



## ANALYSIS

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1994-95, No. 31

An Act to amend the Currency Act 1986-87

(8 June 1995)

**BE IT ENACTED** by the Parliament of the Cook Islands in Session assembled, and by the authority of the same as follows;

1. Short Title - This Act may be cited as the Currency Amendment Act 1994-95 and shall be read together with and deemed part of the Currency Act 1986-87 (hereinafter referred to as "the principal Act").
2. Currency system established - The principal Act is amended by repealing section 4, and substituting the following section -
  - "4. Currency system established - The monetary unit, or unit of currency, of the Cook Islands and the denominations of money in the currency shall be those applying in New Zealand."
3. Contracts, etc. to be made in New Zealand currency - Section 5 of the principal Act is repealed and the following section substituted -
  - "5. Contracts, etc. to be made in New Zealand currency - Every sale, payment, bill of exchange, promissory note, and security for money, and every contract, agreement, deed instrument, transaction, dealing, matter, and thing whatsoever relating to money, or involving the payment of or a liability to pay any money that is made, executed, entered into, or done in the Cook Islands shall be made executed, entered into, or done according to the currency of New Zealand unless it is expressly made, executed, entered into or done according to the currency of a country other than New Zealand."

Price 1.50c

4. New Zealand bank notes - Section 12 of the principal Act is repealed and the following section substituted -

"12. Every bank note which is legal tender in New Zealand shall be legal tender in the Cook Islands to the amount expressed in the note."

5. Issue of bank notes by Board - Section 13 of the principal Act is repealed and the following section substituted -

"13. Issue of bank notes by Board - (1) The Board shall have the sole right and may by notice in the Gazette issue bank notes of the denomination of three dollars as legal tender in the Cook Islands for that amount.

(2) The Board shall determine the form design, content and material of bank notes issued by it."

6. Bank notes ceasing to be legal tender - (1) All bank notes of the denominations of -

- (a) Five Dollars (\$5.00)
- (b) Ten Dollars (\$10.00)
- (c) Twenty Dollars (\$20.00)
- (d) Fifty Dollars (\$50.00)

issued by the Cook Islands Monetary Board pursuant to section 12(1)(a) of the principal Act prior to the coming into force of this Act shall cease to be legal tender in the Cook Islands.

(2) Notwithstanding subsection (1), the Treasury shall continue to be liable to pay any such note on presentation at the office of the Treasury, and shall be entitled to recover from the Cook Islands Government Account the value of any note so paid, out of moneys appropriated by Parliament for that purpose.

7. Guarantee - (1) Section 19(1) of the principal Act is amended by -

- (a) Omitting the reference to "section 12(1) (a)" and substituting a reference to "section 13";
- (b) Omitting the reference to "section 12(1) (b)" and substituting a reference to "section 12".

(2) Section 19(2) of the principal Act is amended by omitting the reference to "section 12(1)(b)" and substituting a reference to "section 12".

8. Transitional - (1) Every obligation, liability, duty or undertaking pursuant to any sale, payment, bill of exchange, promissory note, security for money, contract, agreement deed, instrument, transaction, dealing, matter or thing whatsoever in or pertaining to Cook Islands currency made, executed, or entered into prior to the commencement of this Act shall be deemed to be performed, satisfied or met if performed, satisfied or met as the case may be after the coming into force of this Act, in New Zealand currency.

(2) All bank notes of the denomination of three dollars issued by the Board prior to the coming into force of this Act shall continue to be legal tender after the coming into force of this Act.

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This Act is administered by the Cook Islands Monetary Board