

# POST OFFICE AMENDMENT BILL

## EXPLANATORY NOTE

THIS Bill amends the Post Office Act 1959.

*Clause 1* relates to the Short Title and commencement of the Bill.

*Clause 2* re-enacts in an amended form section 71 of the principal Act, which relates to the application of revenue derived from stamps, so as to ensure that revenue derived from the sale of stamps for philatelic purposes can be used for the purposes of the Post Office.

*Clause 3* amends section 129 of the principal Act which relates to home lay-by accounts. The clause—

- (a) Increases from \$500 to \$1,000 the maximum amount of deposits in any calendar year on which the home lay-by subsidy is allowed;
- (b) Increases from \$100 to \$200 the maximum amount of subsidy payable on a Home Lay-by Account;
- (c) Provides that deposits withdrawn from a Home Lay-by Account for the acquisition of a home forming part of a farm or business are eligible for the home lay-by subsidy.

The clause will be deemed to have come into force on 27 June 1969.

*Clause 4* inserts four new sections into the principal Act and makes several other consequential amendments to other sections.

*Section 129A* provides for the Postmaster-General to issue bonds to be known as Post Office Bonus Bonds. Application for these bonds may be made by members of the public at offices of the Post Office Savings Bank throughout New Zealand. It will not be permissible for any incorporated or unincorporated body of persons or for two or more persons to purchase a bonus bond, nor will it be permissible for a minor under 7 years of age to purchase such a bond, but the person having the custody and control of the minor may purchase a bond in his name and on his behalf. Money from the sale of the bonds will be paid into the Post Office Account and may be invested by the Postmaster-General in certain securities as provided by section 75 of the Public Revenues Act 1953. Interest on bonds sold will be fixed by the Minister of Finance and will be paid into a pool for distribution by ballot in the form of cash prizes to holders of bonus bonds, and for this purpose the Postmaster-General is to be empowered to cause ballots to be held from time to time to determine which of the bondholders are to receive prizes. Bonus bonds are not to be assignable, but may be transmitted to the personal representatives of bondholders or to the Official Assignee by operation of law. If a bonus bond

is transmitted by operation of law to personal representatives or to the Official Assignee, it shall be their duty to redeem the bond forthwith. In the event of their not performing that duty, the Postmaster-General, or the officer charged with keeping the register of bonus bonds, may cancel the bond as soon as he becomes aware of the death or bankruptcy and shall, on so doing, repay the money secured by the bond. Provision is also made for the registration of holders of bonus bonds and for the repayment of money secured by bonus bonds, the payment of prize money to the winners of prizes, and other miscellaneous matters relating to the operation of the bonus bond scheme. The Gaming Act 1908 is not to apply in respect of bonus bonds.

*Section 129B* empowers the Postmaster-General to issue bonds to be known as Post Office National Development Bonds. Application for those bonds may be made by members of the public at the offices of the Post Office Savings Bank throughout New Zealand and will be issued in denominations of \$10 or multiples of \$10. However, applications will not be accepted from any incorporated or unincorporated body of persons or from two or more persons or from any minor under 7 years of age, but in the latter case the person having the custody and control of the minor may apply for a bond in his name and on his behalf. The money received from the issue of those bonds will be paid into the Post Office Account and invested. The bonds will bear interest from the date of their issue at the rate of 2½ percent per annum during the first year of their currency or part of that year and at the rate of an additional 1 percent per annum in each successive year or part of a year until the end of the eighth year of their currency when they will mature. A development bond may be surrendered before maturity at any time after the expiration of 3 months from the date of its purchase. If a development bond is unsurrendered at the time of its maturity it will be deemed to have been surrendered at that time and if the amount secured by the bond, together with interest payable in respect of it, is not claimed the money due is to be paid into an ordinary Post Office Savings Bank account to the credit of the bondholder or other person entitled where it will accumulate interest at the rate applicable to ordinary Post Office Savings Bank accounts. Restrictions are placed on the status of persons who may hold development bonds which are not, subject to very limited exceptions, assignable. Provision is also made for registration of holders of development bonds and for certain other matters relating to the operation of the development bond scheme.

Provision is being made in other legislation for any prize won by the holder of a bonus bond to be exempt from taxation and for additional tax exemption to be given to the holder of a development bond for the year in which his bond matures or is surrendered.

