

1972/225



**THE TRUSTEE SAVINGS BANKS REGULATIONS 1949,
AMENDMENT NO. 13**

DENIS BLUNDELL, Governor-General

ORDER IN COUNCIL

At the Government House at Wellington this 24th day of October 1972

Present:

HIS EXCELLENCY THE GOVERNOR-GENERAL IN COUNCIL

PURSUANT to 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 regulations.

REGULATIONS

1. Title and commencement—(1) These regulations may be cited as the Trustee Savings Banks Regulations 1949, Amendment No. 13, and shall be read together with and deemed part of the Trustee Savings Banks Regulations 1949* (hereinafter referred to as the principal regulations).

(2) These regulations shall come into force on the 1st day of November 1972.

2. Institutions' special funds—(1) The principal regulations are hereby amended by revoking regulation 9A (as inserted by regulation 2 of the Trustee Savings Banks Regulations 1949, Amendment No. 8).

(2) The Trustee Savings Banks Regulations 1949, Amendment No. 8, are hereby consequentially revoked.

3. Regulations substituted—(1) The principal regulations are hereby further amended by revoking regulations 61A and 61B (as inserted by regulation 10 of the Trustee Savings Banks Regulations 1949, Amendment No. 11), and substituting the following regulations:

“61A. Computation of interest—Interest payable on money in a 1-year investment account shall be computed with daily rests from the date the money was deposited up to and including the expiry of the term of investment or the earlier withdrawal of the money.

“61B. Time of payment of interest—Interest payable on money in a 1-year investment account shall be paid on the expiry of the term of investment or, in the case of money withdrawn before such expiry, the interest shall be paid when the withdrawal is made:

*Reprinted with Amendments Nos. 1 to 8: S.R. 1967/65

Amendment No. 9: S.R. 1967/77

Amendment No. 10: S.R. 1967/142

Amendment No. 11: S.R. 1970/168

Amendment No. 12: S.R. 1972/200

“Provided that the depositor may elect to have any interest paid to him at such other times as the Board may, with the consent of the Minister, approve.”

(2) Regulation 10 of the Trustee Savings Banks Regulations 1949, Amendment No. 11, is hereby consequentially revoked.

4. Adjustment of interest—The principal regulations are hereby further amended by inserting, after regulation 61B (as substituted by regulation 3 of these regulations), the following regulation:

“61c. Where money is withdrawn from a 1-year investment account before the expiry of the term of investment, the Board shall deduct therefrom any interest paid in excess of the appropriate amount by reason of such withdrawal or may recover the excess interest as a debt due to the savings bank by the depositor.”

5. Computation of interest—The principal regulations are hereby further amended by revoking regulation 63B (as inserted by regulation 12 of the Trustee Savings Banks Regulations 1949, Amendment No. 11), and substituting the following regulation:

“63B. Interest payable on money in a 2-year investment account shall be computed with daily rests from the date the money was deposited up to and including the expiry of the term of investment or the earlier withdrawal of the money, and, except where interest is payable in accordance with the proviso to regulation 61B of these regulations, any interest payable in respect of the first year of the term of investment shall be added to and become part of the investment for the purpose of calculating the interest payable in respect of any subsequent portion of the term of investment.”

6. Special-purpose accounts—Regulation 64 of the principal regulations (as added by regulation 2 of the Trustee Savings Banks Regulations 1964, Amendment No. 6) is hereby amended by revoking subclause (4).

P. J. BROOKS,
Clerk of the Executive Council.

EXPLANATORY NOTE

This note is not part of the regulations, but is intended to indicate their general effect.

Regulation 2 revokes regulation 9A of the principal regulations which enabled an institution to open a separate set of ordinary accounts for special funds.

Regulation 3 rewrites with slight amendments the existing provision relating to the computation of interest on money in 1-year investment accounts.

It also provides for optional times for the payment of interest on money in 1-year investment accounts.

Regulation 4 provides for an adjustment on the withdrawal of money from a 1-year investment account before the expiry of the term of investment if interest has been paid previously at a rate in excess of the rate applicable by reason of the withdrawal.

Regulation 5 provides for the computation of interest on money in a 2-year investment account and gives depositors the option to elect to receive simple interest instead of compound interest.

Regulation 6 revokes the limit on deposits in a special-purpose account. That limit is now contained in the Trustee Savings Banks Interest Order 1972.

Issued under the authority of the Regulations Act 1936.

Date of notification in *Gazette*: 26 October 1972.

These regulations are administered in the Treasury.