal of the new shares in the manner mentioned and subject to the rules regulations and provisions contained in the hereinbefore in part recited Indenture or Deed of Settlement.

Increase of Capital.

IX. The capital or joint stock for the time being and all the funds and property of the said Corporation and the several shares therein and the profits and advantages to be derived therefrom shall be and be deemed personal estate and be transmissible accordingly subject to the regulations of the said Indenture or Deed of Settlement.

Capital and shares to be personalty.

X. The Corporation shall not be bound in any manner by any trusts or equitable interests or demands affecting any share or shares of the capital standing in the name of any person or persons as the ostensible proprietor thereof or be required to take any notice of such trusts or equitable interests or demands but the receipt of the person or persons in whose name or names the share shall stand in the books of the Corporation shall notwithstanding such trusts or equitable interests or demands and notice thereof to the said Corporation be a good valid and conclusive discharge to the Corporation for or in respect of any dividend or other money payable by the said Corporation in respect of such shares and a transfer of the said shares by the person or persons in whose name or names such shares shall so stand shall be binding and conclusive so far as may concern the said Corporation against all persons claiming by virtue of such trusts or equitable interests or demands Provided always that it shall be competent to the Board of Directors of the

Corporation not bound to notice trusts affecting shares.

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said Corporation if they shall think fit so to do to withhold payment of the dividends on any such shares and to refuse to sanction the transfer of such shares in any case in which the said Corporation shall have had notice of any claims under an alleged trust or equitable interest or demand and when such claim shall appear to the said Board of Directors to be well founded and provided also that nothing herein contained shall be deemed or taken to interfere with or abridge the right or power of a Court of Equity to restrain the payment of any such dividend or other money payable thereafter by the Corporation in respect of any such shares or the transfer thereafter of any such shares or to direct the payment of such dividends or other money by the Corporation or the transfer of such shares by the person or persons in whose name or names they may stand to such other person or persons as such court may think fit.

Landed property may  
be held for Bank.

XI. It shall be lawful for the said Corporation notwithstanding any Statute or Law to the contrary and notwithstanding any clause or provision herein contained to purchase take hold and enjoy to them and their successors for any estate term of years or interest any houses offices buildings lands and other hereditaments necessary or proper for the purpose of managing conducting or carrying on the affairs concerns and business of the said Corporation and to sell dispose of convey assign and assure such houses offices buildings lands and hereditaments as occasion may require.

Lands may be sold  
&c., to the Company.

XII. It shall and may be lawful to and for all persons bodies politic or corporate who are or shall be otherwise competent to sell dispose of grant alien convey assign or assure any such houses offices lands hereditaments and other real estate whatsoever as aforesaid to sell dispose of grant alien convey assign and assure the same accordingly unto and to the use of the said Corporation and their successors for the purposes aforesaid or any of them.

Amount to which general  
liabilities to be  
limited.

Certain liabilities not  
taken into account.

XIII. The total amount of the debts engagements and liabilities of the said Corporation within the Colony of New Zealand whether upon bonds bills promissory notes or otherwise contracted within the said Colony other than their liabilities on account of the ordinary cash deposits of customers and on account of Bills of Exchange drawn by or on behalf of the said Corporation upon any Banker or Banking Company in the United Kingdom of Great Britain and Ireland or any Branch Bank or agency of the said Corporation elsewhere established within the amount or value of remittances made to such Banker or Banking Company Branch Bank or agency of the said Corporation respectively to provide for the payment of the said bills of exchange may extend to but shall not in any case exceed three times the amount of the coin bullion and public securities which shall for the time being be held by the said Corporation within the said Colony.

What deemed bullion.

XIV. For the purposes of this Act unassayed gold shall be deemed to be bullion and all uncoined gold which shall not have been assayed shall be valued at the price of three pounds and

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five shillings sterling for every ounce and all uncoined gold when assayed shall be valued at the standard value of assayed gold in Great Britain that is to say at the rate of three pounds seventeen shillings and ninepence per ounce of the fineness of twenty-two carats less the amount of any duty payable upon exportation and in the accounts of the said Corporation and in the statements and general abstracts of the assets and liabilities which are required by law to be made out and published it shall be lawful for the said Corporation to include assayed and unassayed gold at their respective values under the name of bullion.

XV. All Debentures bonds or exchequer bills issued or which may hereafter be issued by the General Government of New Zealand or by any of the Provincial Governments thereof such Debentures bonds or exchequer bills being secured upon the general ordinary territorial or consolidated revenues of the Colony or Province where the same are or shall be issued and every public debt contracted or guaranteed by the Government of the said Colony under the authority of the Legislature thereof shall be deemed and taken to be public securities within the meaning of this Act.

What deemed public securities.