*Section 129C* exempts bonus bonds and national development bonds from the payment of stamp duty.

*Section 129D* protects the Postmaster-General and officers of the Post Office in respect of payments made to persons under *section 129A* or *section 129B*.

*Clause 5* is consequential on *clause 4* and re-enacts in an amended form section 120 of the principal Act which at present provides that if the funds in the Post Office Account are at any time insufficient, the Minister of Finance may meet the deficiency out of what is now known as the Consolidated Revenue Account. The re-enacted section will cover deficiencies in the amounts due to the registered holders of bonus bonds or development bonds.

*Clause 6* makes miscellaneous amendments to Parts VII and XII of the principal Act and is consequential on *clause 4*.

*Subclause (1)* re-enacts in an amended form subsection (1) of section 118 of the principal Act which prohibits officers of the Post Office Savings Bank from divulging particulars relating to accounts kept in the Post Office Savings Bank except in certain limited cases. Under the re-enacted subsection (1) officers will also be prohibited from divulging particulars relating to the sale or holding of bonus bonds or development bonds and certain other matters relating to any such bonds.

Section 126 of the principal Act, which provides for disputes between Post Office Savings Bank depositors and the Postmaster-General to be settled by arbitration, is being extended to cover registered holders of bonus bonds or development bonds.

Section 130 of the principal Act, which empowers regulations to be made relating to the Post Office Savings Bank, is being amended to enable regulations relating to bonus bonds and development bonds to be made. A minor consequential amendment to section 176 of the principal Act, which relates to the investment of surplus money, is also being made.

*Clause 7* amends section 186 of the principal Act, which section empowers regulations to be made relating to the Post Office Sick Benefit Fund. The amendment will enable regulations to be made authorising the trustees of the fund in certain cases to commence or carry on litigation in the name of any employee to whom a benefit has been paid from the fund.

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*Hon. Mr Scott*

## POST OFFICE AMENDMENT

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### ANALYSIS

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| Title   | 129c. No stamp duty payable in respect of bonus bonds and national development bonds |
| 1. Short Title and commencement   | 129d. Indemnity of Postmaster-General and officers                                   |
| 2. Application of revenues derived from stamps                                  | 5. Security to depositors and bondholders  |
| 3. Provisions applicable to Home Lay-by Accounts                                | 6. Miscellaneous amendments relating to bonus bonds and national development bonds   |
| 4. New sections inserted relating to bonus bonds and national development bonds | 7. Regulations relating to the Sick Benefit Fund                                     |
| 129A. Bonus bonds   |  |
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### A BILL INTITULED

#### An Act to amend the Post Office Act 1959

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same,  
5 as follows:

**1. Short Title and commencement**—(1) This Act may be cited as the Post Office Amendment Act 1969, and shall be read together with and deemed part of the Post Office Act 1959\* (in this Act referred to as the principal Act).

\*1959, No. 30

Amendments: 1961, No. 94; 1962, No. 27; 1963, No. 107; 1964, No. 105; 1965, No. 9; 1966, No. 80; 1967, No. 109; 1968, No. 34

(2) Section 3 of this Act shall be deemed to have come into force on the 27th day of June 1969, and subsection (1) of that section shall apply in respect of all money for the time being deposited in a Home Lay-by Account on or after that date whether it was deposited before that date or not. 5

(3) Except as provided in subsection (2) of this section, this Act shall come into force on the date of its passing.

**2. Application of revenues derived from stamps**—The principal Act is hereby further amended by repealing section 71, and substituting the following section: 10

“71. (1) The revenue derived from the sale or use of stamps used for the purposes of the Stamp Duties Act 1954 shall be paid into the Consolidated Revenue Account.

