



ANALYSIS

Title	
1. Short Title and commencement	4. No transactions in New Zealand currency
2. Interpretation	5. Transactions in New Zealand currency prohibited
3. Transactions in New Zealand currency	

1989, No. 26

An Act to amend the Off-Shore Banking Act 1981

(13 December 1989)

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 and commencement - (1) This Act may be cited as the Off-Shore Banking Amendment Act 1989 and shall be read with and deemed part of the Off-Shore Banking Act 1981 (hereinafter referred to as "the principal Act").

(2) Section 2 of this Act shall be deemed to have come into force on the 1st day of December 1981.

2. Interpretation - Section 2 of the principal Act is amended, by deleting the definition of "Off-Shore Banking business" and substituting the following new definition -

" "Off-Shore banking business", means any banking business transacted exclusively with, on behalf of, or in respect of, the following persons;

- (a) (i) An international company incorporated pursuant to the provisions of the International Companies Act 1981-82;
- (ii) A foreign company registered pursuant to the provisions of the International Companies Act 1981-82;
- (iii) An international partnership registered pursuant to the provisions of the International Partnership Act 1984;
- (iv) An international trust registered pursuant to the provisions of the International Trusts Act 1984;

- (b) any other person -
- (i) who is not a resident of and is not domiciled in the Cook Islands; and
 - (ii) does not engage in a trade or business within the Cook Islands;
- and may include
- (c) Receiving foreign funds through
- (i) The acceptance of foreign money deposits payable upon demand or after a fixed period or after notice;
 - (ii) The sale or placement of foreign bonds, certificates, notes or other debt obligation or other foreign securities; and
 - (iii) Any other similar activity involving foreign money or foreign securities; and
- (d) Either in whole or in part using the foreign funds so acquired for
- (i) Loans, advances, and investments; and
 - (ii) The activities of the person carrying on that business for the account of or at the risk of that person; and
- (e) Any other activity which may, by regulation, be declared to be an activity related or ancillary to an activity described in paragraph (c) or paragraph (d) of this definition; "

3. Transactions in New Zealand currency - Section 18 of the principal Act is repealed.

4. No transactions in New Zealand currency - Section 23 of the principal Act is repealed.

5. Transactions in New Zealand currency prohibited - Section 25E of the principal Act (as inserted by Section 10 of the Offshore Banking Amendment Act 1984-85) is hereby repealed.

This Act is administered by the Cook Islands Monetary Board.