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Central Bank Acts
of
Botswana, Kenya, Lesotho, South Africa,
Swaziland, Tanzania, Zambia, Zimbabwe,
and the Federal Republic of Germany

Materials to Working Document No 14

compiled by

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Preface

Following the Namlaw workshop, held at the Faculty of Law of the University of Zimbabwe,¹ the Namlaw Project set out on the task of preparing a comparative study of the Central Bank Laws of various countries. The aim of the study was to provide some guidelines in drafting a Central Bank Act² for Namibia after independence.

The laws of nine countries were chosen for purposes of this study. The choices were made on the basis of various considerations. In some cases the countries are similarly situated as or closely linked to Namibia. In other cases the view was that certain aspects of the countries' laws might be useful in Namibia even though the countries chosen do not have either similarity or particular ties or even proximity to Namibia.

The Central Bank Acts of Botswana, Swaziland and Lesotho were chosen because these countries are - or used to be - members of the "Rand Monetary Zone". The Reserve Bank of Zimbabwe Act and the Statute of Zambia were chosen because these countries play a specific role in the Frontline family and in their efforts to overcome the dependency on South Africa. The Tanzanian and Kenyan Statutes which are similar even though the two East African states have different economic systems were taken into account; it was the considered opinion that the laws may be useful in the Namibian situation. Reference was made to the West-German Statute as this statute contains provisions which could serve as guides in developing the structure and role of financial institutions. The Reserve Bank of South Africa was also considered because the South African law has been applying in Namibia. The use of the laws of the German Democratic Republic, and those of Yugoslavia were considered; but unfortunately the statutes of these countries were not available in English.

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1 H Streitberger (compiler), Namlaw Project Workshop, Harare 28 - 30 June 1988. Documentation, Part I (Namibia Papers. Working Documents No 5. Bremen 1988)

2 The reference here is to the "possible policy guidelines" for the "formulation and implementation of sound monetary and fiscal policies". The need for such guidelines was pointed out in the comprehensive study on Namibia by the United Nations Institute for Namibia. See United Nations Institute for Namibia, Namibia: Perspectives for National Reconstruction and Development. Lusaka 1986:692ff

Bremen, June 1989

ZIMBABWE:

Reserve Bank of Zimbabwe Act

RESERVE BANK OF RHODESIA

To provide for the establishment of the Reserve Bank of Rhodesia, and the transfer thereto of certain assets and liabilities of the Bank of Rhodesia and Nyasaland; to regulate the issue of bank notes and coin; to confer and impose on the Reserve Bank of Rhodesia divers powers and duties; to provide for matters connected with banking, currency and coinage; and for matters incidental to the foregoing.

*Acts 24/1964,
28/1966, 10/1967,
23/1969,
58/1969 (s. 8),
58/1972 (ss. 2-4);
R.G.N.s 386/1964,
217/1970.*

[Sections 1 to 3, 5 to 10, 19, 24, 25, 27, 28 and 29, 22nd May, 1964; sections 11 to 13, 17, 18 and 23, 13th November, 1964; sections 14 and 15, 22nd January, 1965; sections 21 and 22, 1st April, 1965; sections 4, 16 and 20, 1st July, 1965.]

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PRELIMINARY

1. This Act may be cited as the Reserve Bank of Rhodesia Short title. Act [Chapter 173].

2. In this Act—

“accepting house” means any person who is registered as an accepting house under the provisions of the Banking Act;

“Bank” means the Reserve Bank of Rhodesia established in terms of section three;

“Banking Act” means the Banking Act [Chapter 188];

“Board” means the Board of directors appointed in terms of section six;

“building society” means any person who is registered as a building society under the Building Societies Act [Chapter 189];

“commercial bank” means any person who is registered as a commercial bank under the Banking Act;

“demand liabilities” means liabilities which, when they are created, are made payable within thirty days or are made subject to less than thirty days' notice before payment;

“Deputy Governor” means the Deputy Governor of the Bank appointed in terms of section six;

“director” includes the Governor and the Deputy Governor;

“discount house” means any person who is registered as a discount house under the Banking Act;

“financial institution” means any person who is registered as a financial institution under the Banking Act;

“foreign” means of any country or territory outside Rhodesia;

“Governor” means the Governor of the Bank appointed in terms of section six;

“International Monetary Fund” means the International Monetary Fund the establishment and operation of which were recognized in the Bretton Woods Agreement Act, 1945, of the United Kingdom;

“liabilities to the public”, in relation to a commercial bank, an accepting house or a financial institution, means all claims against that commercial bank, accepting house or, as the case may be, financial institution payable on demand or on a determinable future date and, in relation to the Bank, means all such claims, including notes and coin which the Bank has issued or for which it assumes liability under this Act;

“time liabilities” means liabilities which, when they are created, are made payable after thirty days or are made subject to not less than thirty days' notice before payment;

“Treasury” means the Secretary to the Treasury or such other officer in the Treasury as may be deputed by him to perform functions and duties in terms of this Act.

Interpretation of terms.

PART I

ESTABLISHMENT AND CONDUCT OF AFFAIRS OF BANK

3. (1) There is hereby established a bank, to be known as Establishment of Bank, the Reserve Bank of Rhodesia, which shall be a body corporate capable of suing and being sued in its corporate name and, subject to the provisions of this Act, of performing all such acts as bodies corporate may by law perform and which shall be responsible for the regulation of the monetary system of Rhodesia, and may assume certain other particular powers set out in section nine.

(2) The head office of the Bank shall be in Salisbury.

(3) The capital of the Bank shall be two million dollars, all of which shall be held by the State.

(4) The Bank shall not be deemed to be a statutory body for the purposes of the Audit and Exchequer Act [Chapter 168].

4. (1) On a day to be appointed by the Governor of Southern Rhodesia, which shall not be before the Bank has received from the Bank of Rhodesia and Nyasaland established by the Bank of Rhodesia and Nyasaland Act, 1956, assets which exceed by at least one million pounds the liabilities which it has taken over from the Bank of Rhodesia and Nyasaland, the Bank shall issue capital stock in the amount of two million dollars to a person nominated by the Governor of Rhodesia, who shall hold it on behalf of the Government.

(2) The Bank shall take over from the Bank of Rhodesia and Nyasaland that part of the assets of the Bank of Rhodesia and Nyasaland which accrues to it in terms of section 70 of the Federation of Rhodesia and Nyasaland (Dissolution) Order in Council, 1963, of the United Kingdom, and shall assume responsibility for notes and coin issued by itself and for deposits and other liabilities transferred to it by the Bank of Rhodesia and Nyasaland.

(3) To the extent that the assets taken over in terms of subsection (2) exceed the liabilities so assumed, the surplus shall be dealt with as follows—

- two million dollars shall be used to issue to the State capital stock in that amount;
- two million dollars shall be allocated to the general reserve fund referred to in section sixteen;
- the balance shall be allocated to such inner reserves as the Board may deem it expedient to create or to the depreciation of assets:

Provided that if the surplus is less than four million dollars the amount referred to in paragraph (b) shall be reduced by the amount of the deficiency.

5. (1) There shall be a Governor of the Bank and a Deputy Governor of the Bank, who shall be appointed and hold office in accordance with the provisions of section six.

(2) Subject to the provisions of subsection (3), the Bank shall be managed by the Governor, who shall be a person of proved banking experience.

(3) In the management of the Bank the Governor shall act in accordance with the policy of the Board and shall be responsible for the day-to-day management of the Bank.

(4) The Deputy Governor shall perform such duties as the Governor may direct and, in the event of the absence of or a vacancy in the office of the Governor, the Deputy Governor shall perform the duties of the Governor and shall have and may exercise the powers and perform the functions of the Governor.

Transfer of assets and liabilities and issue of capital stock.

6. (1) There shall be a board of directors which shall be Board of directors, responsible for the policy of the Bank and shall consist of—

- the Governor; and
- the Deputy Governor; and
- not less than five and not more than seven other directors who shall be persons who are or have been actively engaged in financial, commercial, industrial or agricultural pursuits.

