

1974/128



## THE TRUSTEE SAVINGS BANKS INTEREST ORDER 1974

DENIS BLUNDELL, Governor-General

### ORDER IN COUNCIL

At the Government House at Wellington this 27th day of May 1974

Present:

HIS EXCELLENCY THE GOVERNOR-GENERAL IN COUNCIL

PURSUANT to the Reserve Bank of New Zealand Act 1964 and the Trustee Savings Banks Act 1948, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, hereby makes the following order.

### ORDER

**1. Title and commencement**—(1) This order may be cited as the Trustee Savings Banks Interest Order 1974.

(2) This order shall come into force on the 31st day of May 1974.

**2. Rate of interest on accounts other than investment accounts and current accounts**—The rate of interest to be paid by any trustee savings bank on money deposited with the bank in any class of account, other than an investment account or a current account, (whether the deposit is made before or after the commencement of this order) shall be 3 percent per annum.

**3. Rates of interest for 1-year investment accounts**—In the case of deposits in 1-year investment accounts (whether the deposit was made before or after the commencement of this order), the rates of interest shall be—

- (a) On deposits for any period not exceeding 30 days Nil:
- (b) On deposits for any period exceeding 30 days but less than 12 months  $2\frac{1}{2}$  percent per annum:

- (c) On deposits for a period of 12 months and each subsequent period of 12 months or less
- (i) 5 percent per annum in respect of the first and each subsequent 12-monthly period of deposit; and
- (ii) 3 percent per annum in respect of money withdrawn before the expiration of the second or any subsequent 12-monthly period of deposit:

Provided that the rate of interest payable in respect of any 12-monthly period of deposit which commenced before the commencement of this order shall be  $4\frac{1}{2}$  percent per annum on money which remains deposited until the expiry of that period.

**4. Rates of interest for 2-year investment accounts**—In the case of deposits in 2-year investment accounts (whether the deposit was made before or after the commencement of this order), the rates of interest shall be—

- (a) On deposits for any period not exceeding 30 days Nil:
- (b) On deposits for any period exceeding 30 days but less than 12 months  $2\frac{1}{2}$  percent per annum:
- (c) On deposits for any period of not less than 12 months but less than 24 months 3 percent per annum:
- (d) On deposits for a period of 24 months and each subsequent period of 24 months or less
- (i)  $5\frac{1}{2}$  percent per annum in respect of the first and each subsequent 24-monthly period of deposit; and
- (ii) 3 percent per annum in respect of money withdrawn before the expiration of the second or any subsequent 24-monthly period of deposit:

Provided that the rate of interest payable in respect of any 24-monthly period of deposit which commenced before the commencement of this order shall be 5 percent per annum on money which remains deposited until the expiry of that period.

**5. Maximum amount on which interest payable**—In respect of depositors in special-purpose accounts, no interest shall be paid on any amount standing to the credit of any depositor in excess of \$1,000 in respect of any 1 account.

**6. Revocation**—The Trustee Savings Banks Interest Order 1972\* is hereby revoked.

P. G. MILLEN,  
Clerk of the Executive Council.

## EXPLANATORY NOTE

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

*Clause 2* repeats the provision fixing the rate of interest on accounts, other than investment accounts and current accounts at 3 percent per annum.

*Clauses 3 and 4* increase the rate of interest for 1-year and 2-year investment accounts by  $\frac{1}{2}$  percent per annum. The higher rate will be payable only in respect of 1 year and 2 year periods of deposit which commence on or after the commencement of this order.

*Clause 5* repeats the provision fixing the maximum amount in a special purpose account on which interest is payable at \$1,000.

NOTE—The maximum amounts in other types of accounts on which interest is payable is fixed by the Trustee Savings Banks Act 1948, namely \$12,000 in respect of depositors other than institutions, and \$40,000 in respect of institutions.

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Issued under the authority of the Regulations Act 1936.

Date of notification in *Gazette*: 30 May 1974.

This order is administered in the Reserve Bank of New Zealand.