XVI. The discounts or advances by the said Corporation on securities bearing the name of any Director or officer thereof as maker drawer acceptor or endorser shall not at any time exceed in amount one-tenth of the total advances and discounts of the said Corporation.

Discounts &c., to Directors or officers.

XVII. No dividend shall in any case be declared or paid out of the subscribed capital for the time being of the said Corporation or otherwise than out of the net gains and profits of the business.

Dividends out of profits only.

XVIII. Periodical accounts of statements and general abstracts of the assets and liabilities of the said Corporation shall be prepared made out and published according to the provisions of the laws for the time being in force for regulating the making or publishing of Bankers' Returns And such accounts and statements shall be subject to such inspection by the Government of New Zealand as may by law be hereafter provided in that behalf.

Abstract to be published.

XIX. Any action or suit may be brought by the said Corporation against any proprietor or proprietors of any share or shares in the capital of the said Corporation to recover any sum or sums of money due and payable to the said Corporation for or by reason of any call or calls made by virtue of this Act or of the said Indenture or Deed of Settlement and in any such action or suit it shall be sufficient for the said Corporation to declare and allege that the Defendant or Defendants being a proprietor or proprietors of such or so many share or shares in the capital of the said Corporation is or are indebted to the said Corporation in such sum or sums of money as the call or calls in arrear shall amount to for such and so many call or calls of such or so many sum or sums of money upon such or so many share or shares

Actions or suits for calls.

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belonging to the said Defendant or Defendants (as the case may be) whereby an action hath accrued to the said Corporation without setting forth any special matter and on the trial of such action or suit it shall not be necessary to prove the appointment of the directors or any of them who made such call or calls or any other matters except that the Defendant or Defendants at the time of making such calls was or were a proprietor or proprietors of some share or shares in the capital of the said Corporation and that such call or calls was or were in fact made and that such notice thereof was given as is directed by the said Indenture or Deed of Settlement and the said Corporation shall thereupon be entitled to recover what shall appear due.

Transactions before  
passing of Act.

XX. Nothing herein contained shall prejudice or be deemed to prejudice any call made or any contract or other act deed matter or thing entered into made or done by the said Company under or by virtue of the said Indenture or Deed of Settlement before this Act shall come into operation but the same call contract act deed matter or thing shall be as valid and effectual to all intents and purposes as if this Act had not been passed and may be enforced in like manner as if the said Company had been incorporated before the same call contract act deed matter or thing had been made entered into or done and every contract heretofore made by or with the said Company or by or with any person or persons as Trustee or Trustees for the Company or otherwise on its behalf or for its benefit shall be performed by or to the said Corporation and the said Corporation shall and may sue and be sued at Law and in Equity on every such contract respectively and judgment shall be given or a decree shall be made in every such suit in the same manner as if such contract had been made by or with the said Corporation after the passing of this Act.

Limits to liabilities.

XXI. In the event of the assets of the said Corporation being insufficient to meet its engagements then and in that case the shareholders shall be responsible to the extent of twice the amount of their subscribed shares only (that is to say) for the amount subscribed and for a further and additional amount equal thereto.

Officers of Bank although proprietors may be proceeded against criminally.

XXII. Every manager accountant or other officer clerk or servant of the said Corporation shall notwithstanding such manager accountant or other officer clerk or servant of such Corporation shall or may be a proprietor and have a joint interest in the property of the said Corporation be liable to be proceeded against criminally for any offence committed by such manager accountant or other officer clerk or servant of such Corporation in respect of the property of the said Corporation in like manner and in all respects as if such manager accountant or other officer clerk or servant were not a proprietor and had no such joint interest.

Corporate Seal.

XXIII. The Board of Directors for the time being of the said Corporation shall have the custody of the common seal of the said Corporation and the form thereof and all other matters relating thereto shall from time to time be determined by the Board of Directors of the said Corporation in the manner as is provided in

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and by the said Indenture or Deed of Settlement for the determination of other matters by the Board of Directors of the said Company and the members present at the Board of Directors of the said Corporation, shall have power to use the common seal of the said Corporation for the affairs and concerns of the said Corporation and under such seal to authorize and empower any person without such seal to execute any Deeds and to do all or any such other matters or things as may be required to be executed and done on behalf of the said Company and in conformity with the provisions of the Deed of Settlement and of this Act but it shall not be necessary to use the corporate seal in respect of any of the ordinary business of the Company or for the appointment of an Attorney or Solicitor for the prosecution and defence of any action suit or proceeding.

XXIV. Nothing in this Act contained shall be deemed to affect or apply to any right title or interest of Her Majesty her heirs or successors or of any body or bodies politic or corporate or of any person or persons except such bodies politic or corporate and other persons mentioned in this Act and those claiming by from or under them. Saving rights.