(2) The Governor and Deputy Governor shall be appointed by the President, after consultation with the Board, each such officer to hold office, subject to the provisions of this Act, for a term of seven years.

(3) The directors, other than the Governor and Deputy Governor, shall be appointed by the President, subject to the provisions of this Act, and shall hold office, subject to the provisions of this section, for a period of five years.

(4) Where a vacancy occurs in the membership of the Board—

- upon the expiry of the term of office of a director, other than the Governor or Deputy Governor; or
- upon the vacating of the office of such director by death, resignation or otherwise before the time fixed for the expiry of such term;

the vacancy shall be filled by the appointment by the President of a person who is qualified in terms of this Act to be appointed as a director and, when a vacancy occurs in terms of paragraph (b), such person shall hold office for the unexpired portion of the period of the appointment of the director whose office has become vacant.

(5) No person shall be appointed as a director if he—

- is a director, shareholder, officer or employee, or a member of any board or committee, of a commercial bank, accepting house or discount house; or
- is a member of the Senate or the House of Assembly; or
- is a permanent employee of the State; or
- under any law of any country—
 - has been adjudged or otherwise declared bankrupt or insolvent or has made an assignment of his estate or a composition with his creditors, and has not been discharged or rehabilitated; or
 - has been sentenced to a term of imprisonment, by whatever name called, exceeding six months, otherwise than as an alternative to or in default of the payment of a fine;

or
(e) is mentally or physically incapable of performing the duties of a director; or

(f) has reached the age of seventy years.

(6) The office of a director shall become vacant—
(a) if circumstances arise which, if he were not a director, would in terms of subsection (5) disqualify him for appointment as a director; or

(b) after he has given the Minister one month's notice in writing of his intention to resign his office, his resignation has been accepted by the Minister and the notice has expired; or

(c) if he is absent from meetings of the Board for six consecutive months without the leave of the Board, which may grant to any director leave of absence for a period not exceeding one year.

(7) A director shall be eligible for reappointment after the expiration of his term of office.

(8) The Governor, the Deputy Governor and the other directors shall hold office upon such conditions as to remuneration, including allowances, other than allowances referred to in subsection (9), as may be determined by the Minister after consultation with the Board.

(9) The Governor, the Deputy Governor and the other directors may, in addition to their remuneration, be paid such allowances in respect of expenses incurred or to be incurred in connexion with their duties as the Board may determine.

(10) Save with the permission of the Minister, the Governor and the Deputy Governor shall not engage in any occupation other than the duties imposed upon them in terms of this Act.

7. (1) The Governor shall preside as chairman at the meetings of the Board, and in his absence from any meeting the Deputy Governor shall so preside.

Procedure and quorum.
(2) If both the Governor and the Deputy Governor are absent from any meeting, the directors who are present shall elect from amongst themselves a chairman to preside at that meeting.

(3) Five members of the Board shall form a quorum at any meeting.

(4) The decision of the majority of members of the Board present at any meeting shall constitute the decision of the Board.

(5) The chairman shall have a deliberative vote and, in addition, in the event of an equality of votes, a casting vote.

(6) The Board may appoint committees of one or more directors and may delegate to them such powers as it deems fit.

8. No decision or act of the Board or act done under the authority of the Board shall be invalid by reason only of the fact that—

- (a) the Board did not consist of the full number of directors for which provision is made in section six; or
- (b) a disqualified person sat or acted as a director at the time the decision was taken or the act was done or authorized;

if the decision was taken or the act was done or authorized by a majority of the directors present at the time who were entitled to sit or act as directors.

9. (1) Subject to the provisions of subsection (2), the Bank may—

- (a) make or cause to be made and issue bank notes and coin in accordance with the provisions of this Act;
- (b) accept money on current account and collect money for customers;
- (c) grant loans and advances;
- (d) buy, sell, discount or re-discount—
 - (i) bills of exchange or promissory notes drawn or issued for commercial, industrial or agricultural purposes;
 - (ii) bills, notes or other obligations of the State;
 - (iii) obligations of bodies corporate established by or under authority conferred by the provisions of any enactment, or constituted or re-constituted by the Federation of Rhodesia and Nyasaland (Dissolution) Order in Council, 1963, of the United Kingdom;
 - (iv) bills, notes or other obligations issued by itself;

Validity of Board's decisions and acts.
Business and powers of Bank.

- (e) buy and sell securities;
- (f) invest its staff and pension funds in such manner as the Board may decide;
- (g) buy, sell or deal in precious metals, and hold in safe custody for other persons gold, securities or other articles of value;
- (h) buy and sell foreign currencies, foreign bills of exchange and bills or other obligations of foreign governments;
- (i) open credits and issue guarantees;
- (j) establish branches and agencies within Rhodesia, appoint agents and correspondents outside Rhodesia and, with the approval of the Minister, establish branches or agencies outside Rhodesia;
- (k) effect transfers by telegram or letter and sell drafts on its branches, correspondents and agents;
- (l) open accounts in foreign countries and act as agent or correspondent for the International Monetary Fund or for any bank carrying on business in or outside Rhodesia;
- (m) make arrangements or enter into agreements, subject to the consent of the Minister, with any bank or other financial institution in a country outside Rhodesia, to borrow, in such manner, at such rates of interest and upon such other terms and conditions as it may deem fit, any foreign currency which it may deem expedient to acquire;

(n) underwrite any loan proposed to be raised by the State or any body corporate established by or under authority conferred by the provisions of any enactment, or constituted or re-constituted by the Federation of Rhodesia and Nyasaland (Dissolution) Order in Council, 1963, of the United Kingdom;

(o) undertake, as agent, the issue and management of loans raised or to be raised within Rhodesia by the State or a body corporate such as is mentioned in paragraph (n);

(p) perform, as agent, such duties and carry out such functions as may be authorized by any enactment or by the Minister in terms of any enactment relating to foreign exchange or other financial control;

(q) organize and provide facilities for the collection and clearance of cheques and similar instruments;

(r) regulate the proceedings and conduct of its business, including the proceedings at meetings and the recording of minutes;

(s) do any other business incidental to or consequential upon the provisions of this Act and not prohibited by this Act.

(2) The Bank may not—

(a) lend or advance moneys to, or directly purchase Treasury bills or notes from, the State so that the amount outstanding at any one time exceeds twenty per centum of the estimated revenues of the State for its financial year in which such advances are made, nor shall such advances be made unless they are repayable within twelve months of the termination of the financial year in which they are made;

(b) invest in securities of the State with a longer maturity than six months a sum exceeding the capital and general reserve fund of the Bank plus twenty per centum of its liabilities to the public in Rhodesia.

(3) The Bank shall fix and announce from time to time its rate for discounts and re-discounts.

10. (1) The Bank shall act as banker to the State.

(2) Nothing in this section contained shall prevent the State from carrying on transactions in such manner as the State may require and, if so requested by the State, the Bank shall make the necessary arrangements to this end.

(3) The Bank, when authorized by the Minister to do so, shall act as agent for the State in the payment of interest and principal and generally in respect of the issue and management of the public debt of Rhodesia, and may act likewise in respect of the debts of any body corporate established by or under authority conferred by the provisions of any enactment, or constituted or re-constituted by the Federation of Rhodesia and Nyasaland (Dissolution) Order in Council, 1963, of the United Kingdom.

Bank's relations with the State.

PART II

BANK NOTES AND COINAGE

11. (1) The Bank shall have the sole right to make or cause issue of bank notes to be made and to issue bank notes in Rhodesia.

(2) The Bank shall not issue any bank notes of a denomination, form or material not approved by the President.

12. (1) A tender of a note of the Bank which has not been demonetized in terms of subsection (2) shall be legal tender in payment within Rhodesia of the amount expressed in the note.

Legal tender of notes.

(2) The President may, by notice in the *Gazette*, call in and demonetize any notes issued by the Bank, and shall likewise determine the manner in which and the period within which payment for such notes shall be made to the holders thereof.

