

1979/250

**THE POST OFFICE SAVINGS BANK (PERSONAL LOANS)
INTEREST NOTICE 1979**

PURSUANT to section 119 (3) of the Post Office Act 1959, the Minister of Finance hereby gives the following notice.

NOTICE

1. Title and commencement—(1) This notice may be cited as the Post Office Savings Bank (Personal Loans) Interest Notice 1979.

(2) This notice shall come into force on the 26th day of November 1979.

2. Maximum rate of interest on personal loans—The maximum rate of interest payable by any borrower in respect of any amount advanced by way of a personal loan shall be—

- (a) In the case of a secured loan, a true interest rate of 12 percent per annum for the term of the loan:
- (b) In the case of an unsecured or partly secured loan, a true interest rate of 14 percent per annum for the term of the loan:
- (c) In the case of housing loans secured by a second or subsequent mortgage, a true interest rate of 12 percent per annum for the term of the loan:
- (d) In the case of any amount advanced by way of overdraft to any cheque account holder, a true interest rate of 15 percent per annum with daily rests for the term of the overdraft.

3. Maximum rate of interest on payments in default—Where any borrower is in default in the payment of any sum to the Postmaster-General in respect of any amount advanced by way of a personal loan, whether the sum payable is in respect of principal or interest, the maximum rate of interest payable on that sum from the date of default until the date the sum is paid shall be the maximum rate of interest payable by the borrower on the amount advanced pursuant to clause 2 of this notice.

4. Revocation—The Post Office Savings Bank (Personal Loans) Interest Notice 1977* is hereby revoked.

Dated at Wellington this 20th day of November 1979.

R. D. MULDOON,
Minister of Finance.

EXPLANATORY NOTE

This note is not part of the notice, but is intended to indicate its general effect.

This notice fixes the maximum true rate of interest payable for the term of a loan in respect of any amount advanced by way of a personal loan from the Post Office Savings Bank at—

- (a) Twelve percent per annum for a secured loan:
- (b) Fourteen percent per annum for an unsecured or partly secured loan:
- (c) Twelve percent per annum for a housing loan secured by a second or subsequent mortgage:
- (d) Fifteen percent per annum, with daily rests, for any amount advanced by way of overdraft.

The same maximum rate of interest applies to any sum in default for the period from the date of default until the date of payment.

Issued under the authority of the Regulations Act 1936.
Date of notification in *Gazette*: 22 November 1979.
This notice is administered in the Post Office.