(3) The President may, by notice in the *Gazette*, determine the manner in which and the period within which payment for notes which were at any time legal tender in the former Federation shall be made to the holders thereof.

13. (1) Any person who—

Offences relating to bank notes.

(a) without the authority of the Bank, engraves or makes upon any material whatsoever any words, figures, letters, marks, lines or devices, the print of which resembles in whole or in part any words, figures, letters, marks, lines or devices peculiar to and used in or upon any note; or

(b) without the authority of the Bank, uses or, knowing that it is to be used for an unlawful purpose, has in his possession any material whatsoever upon which has been engraved or made any such words, figures, letters, marks, lines or devices as are mentioned in paragraph (a); or

(c) wilfully defaces, soils or damages any note or writes or places any drawing thereon or attaches thereto anything in the nature of an advertisement;

shall be guilty of an offence and liable—

(i) in the case of an offence referred to in paragraph (a) or (b), to imprisonment for a period not exceeding seven years;

(ii) in the case of an offence referred to in paragraph (c), to a fine not exceeding fifty dollars.

(2) For the purposes of subsection (1)—

"note" means a note of the Bank, or any note which has at any time been legal tender in Rhodesia and includes any other note, by whatever name called, which is legal tender in the country in which it was issued.

14. (1) The Bank shall have the sole right to make or cause issue of coins to be made and to issue coin in Rhodesia.

(2) No piece of gold, silver, copper, bronze or nickel, or of any metal or mixed metal of any value whatever, shall be made in the likeness of or used as a coin or token for money except to the order of the Bank.

(3) All coins to be made and issued under the provisions of this Act shall be minted at a mint approved for the purpose by the Minister.

(4) The Bank may cause to be made and may issue coins of gold and of silver, bronze, cupro-nickel or other metal or mixed metal of the denominations determined by the President by notice in the *Gazette*.

(5) The President shall, by notice in the *Gazette*, determine the denominations and designs of any coins to be made and issued in terms of this section, the standard composition and the standard weight of such coin and the remedy or variation from the standard composition or standard weight which shall be allowed in the making of the coins.

15. (1) A tender of payment of money within Rhodesia if made in coins of current weight of the old currency system or

Legal tender of coins.

of the new currency system or partly of such coins of the old currency system and partly of such coins of the new currency system, which have not been demonetized in terms of subsection (3), shall be legal tender—

(a) in the case of coins in denominations higher than one penny or one cent, for the payment of an amount not exceeding forty shillings or four hundred cents, as the case may be;

(b) in the case of coins in denominations of one penny and under or one cent and under, for the payment of an amount not exceeding one shilling or ten cents, as the case may be.

(2) For the purposes of subsection (1)—
"coins of current weight" means coins which have not been—

(a) impaired, diminished or lightened otherwise than by fair wear and tear; or

(b) defaced by having any name, word, number or device stamped thereon;

"new currency system" means the currency system provided for in terms of section 3 of the Decimal Currency Act [Chapter 169];

"old currency system" means the currency system in force in Rhodesia immediately prior to the 16th June, 1967.

(3) The President may, by notice in the *Gazette*, call in and demonetize any coins issued by the Bank and shall likewise determine the manner in which and the period within which payment for such coins shall be made to the holders thereof.

(4) The President may, by notice in the *Gazette*, determine the manner in which and the period within which payment for coins which were at any time legal tender in the former Federation shall be made to the holders thereof.

PART III

FINANCIAL PROVISIONS

16. (1) The Bank shall establish a general reserve fund to Allocation of profits. which shall be allocated the amount of two million dollars mentioned in section four, together with the further amounts set out in subsection (2) of this section.

(2) The ascertained surplus available from the operations of the Bank during each of its financial years, after meeting all current expenditures and losses and after making provision for bad and doubtful debts, depreciation of assets, pensions, gratuities or other benefits for the Governor, Deputy Governor and its officers and employees, together with such other items as are usually provided for by bankers, shall be applied by the Board as follows—

- (a) so long as the general reserve fund amounts to less than three times the capital of the Bank, ten *per centum* of the surplus shall be allocated to that fund and the residue of the surplus shall be paid into the Consolidated Revenue Fund;
- (b) when the general reserve fund is equal to three times the capital of the Bank, the whole of the surplus shall be paid into the Consolidated Revenue Fund.

17. (1) The Bank shall maintain a reserve consisting of gold Reserve provisions. or foreign assets convertible into gold.

(2) The value of the reserve shall be at least twenty-five *per centum* of the Bank's liabilities to the public.

(3) The Minister may suspend, for a period not exceeding sixty days, the reserve requirements provided in terms of subsection (2), and may extend such period for further periods not exceeding sixty days each, but no such suspension shall continue for a period longer than six months unless the House of Assembly by resolution approves of such continuation.

18. (1) The President shall determine, by notice in the Exchange rates and Gazette, the value of the unit of currency which is legal tender operations. in Rhodesia in relation to gold.

(2) The Bank may determine the rates at which persons who are lawfully entitled to deal in foreign exchange may buy and sell foreign currencies.

(3) The Bank may for the purpose of maintaining the value of currency which is legal tender in Rhodesia as determined by the President in terms of subsection (1), and for such other purposes as it deems necessary or expedient, buy, sell and hold gold and foreign assets.

(4) Any loss suffered by the Bank as a result of depreciation in any gold or foreign assets held by the Bank which is caused by any change in the par value of currency which is legal tender in Rhodesia or in the par values of foreign currencies or the value of gold in relation to currency which is legal tender in Rhodesia shall be charged to the Consolidated Revenue Fund, and any profit earned by the Bank as a result of appreciation in any gold or foreign assets held by the Bank which is caused by any such change shall be paid into the Consolidated Revenue Fund. Any payment from the Consolidated Revenue Fund to the Bank under the provisions of this subsection shall be made upon request by the Bank and any payment by the Bank to the Consolidated Revenue Fund shall be made in accordance with arrangements approved by the Minister.

(5) For the purposes of subsection (4), a certificate by the auditors of the Bank as to the amount of the profit earned or loss suffered by the Bank under the provisions of this section shall be evidence of the amount of such profit or loss.

19. (1) The accounts of the Bank shall be audited by Audit and inspection. auditors appointed by the Bank, with the approval of the Minister.

(2) The Minister may at any time cause an investigation to be made into the affairs of the Bank by one or more persons authorized thereto by him in writing.

20. (1) The Bank shall—

- (a) as soon as practicable after each of the days herein-mentioned submit to the Treasury, in a form approved by the President, a return containing a statement of the liabilities and assets of the Bank at the close of business on every Friday or, when any Friday is a public holiday, on the nearest preceding business day; and
- (b) within three months after the close of its financial year, transmit to the Treasury a copy, in duplicate, of its annual accounts signed by the Governor, the Deputy Governor and the secretary of the Bank, and certified by the auditors, so, however, that another director duly authorized thereto by the Board may sign the accounts instead of the Governor or the Deputy Governor, as the case may be; and
- (c) when called upon to do so by the Minister by notice in writing, make to the Minister, within the period specified in the notice, such further returns as may be so specified.

(2) The Treasury shall cause every return received under the provisions of paragraph (a) of subsection (1) to be published in the Gazette as soon as practicable after it has been so received.

(3) The Minister shall lay a copy of every account received under the provisions of paragraph (b) of subsection (1) before the House of Assembly on one of the fourteen days on which the House of Assembly next sits after the account is received by him.

(4) The Minister may at any time direct that the provisions of subsections (2) and (3) shall be suspended for such period as he may determine if, in his opinion, it is in the public interest that such provisions be suspended.

PART IV

CONTROL OF BANKING BUSINESS

21. (1) Every commercial bank and accepting house shall, on or before the 21st of every calendar month, make up and send to the Bank at its head office a return, certified correct by the chief executive officer and the chief accounting officer employed by such commercial bank or accepting house within Rhodesia, showing—

- (a) the amount of its demand liabilities to the public in Rhodesia; and
- (b) the amount of its time liabilities to the public in Rhodesia; and
- (c) the amount of its reserve balance maintained with the

Bank in terms of subsection (1) of section twenty-two; at the close of the last business day of the preceding calendar month. The amounts of the demand liabilities and time liabilities shown in terms of paragraphs (a) and (b) shall not include any sum in respect of acceptance liabilities to the public in Rhodesia and the amount of demand liabilities shown in terms of paragraph (a) shall not include deposits secured by the pledge of securities issued by the State which have a final maturity date of not more than twelve months.

Returns

Monthly returns by banks.

(2) Every financial institution shall, on or before the 21st of every calendar month, make up and send to the Bank at its head office a return, certified correct by the chief executive officer and the chief accounting officer employed by such financial institution within Rhodesia, showing—

- (a) the amount of its liabilities to the public; and
- (b) the amount of its reserve balance maintained with the Bank in terms of subsection (1) of section *twenty-two*;

at the close of the last business day of the preceding calendar month.

22. (1) Every commercial bank, accepting house and financial institution shall maintain against its liabilities to the public in Rhodesia as shown in the last preceding monthly return furnished to the Bank in terms of subsection (1) or (2) of section *twenty-one*, as the case may be, a minimum reserve balance with the Bank calculated in terms of subsection (2).

(2) The minimum reserve balance which every commercial bank, accepting house and financial institution shall maintain with the Bank shall be equal to percentages, which the Bank shall determine and may from time to time amend, of the various classes of liabilities to the public in Rhodesia of the commercial bank, accepting house or, as the case may be, financial institution concerned, as shown in the last preceding monthly return furnished to the Bank in terms of subsection (1) or (2) of section *twenty-one*, as the case may be.

(3) The Bank shall give the commercial banks, acceptance houses and financial institutions concerned reasonable notice of the date on which any amendment of a percentage determined in terms of this section is to become effective.

(4) The Bank may, in terms of subsection (2), determine different percentages for different commercial banks, accepting houses or financial institutions.

(5) In addition, the Bank may call upon every commercial bank, accepting house or financial institution to increase the reserve balance maintained in terms of subsection (1) by an amount representing a percentage, which the Bank may determine and may amend from time to time—

- (a) in the case of commercial banks or accepting houses, of the advances, loans and bills discounted of each commercial bank and accepting house;
- (b) in the case of financial institutions, of the—
 - (i) advances, loans and bills discounted of each financial institution;
 - (ii) assets, other than such assets as may be specified by the Bank by notice in writing, of each financial institution which relate to, are referred to in or consist of, any agreement whatsoever relating to the sale or hire of any property or goods or the provision of any service.

(6) The Bank may, in terms of subsection (5), fix different percentages for commercial banks, accepting houses or financial institutions and such percentages shall be based on the figures—

- (a) in the case of commercial banks or accepting houses, for advances, loans and bills discounted shown in the monthly returns submitted to the Registrar in terms of section 32 of the Banking Act;
- (b) in the case of financial institutions for—
 - (i) advances, loans and bills discounted;
 - (ii) assets, other than such assets as may be specified by the Bank by notice in writing which relate to, are referred to in or consist of, any agreement whatsoever relating to the sale or hire of any

Control of certain banking arrangements.

property or goods or the provision of any service; shown in the returns submitted to the Registrar in terms of section 34 of the Banking Act.

(7) The Bank may further prescribe that in respect of any increase—

- (a) in the case of commercial banks and accepting houses, in advances, loans and bills discounted of the commercial banks and accepting houses;
- (b) in the case of financial institutions—
 - (i) in advances, loans and bills discounted of the financial institutions;
 - (ii) in assets, other than such assets as may be specified by the Bank by notice in writing, of the financial institutions which relate to, are referred to in or consist of, any agreement whatsoever relating to the sale or hire of any property or goods or the provision of any service;

after notice has been given by the Bank, every commercial bank, accepting house and financial institution shall increase its reserve balance by an amount representing a percentage of such first-mentioned increase:

Provided that the percentage shall not be more than three times the percentage fixed in terms of subsection (6).

(8) The Bank may, with the permission of the Minister, vary the percentage prescribed for the minimum holding of liquid assets in terms of—

- (a) paragraph (a) of subsection (1) of section 24;
- (b) paragraph (b) of subsection (1) of section 24;
- (c) subsection (1) of section 25;

of the Banking Act:

Provided that no variation in terms of this subsection shall reduce the percentage to less than—

- (a) twenty-five *per centum* in the case of a commercial bank;
- (b) twenty *per centum* in the case of an accepting house;
- (c) fifteen *per centum* in the case of a financial institution.

(9) Any variation made in terms of subsection (8) shall be notified by the Minister by notice in the *Gazette*.

(10) If the Bank certifies that it would be in the public interest to reduce the percentage prescribed for the minimum holding of liquid assets in terms of—

- (a) paragraph (a) of subsection (1) of section 24;
- (b) paragraph (b) of subsection (1) of section 24;
- (c) subsection (1) of section 25;

of the Banking Act, the Minister may, by notice in the *Gazette*, fix a lower percentage to be effective for such period as he may specify in that notice.

(11) Every commercial bank, accepting house, discount house and financial institution shall maintain assets, other than claims, situated in Rhodesia and assets consisting of claims payable in the currency of Rhodesia of an aggregate value of not less than the sum of—

- (a) the amount of its liabilities to the public which are payable in the currency of Rhodesia; and
- (b) the paid up equity capital and unimpaired reserve funds which it is required to maintain in terms of section 19, 21 or 22, as the case may be, of the Banking Act, as shown in the last preceding statement prepared in terms of paragraph (b) of subsection (1) of section 32, paragraph (a) of subsection (1) of section 33 or paragraph (b) of subsection (1) of section 34, as the case may be, of that Act, and submitted to the Bank in terms of subsection (3) of section 32, 33 or 34, respectively, of that Act.

(12) Every building society shall maintain assets, other than claims, situate in Rhodesia and assets consisting of claims payable in the currency of Rhodesia of an aggregate value of not less than the sum of—

- (a) the aggregate of its liabilities, specified in paragraphs (a) to (e) of subsection (2) of section 37 of the Building Societies Act [Chapter 189], and calculated in accordance with the provisions of that subsection which are payable in the currency of Rhodesia; and
- (b) the statutory reserve funds which it is required to maintain in terms of section 35 of the Building Societies Act [Chapter 189] as shown in the last preceding statement transmitted to the Registrar of Building Societies in terms of subsection (1) of section 40 of that Act in relation to the requirements of section 37 of that Act and submitted to the Bank in terms of subsection (13).

(13) Every building society shall submit to the Bank a copy of any statement and any information transmitted to the Registrar of Building Societies in terms of section 40 of the Building Societies Act [Chapter 189].

(14) The liabilities of a commercial bank, accepting house, discount house, financial institution or building society which are payable in the currency of Rhodesia shall, as against all other liabilities, be a prior charge on the assets which it is required to maintain in terms of subsection (11) or (12), as the case may be.

(15) The Bank may exempt any commercial bank, accepting house, discount house, financial institution or building society from the provisions of subsection (11) or (12), as the case may be, to such extent and for such period and on such conditions as the Bank may determine.

23. (1) The Bank may, if it thinks it necessary in the public interest, request information from and make recommendations to bankers or building societies and may, if so authorized by the Minister, issue directions to any banker or building society for the purpose of securing that effect is given to any such request or recommendation:

Provided that—

- (i) no such request or recommendation shall be made in respect of the affairs of any particular customer of a banker or member of or depositor with a building society;
- (ii) before authorizing the issue of any such direction the Minister shall give the banker or building society concerned or such person as appears to him to represent such banker or building society, an opportunity of making representations with respect thereto.

(2) Any person who fails to comply with any direction issued in terms of this section shall be guilty of an offence and liable to a fine not exceeding ten thousand dollars or to imprisonment for a period not exceeding five years or to both such fine and such imprisonment.

(3) In this section—

“banker” means a commercial bank, an accepting house, a discount house or a financial institution, and includes any director or employee thereof;

“building society” includes any director or employee thereof.

Information from
bankers.

(12) Every building society shall maintain assets, other than claims, situate in Rhodesia and assets consisting of claims payable in the currency of Rhodesia of an aggregate value of not less than the sum of—

- (a) the aggregate of its liabilities, specified in paragraphs (a) to (e) of subsection (2) of section 37 of the Building Societies Act [Chapter 189], and calculated in accordance with the provisions of that subsection which are payable in the currency of Rhodesia; and
- (b) the statutory reserve funds which it is required to maintain in terms of section 35 of the Building Societies Act [Chapter 189] as shown in the last preceding statement transmitted to the Registrar of Building Societies in terms of subsection (1) of section 40 of that Act in relation to the requirements of section 37 of that Act and submitted to the Bank in terms of subsection (13).

(13) Every building society shall submit to the Bank a copy of any statement and any information transmitted to the Registrar of Building Societies in terms of section 40 of the Building Societies Act [Chapter 189].

(14) The liabilities of a commercial bank, accepting house, discount house, financial institution or building society which are payable in the currency of Rhodesia shall, as against all other liabilities, be a prior charge on the assets which it is required to maintain in terms of subsection (11) or (12), as the case may be.

(15) The Bank may exempt any commercial bank, accepting house, discount house, financial institution or building society from the provisions of subsection (11) or (12), as the case may be, to such extent and for such period and on such conditions as the Bank may determine.

23. (1) The Bank may, if it thinks it necessary in the public interest, request information from and make recommendations to bankers or building societies and may, if so authorized by the Minister, issue directions to any banker or building society for the purpose of securing that effect is given to any such request or recommendation:

Provided that—

- (i) no such request or recommendation shall be made in respect of the affairs of any particular customer of a banker or member of or depositor with a building society;
- (ii) before authorizing the issue of any such direction the Minister shall give the banker or building society concerned or such person as appears to him to represent such banker or building society, an opportunity of making representations with respect thereto.

(2) Any person who fails to comply with any direction issued in terms of this section shall be guilty of an offence and liable to a fine not exceeding ten thousand dollars or to imprisonment for a period not exceeding five years or to both such fine and such imprisonment.

(3) In this section—

“banker” means a commercial bank, an accepting house, a discount house or a financial institution, and includes any director or employee thereof;

“building society” includes any director or employee thereof.

PART V

GENERAL

24. (1) The Board may appoint such officers and other employees as it considers to be necessary for the efficient conduct of the business of the Bank.

(2) Officers and other employees of the Bank shall hold office for such period or periods, receive such salaries and allowances and be subject to such other terms and conditions of service as may be determined by the Board.

(3) The Board may, out of the funds of the Bank, establish and maintain, or contribute to, a pension fund for the Governor, Deputy Governor, officers and other employees of the Bank and their dependants.

25. (1) Except for the purpose of the performance of his duties or the exercise of his functions or when lawfully required to do so by any court or under the provisions of any enactment, no director, officer or employee of the Bank, and no person referred to in section nineteen, shall disclose to any person any information relating to the affairs of the Bank or of a customer of the Bank which he has acquired in the performance of his duties or the exercise of his functions.

(2) Any person who contravenes the provisions of subsection (1) shall be guilty of an offence and liable to a fine not exceeding two hundred dollars or to imprisonment for a period not exceeding one year or to both such fine and such imprisonment.

26. Any person who—

- (a) not having been appointed and holding office in terms of Part I, purports to act, whether within or outside Rhodesia, as a member or director of the Board; or
- (b) whether within or outside Rhodesia, does any act or omission in obedience to the direction of a person referred to in paragraph (a);

shall be guilty of an offence and liable to a fine not exceeding one hundred thousand dollars or to imprisonment for a period not exceeding ten years or to both such fine and such imprisonment.

Acts by persons purporting to be members of Board.

27. If at any time it appears to the Minister that the Bank has failed to comply with any of the provisions of this Act, he may, by notice in writing, require the Board to make good or remedy the default within a specified time, and the Board shall thereupon take action accordingly.

Powers of Minister upon non-compliance by Bank.

28. (1) Save with the consent of the Minister, no company shall be registered under the provisions of the Companies Act [Chapter 190] by a name, and no person shall, for the purposes of business, use any name, which includes, in conjunction with the word "bank" or "banking", any of the words "central", "national", "reserve", "Rhodesia", "Rhodesian" or "State".

(2) If a company, through inadvertence or otherwise, is registered, whether originally or by reason of a change of name, by a name which is in conflict with the provisions of subsection (1), the Minister, by order in writing, may order the company to change its name, and the company shall do so within a period of six weeks from the date of the written order or within such longer period as the Minister may allow.

Restriction on names of companies.

29. The President may make regulations for the better carrying out of the objects and purposes of this Act, or to give force or effect to its provisions, or for its better administration.

Regulations.

RHODESIA

ACT

To amend the Reserve Bank of Rhodesia Act [*Chapter 173*].

BE IT ENACTED by the President and the Parliament of Rhodesia, as follows:—

1. This Act may be cited as the Reserve Bank of Rhodesia Short title. Amendment Act, 1976.

2. Section 5 of the Reserve Bank of Rhodesia Act [*Chapter 173*] (hereinafter called the principal Act) is amended— Amendment of section 5 of Cap. 173.

- (a) in subsection (1) by the deletion of "a Deputy Governor" and the substitution of "two Deputy Governors";
- (b) by the repeal of subsection (4) and the substitution of—

"(4) The Deputy Governors shall perform such duties as the Governor may direct.

(5) In the event of—

- (a) the absence of the Governor, the Deputy Governor nominated by the Governor;
- (b) a vacancy in the office of the Governor, the Deputy Governor nominated by the President, after consultation with the Board;

shall perform the duties of the Governor and shall have and may exercise the powers and perform the functions of the Governor."

3. Section 6 of the principal Act is amended—

Amendment of section 6 of Cap. 173.

- (a) by the repeal of subsections (1) to (4) and the substitution of—

"(1) There shall be a board of directors which shall be responsible for the policy of the Bank.

(2) The Board shall consist of the following directors appointed by the President, after consultation with the Board—

- (a) the Governor;
- (b) the Deputy Governors;
- (c) not less than five and not more than seven other directors who shall be persons who are or have been actively engaged in financial, commercial, industrial or agricultural pursuits.

(3) Subject to the provisions of this section, the term of office of a director shall be—

- (a) in the case of the Governor or a Deputy Governor, seven years;

- (b) in the case of any other director, five years:

Provided that if such a director has been appointed to fill a vacancy caused otherwise than by the expiration of the term of office of his predecessor, he shall hold office for the remainder of the five-year period for which his predecessor would, but for his death or the vacation of his office, have continued in office.

- (4) On the death of or vacation of office by a director, the President shall, in terms of subsection (2), appoint a person as director to fill the vacancy;—
 (b) in subsection (8) by the deletion of "Governor, the Deputy Governor and the other";
 (c) in subsection (9) by the deletion of "Governor, the Deputy Governor and the other";
 (d) in subsection (10) by the deletion of "Deputy Governor" and the substitution of "Deputy Governors".

4. Section 7 of the principal Act is amended by the repeal of subsections (1) and (2) and the substitution of—

Amendment of section 7 of Cap. 173.

"(1) Subject to the provisions of subsection (5) of section five, the Governor shall preside as chairman at the meetings of the Board and if both the Governor and the Deputy Governor referred to in the said subsection (5) are not present at any such meeting, the directors who are present shall elect from amongst themselves a chairman to preside at that meeting."

5. Section 8 of the principal Act is amended by the deletion of "if the decision was taken or the act was done or authorized by a majority of the directors present at the time who were entitled to sit or act as directors".

Amendment of section 8 of Cap. 173.

6. Section 25 of the principal Act is amended by the repeal of subsection (2) and the substitution of—

Amendment of section 25 of Cap. 173.

"(2) Any person who contravenes the provisions of subsection (1) shall be guilty of an offence and liable to a fine not exceeding one thousand dollars or to imprisonment for a period not exceeding two years or to both such fine and such imprisonment."

7. The provisions of the principal Act specified in the first column of the Schedule are amended to the extent specified opposite thereto in the second column of the Schedule.

SCHEDULE (Section 7)

CONSEQUENTIAL AMENDMENTS

<i>Provision of principal Act</i>	<i>Extent of amendment</i>
Section 2	In the definition— (a) of "Deputy Governor" by the deletion of "the Deputy Governor" and the substitution of "a Deputy Governor"; (b) of "director" by the deletion of "Deputy Governor" and the substitution of "Deputy Governors".
Section 16	In subsection (2) by the deletion of "Deputy Governor" and the substitution of "the Deputy Governors".
Section 20	In subsection (1) by the deletion from paragraph (b) of "the Deputy Governor", wherever it occurs, and the substitution of "a Deputy Governor".
Section 24	By the deletion from subsection (3) of "Deputy Governor" and the substitution of "Deputy Governors".

- case may be, in contravention of the provisions of this Act.";
- (b) in section 6 by the repeal of the proviso and the substitution of—

"Provided that if the court is required by subsection (3a) of section five to impose a fine which exceeds the amount specified in paragraph (a) or (b), the court may impose such fine.";

- (c) in section 7—
- (i) by the insertion, in subsection (1) after "case", of ", which shall be recorded by the court,";
 - (ii) by the repeal of paragraph (b) of subsection (1);
 - (iii) by the deletion from subsection (2) of "(4), (5), (6) and (7) of section 344" and the substitution of "(3), (4), (5) and (6) of section 57I".

4. Section 18 of the Reserve Bank of Rhodesia Act [Chapter 173] is amended—
Amendment of section 18 of Cap. 173.

- (a) by the repeal of subsection (1);
- (b) by the deletion from subsection (3) of "as determined by the President in terms of subsection (1)".

5. The Banking Act [Chapter 188] is amended—

Amendment of Cap. 188.

- (a) in section 3 by the insertion, in subsection (4) after "certificates" where it occurs for the second time, of "or other instruments";
- (b) by the repeal of section 11 and the substitution of—

"11. (1) The Registrar shall consult with the Reserve Bank concerning the name under which an applicant for registration in any class of banking business desires to be registered and shall not register an applicant if the name under which he desires to be registered is—
Persons disqualified to be registered in class of banking business.

- (a) identical with the name of a person registered in a class of banking business or so nearly resembles the name of such a person as to be mistaken for it unless that person so registered is being or is to be wound up or dissolved or is ceasing or has ceased to carry on banking business in Rhodesia and consents in writing to the registration of the applicant under the name in question; or

- (b) in the opinion of the Registrar, undesirable or unsuitable for any reason.

(2) Any person who is aggrieved by a decision of the Registrar in terms of subsection (1) may appeal

RHODESIA

ACT

To amend the Reserve Bank of Rhodesia Act [Chapter 173], section 15 of the State Loans and Guarantees Act [Chapter 176], the Finance Act [Chapter 179], the Income Tax Act [Chapter 181], the Sales Tax Act [Chapter 184], the Insurance Act [Chapter 196] and the Finance Act, 1977; and to provide for matters incidental to the foregoing.

BE IT ENACTED by the President and the Parliament of Rhodesia, as follows:—

1. This Act may be cited as the Financial Laws Amendment Short title. Act, 1978.

PART I

AMENDMENT OF VARIOUS ACTS

2. The Reserve Bank of Rhodesia Act [Chapter 173] is amended—
Amendment of Cap. 173.

- (a) in subsection (2) of section 9—
 - (i) by the deletion from paragraph (a) of "Treasury";
 - (ii) by the repeal of paragraph (b) and the substitution of—
 - (b) invest in securities of the State with a longer maturity than six months in excess of such amount as the Board shall from time to time determine;
 - (c) lend or advance moneys to any body corporate referred to in subparagraph (iii) of paragraph (d) of subsection (1) unless the loan or advance—
 - (i) has been approved by the Minister of Finance; and
 - (ii) is repayable within twelve months from the date on which it was made.";
- (b) by the insertion in Part I, after section 10, of the following section—

"10A. (1) Every loan or advance referred to in paragraph (c) of subsection (2) of section nine shall be and is hereby guaranteed by the State.

(2) Where a loan or advance which is guaranteed in terms of subsection (1) is not repaid on the expiration of the period for which it was made—

- (a) the Bank may, by notice in writing to the Minister of Finance, request the repayment of the amount of the loan or advance outstanding, together with interest due thereon; and

- (b) within seven days of a request in terms of paragraph (a), the State shall pay to the Bank the amount of the loan or advance outstanding, together with interest due thereon.
- (3) Any amount payable in terms of paragraph (b) of subsection (2) shall be charged on the Consolidated Revenue Fund which is hereby appropriated to the purpose."
3. (1) Section 15 of the State Loans and Guarantees Act [Chapter 176] is amended by the repeal of subsection (2) and the substitution of—
Amendment of section 15 of Cap. 176.
- "(2) Without derogation from the generality of the provisions of subsection (1), the Minister may, in fixing the conditions of a guarantee of a loan referred to in paragraph (a) or (b) of that subsection, require the borrower to provide for all or any of the following matters—
- (a) appropriating and duly applying the loan for the purpose or purposes approved by the Minister in terms of the said paragraph (a) or (b), as the case may be;
 - (b) charging on the general income and assets of the borrower or any other income or assets which may be available for the purpose the capital of the loan and any interest or charges incurred thereon or in connexion therewith, and the repayment to the Consolidated Revenue Fund of any amount paid in terms of paragraph (a) of section seventeen;
 - (c) raising or securing the raising of sufficient money to meet the liabilities referred to in paragraph (b)."
- (2) The provisions of subsection (1) shall be deemed to have come into operation on the 1st July, 1974.
4. (1) The Finance Act [Chapter 179] is amended in Part III of the Schedule to Chapter III—
Amendment of Schedule to Chapter III of Cap. 179.
- (a) by the repeal of paragraph 1;
 - (b) by the repeal of paragraphs 8, 9, 10 and 11.
- (2) The provisions of paragraph (b) of subsection (1) shall come into operation on the date of commencement of the Gold Trade Amendment Act, 1978.
5. (1) Section 24 of the Sales Tax Act [Chapter 184] is amended in subsection (8) by the deletion from the definition of "purchased from a registered operator" of "motor vehicle".
Amendment of section 24 of Cap. 184.
- (2) The provisions of subsection (1) shall be deemed to have come into operation on the 1st November, 1977.
6. Section 42 of the Insurance Act [Chapter 196] is amended in subsection (3) by the deletion of "Insurance Act, 1967 (No. 19 of 1967)" and the substitution of "Insurance Act, 1956 (No. 33 of 1956)".
Amendment of section 42 of Cap. 196.

7. Section 28 of the Finance Act, 1977, is amended in sub-section (3) by the deletion from paragraph (a) of "Liquor Amendment (No. 2) Act, 1977," and the substitution of "Liquor Amendment Act, 1978." Amendment of section 28 of Act No. 27 of 1977.

PART II

AMENDMENTS TO INCOME TAX ACT [Chapter 181]

8. With effect from the 1st April, 1978, section 2 of the Income Tax Act [Chapter 181] (hereinafter in this Part called the principal Act) is amended in subsection (1)—
- (a) in the definition of "abatement" by the deletion of "paragraph (a)" and the substitution of "paragraph (b);"
 - (b) in the definition of "assessed loss" by the deletion of ", other than the abatements referred to in paragraph (a) of section seven;"
 - (c) in the definition of "assessment" by the repeal of paragraph (a) and the substitution of—
"(a) the determination of taxable income and of the abatements to which a person is entitled in terms of the charging Act; or".

12. The Mines and Minerals Act [Chapter 165] is amended by the repeal of Part XXIII.

13. Section 41 of the Audit and Exchequer Act [Chapter 168] is amended in subsection (1) by the insertion after proviso (ii) of the following proviso—

(iii) a loan in terms of this subsection to the Agricultural Finance Corporation established by section 3 of the Agricultural Finance Corporation Act [Chapter 101] may be made for a period not exceeding five hundred and forty days.”.

14. The Reserve Bank of Rhodesia Act [Chapter 173] is amended—

(a) in section 6—

(i) in subsection (3) by the repeal of paragraph (b) and the substitution of—

“(b) in the case of any other director, such term, not exceeding five years, as the President may, subject to the provisions of subsection (3a), fix.”;

(ii) by the insertion after subsection (3) of the following subsection—

“(3a) In fixing the term referred to in paragraph (b) of subsection (3), the President shall consult with the Board and shall ensure that not more than two directors go out of office at any one time.”;

(b) in section 14—

(i) by the repeal of subsection (4) and the substitution of—

“(4) Subject to the provisions of subsections (5) and (6), the Bank may cause to be made and may issue coins of gold and of silver, bronze, cupro-nickel or other metal or mixed metal.”;

(ii) in subsection (5) by the deletion of “, by notice in the Gazette.”;

(iii) by the insertion after subsection (5) of the following subsection—

“(6) The Bank shall not issue any coins unless the Minister has published in the Gazette a notice specifying the matters determined by the President in respect of those coins in terms of subsection (5).”.

15. The Customs and Excise Act [Chapter 177] is amended by the insertion after section 12 of the following section—

Opening of postal articles.

“12A. (1) Notwithstanding the provisions of any other law, an officer may open and examine any postal article which is to be sent outside Rhodesia

New section inserted in Cap. 177.

(c) in subsection (4) by the repeal of paragraph (a) and the substitution of—

“(a) is elected as a Senator at the election of Black Senators, White Senators or Senator Chiefs, as the case may be, consequent upon such dissolution or is appointed as a Senator within one month of the date of the election of a person who has not previously made an election in terms of paragraph (c) of subsection (1), makes such election; or”.

2. In section 6 by the insertion in subsection (3) after “under” of “the Constitution of Rhodesia, 1969.”.

3. In section 11—

(a) in subsection (1) by the repeal of paragraphs (a) and (b) and the substitution of—

“(a) as a Senator before the fixed date in the Senate established by the Constitution of Rhodesia, 1969; or

(a) as a Senator after the fixed date in the Senate established by the Constitution or the Constitution of Rhodesia, 1969, and in respect of which he has paid contributions; or

(b) as a member of the House of Assembly established by the Constitution or the Constitution of Rhodesia, 1969; or”;

(b) by the insertion after subsection (1) of the following subsection—

“(1a) Where a contributor was a Senator or member of the House of Assembly in terms of the Constitution of Rhodesia, 1969, and was re-elected as a Senator or a member of the House of Assembly with effect from the 1st June, 1979, the period between the 4th May, 1979, and the 1st June, 1979, shall, subject to the provisions of subsection (5), count as part of his qualifying service.”.

4. In section 22 by the deletion of “51” and the substitution of “63”.

PART II

AGRICULTURAL FINANCE CORPORATION ACT [CHAPTER 101]

1. In the long title by the deletion of “of Rhodesia”.

2. In section 2 by the deletion from the definition of “Corporation” of “of Rhodesia”.

3. In section 3 by the deletion of “of Rhodesia”.

PART III

FOREST ACT [CHAPTER 125]

1. In section 2 by the deletion from the definition of “Commission” of “Rhodesia”.

2. In section 4 by the deletion of “Rhodesia”.

PART IV

RESERVE BANK OF RHODESIA ACT [CHAPTER 173]

1. In the long title by the deletion of “Rhodesia” where it occurs for the first and third times and the substitution of “Zimbabwe Rhodesia”.

2. In section 1 by the deletion of “Rhodesia” and the substitution of “Zimbabwe Rhodesia”.

3. In section 2 by the deletion from the definition of “Bank” of “Rhodesia” and the substitution of “Zimbabwe Rhodesia”.

4. In section 3 by the deletion from subsection (1) of “Rhodesia” where it occurs for the first time and the substitution of “Zimbabwe Rhodesia”.

5. In section 28 by the deletion from subsection (1) of “or State” and the substitution of “State”, “Zimbabwe” or “Zimbabwean”.

PART V

RHODESIAN STOCK EXCHANGE ACT [CHAPTER 198]

1. In the long title by the deletion of “Rhodesian” wherever it occurs and the substitution of “Zimbabwe Rhodesia”.

2. In section 1 by the deletion of “Rhodesian” and the substitution of “Zimbabwe Rhodesia”.

3. In section 2 by the deletion from the definitions of "Board", "Committee", "Exchange" and "Fund" of "Rhodesian" and the substitution of "Zimbabwe Rhodesia".
4. In section 3 by the deletion of "Rhodesian" and the substitution of "Zimbabwe Rhodesia".
5. In section 4 by the deletion of "Rhodesian" and the substitution of "Zimbabwe Rhodesia".
6. In section 68 by the deletion from subsection (4) of "Rhodesian" and the substitution of "Zimbabwe Rhodesia".
7. In section 74 by the deletion from subsections (1) and (2) of "Rhodesian" and the substitution of "Zimbabwe Rhodesia".

PART VI
BROADCASTING ACT [CHAPTER 248]

1. In the long title by the deletion of "Rhodesia Broadcasting Corporation established by the Broadcasting Act, 1957" and the substitution of "Zimbabwe Rhodesia Broadcasting Corporation".
2. In section 2 by the deletion from the definition of "Corporation" of "Rhodesia" and the substitution of "Zimbabwe Rhodesia".
3. In section 3 by the insertion after "perform" of "and shall with effect from the 1st June, 1979, be known as the Zimbabwe Rhodesia Broadcasting Corporation".

"General Division" means the General Division of the High Court of Zimbabwe referred to in paragraph (b) of subsection (1) of section 79 of the Constitution;

"Government" means the Government of Zimbabwe;

"High Court" means the High Court of Zimbabwe referred to in subsection (1) of section 79 of the Constitution;

"Police Force" means the Police Force referred to in section 93 of the Constitution;

"Prison Service" means the Prison Service referred to in subsection (2) of section 73 of the Constitution;

"Public Service" means the Public Service referred to in subsection (1) of section 73 of the Constitution;

"Public Service Commission" means the Public Service Commission referred to in subsection (1) of section 74 of the Constitution;"

- (b) by the insertion after subsection (3) of the following subsection—

"(4) References to Rhodesia, Zimbabwe Rhodesia or Southern Rhodesia in any enactment shall be construed as references to Zimbabwe."

3. In sections 4, 5 (2), 13, 19A (3) and 28 (1) by the deletion of "Rhodesia" and the substitution of "Zimbabwe".

PART II

DECIMAL CURRENCY ACT [CHAPTER 169]

1. In section 3—
 - (a) by the deletion of "Rhodesia" wherever it occurs;
 - (b) by the deletion of "ZRS" and the substitution of "Z\$".
2. In section 4 by the deletion of "Rhodesia" wherever it occurs.

PART III

RESERVE BANK OF ZIMBABWE RHODESIA ACT [CHAPTER 173]

1. In the long title by the deletion of "Rhodesia" where it occurs for the first and third times.
2. In section 1 by the deletion of "Rhodesia".
3. In section 2 (definition of "Bank") by the deletion of "Rhodesia".
4. In section 3 (1) by the deletion of "Rhodesia" where it occurs for the first time.

PART IV

ZIMBABWE RHODESIA STOCK EXCHANGE ACT [CHAPTER 198]

1. In the long title by the deletion of "Rhodesia" wherever it occurs.
2. In sections 1, 2 (definitions of "Board", "Committee", "Exchange" and "Fund"), 3, 4, 68 (4) and 74 (1) and (2) by the deletion of "Rhodesia".
3. In section 52 (1) by the deletion of "Rhodesian" wherever it occurs and the substitution of "Zimbabwe".

PART V

BROADCASTING ACT [CHAPTER 248]

1. In the long title and section 2 (definition of "Corporation") by the deletion of "Rhodesia".
2. In section 3—
 - (a) by the insertion after "body corporate" where it occurs for the first time of "to be known as the Zimbabwe Broadcasting Corporation";
 - (b) by the deletion of all words appearing after "perform".
4. In section 37—
 - (a) in paragraph (a) by the deletion of "Rhodes", "Rhodesia", "Rhodesian";
 - (b) in paragraph (b) by the deletion of "Rhodesia" wherever it occurs.

PART VI
AIR ZIMBABWE RHODESIA CORPORATION ACT [CHAPTER 253]

1. In the long title by the deletion of "Rhodesia" wherever it occurs.
2. In sections 1, 2 (definitions of "Board" and "Corporation") and 4 by the deletion of "Rhodesia".
3. In section 3 by the deletion of "Rhodesia" where it occurs for the second time.

PART VII

RAILWAYS ACT [CHAPTER 26]

1. In the long title—
 - (a) by the deletion of "Zimbabwe Rhodesia Railways" wherever it occurs and the substitution of "National Railways of Zimbabwe";
 - (b) by the deletion of "Rhodesia" where it occurs after "for Zimbabwe".
2. In section 2—
 - (a) by the repeal of the definitions of "Board" and "Railways" and the substitution of—
"Board" means the board established by section four;
"Railways" means the National Railways of Zimbabwe referred to in section three;";
 - (b) in the definition of "territories" by the deletion of "Rhodesia".
3. In section 3 by the deletion of "Zimbabwe Rhodesia Railways" and the substitution of "National Railways of Zimbabwe".

ZIMBABWE

ACT

To amend the Reserve Bank of Zimbabwe Act [Chapter 173].

ENACTED by the President and Parliament of Zimbabwe.

1. This Act may be cited as the Reserve Bank of Zimbabwe Short title. Amendment Act, 1983.
2. Section 2 of the Reserve Bank of Zimbabwe Act [Chapter 173] (hereinafter called "the principal Act") is amended—
 - (a) in the definition of "liabilities to the public" by the deletion of "and, in relation to the Bank, means all such claims, including notes and coin which the Bank has issued or for which it assumes liability under this Act";
 - (b) by the insertion of the following definition—
"Minister" means the Minister of Finance, Economic Planning and Development or such other Minister to whom the President may from time to time assign the administration of this Act;"
 - (c) by the repeal of the definition of "Treasury" and the substitution of—
"Treasury" means the Secretary of the Ministry for which the Minister is responsible or such other officer in that Ministry as may be deputed by the Secretary to perform his functions in terms of this Act.".

3. Section 6 of the principal Act is repealed and the following is substituted—

"6. (1) There shall be a board of directors which shall be responsible for the policy of the Bank.

Repeal of section 6 of Cap. 173.

Board of Directors

(2) The Board shall consist of the following directors appointed by the President, after consultation with the Board—

- (a) the Governor; and
- (b) the two Deputy Governors; and
- (c) no fewer than five and no more than seven other directors who shall be persons who are or have been actively engaged in financial, commercial, industrial or agricultural pursuits.

(3) No person shall be appointed as a director if—

- (a) he is a director, shareholder, officer or employee, or a member of any board or committee, of a commercial bank, accepting house or discount house; or

- (b) he is a member of the Senate or the House of Assembly; or
- (c) he is a permanent employee of the State; or
- (d) under any law of any country—
- (i) he has been adjudged or otherwise declared bankrupt or insolvent or has made an assignment of his estate or a composition with his creditors, and has not been discharged or rehabilitated; or
- (ii) he has been convicted of any crime, by whatever name called, and sentenced to a term of imprisonment exceeding six months, otherwise than as an alternative to or in default of the payment of a fine;
- or
- (c) he is mentally or physically incapable of performing the duties of a director; or
- (f) subject to subsection (8), in the case of the Governor or a Deputy Governor, he has reached the age of sixty-five years; or
- (g) in the case of any director other than the Governor, he has reached the age of seventy years.
- (4) Subject to this section, the term of office of a director shall be—
- (a) in the case of the Governor or a Deputy Governor, five years;
- (b) in the case of any other director, such term, not exceeding two years, as the President may fix in each particular case.
- (5) The office of a director shall become vacant—
- (a) if circumstances arise which, if he were not a director, would in terms of subsection (3) disqualify him for appointment as a director; or
- (b) if, after he has given the Minister one month's notice in writing of his intention to resign his office, his resignation has been accepted by the Minister and the period of notice has expired; or
- (c) if he is absent from meetings of the Board for six consecutive months without the leave of the Board, which may grant to any director leave of absence for a period not exceeding one year; or
- (d) upon his being required by the President in terms of subsection (6) to vacate his office.

(6) After consultation with the Board, the President may require a director to vacate his office if the President is satisfied—

- (a) that the director has on one or more occasions conducted himself in a manner that is inconsistent with the proper discharge of his functions as a director; or
- (b) in the case of the Governor or a Deputy Governor, that he has contravened subsection (12).

* (7) Subject to subsections (8) and (9), on the death or vacation of office by a director, the President shall, in terms of subsection (2), appoint a person as director to fill the vacancy.

(8) Upon the expiry of the term of office of the Governor or a Deputy Governor, or upon his reaching the age of sixty-five years, the President, after consultation with the Board, may re-appoint him or extend his term of office for a period which does not, or for periods which in the aggregate do not, exceed five years:

Provided that no Governor or Deputy Governor shall hold office in terms of this subsection beyond the age of seventy years.

(9) Upon the expiry of the term of office of a director other than the Governor or a Deputy Governor, the President, after consultation with the Board, may re-appoint him or extend his term of office for a period which does not, or for periods which in the aggregate do not, exceed two years.

(10) During his term of office, a director shall be entitled to such remuneration, including allowances other than allowances referred to in subsection (11), as the Minister may determine after consultation with the Board.

(11) A director may, in addition to his remuneration, be paid such allowances in respect of expenses incurred in connexion with his duties as the Board may determine.

(12) Save with the permission of the Minister, the Governor and the Deputy Governors shall not engage in any occupation of a commercial, industrial or financial nature, other than the duties imposed upon them in terms of this Act.”.

4. Section 15 of the principal Act is amended—

- (a) in subsection (1)—

(i) by the deletion of “of the old currency system or of the new currency system or partly of such coins of the old currency system and partly of such coins of the new currency system”;

(ii) in paragraph (a) by the deletion of “one penny or” and “forty shillings or”;

Amendment of section
15 of Cap. 173.

- (iii) in paragraph (b) by the deletion of "one penny and under or" and "one shilling or";
- (b) in subsection (2) by the repeal of the definitions of "new currency system" and "old currency system".

5. Section 17 of the principal Act is amended in subsection (2) by the deletion of "twenty-five *per centum* of the Bank's liabilities to the public" and the substitution of "forty *per centum* of the Bank's foreign liabilities".

6. The provisions of the principal Act specified in the first column of the Schedule are amended to the extent specified opposite thereto in the second column.

SCHEDULE (Section 6)

MINOR AMENDMENTS

<i>Provisions</i>	<i>Extent of Amendment</i>
Sections 2 (in the definition of "foreign"), 3 (1), 9 (1) (j), (1), (m) and (o), 11 (1), 13 (2), 14 (1), 15 (1), 18 (3) and (4), 21, 22 (1), (2), (11) and (12), 26 (a) and (b).	By the deletion of "Rhodesia" wherever it occurs and the substitution of "Zimbabwe".
Sections 9 (2) (c) (i) and 10A (2) (a).	By the deletion of "of Finance".
Section 10 (3).	By the deletion of "public debt of Rhodesia" and the substitution of "public debt of Zimbabwe".