“(2) All other revenue derived from the sale or use of stamps shall be paid into the Post Office Account.” 15

**3. Provisions applicable to Home Lay-by Accounts**—(1) Section 129 of the principal Act is hereby amended by repealing paragraphs (b), (c), and (d) of subsection (1), and substituting the following paragraphs:

“(b) Where deposits in the account in any calendar year exceed \$1,000, no suspensory free deposit shall be credited in that year in respect of any amount deposited in excess of that sum: 20

“(c) Any amount in excess of \$1,000 deposited in the account in any calendar year shall, for the purposes of this subsection, be carried forward, subject to paragraph (d) of this subsection, from year to year: 25

“(d) The amount of any deposit, including any amount carried forward as aforesaid, in respect of which a suspensory free deposit is to be credited in any calendar year shall not exceed \$1,000:” 30

(2) The said section 129 is hereby further amended by repealing paragraph (e) of subsection (1), and substituting the following paragraph: 35

“(e) The total amount of suspensory free deposits credited to a Home Lay-by Account shall not exceed \$200:”

(3) The said section 129 is hereby further amended by inserting in subsection (2), after the words “the purchase of a home”, the words “in New Zealand (including a home forming part of a farm or business)”. 40

**4. New sections inserted relating to bonus bonds and national development bonds**—The principal Act is hereby further amended by inserting, after section 129, the following sections:

- 5 “129A. **Bonus bonds**—(1) Subject to the provisions of this section, the Postmaster-General may from time to time issue, for purchase by members of the public, securities to be known as Post Office Bonus Bonds (in this Part of this Act referred to as bonus bonds).
- 10 “(2) A bonus bond may be issued as security for 1 dollar or for 2 or more dollars. For the purposes of participation in any ballot held under this section each dollar so secured shall represent one unit.
- 15 “(3) A bonus bond shall be deemed not to be a New Zealand Government security for the purposes of section 4 of the Trustee Act 1956.
- 20 “(4) Every bonus bond issued under this section shall be numbered so as to indicate the units represented by the bond and shall bear on its face the amount which it secures, together with such other information as the Postmaster-General directs.
- 25 “(5) The Postmaster-General shall cause a register of bonus bonds and a register of holders of bonus bonds to be kept by an officer of the Post Office (in this section referred to as the registrar) at such place or places as the Postmaster-General directs. Every such register shall be kept in such manner and form and contain such particulars as may be prescribed by regulations made under this Act or, in default of any such regulations, as the Postmaster-General from time to time directs. No notice of any trust relating to any bonus bond, whether expressed, implied, or constructive, shall be entered in any such register or be receivable by the Postmaster-General or by any officer of the Post Office.
- 30 “(6) Subject to the provisions of this section and of any regulations made under this Act, any person who has attained 7 years of age and who is not under any legal disability other than that of being a minor may, on making application on such form as may be provided by the Postmaster-General for the purpose, purchase from any office of the Post Office
- 40 Savings Bank any number of bonus bonds in his own name:

“Provided that any person having the custody and control of a minor who has not attained 7 years of age may purchase any such bonds in the name and on behalf of that minor:

“Provided also that no such bonds may be purchased in the name of any body corporate or any unincorporated body of persons, or in the names of two or more individual persons. 5

“(7) If any bonus bond is purchased in the name of a minor under 7 years of age otherwise than in accordance with the first proviso to subsection (6) of this section, the bond shall not be void by reason only of that fact; but if, before the minor attains 7 years of age, the Postmaster-General or the registrar becomes aware that the issue was not in accordance with that proviso, he may forthwith cancel the bond and repay the amount secured by it to any person who has the custody and control of the minor. If any cash prize is won by any such minor (being a minor who has not attained 7 years of age) as a result of a ballot held under this section, the provisions of subsection (15) of this section shall apply as if the bond had been purchased in accordance with the aforesaid proviso. 10 15 20

“(8) As soon as practicable after the purchase of any bonus bond, particulars of the purchase shall be notified to the registrar by the officer from whom the bond was purchased; and on receipt of the notice the registrar shall record particulars of the purchase of the bond in the register of bonus bonds and in the register of holders of bonus bonds in the manner prescribed by regulations made under this Act or, in default of any such regulations, in the manner directed by the Postmaster-General. 25 30

“(9) Neither the registered holder of any bonus bond, nor any person to whom the bond is transmitted by operation of law or who is for the time being charged by the law of New Zealand with the administration of the estate of the registered holder of any such bond, may assign the bond to any other person, whether for consideration or otherwise. If any person purports to assign any such bond in contravention of this subsection, that purported assignment shall be of no effect: 35

“Provided that nothing in this subsection shall prevent any such bond from being transmitted by operation of law to the personal representatives of the registered holder of the bond on his death or to the Official Assignee on the registered holder of the bond being adjudicated bankrupt. 40

“(10) Where the registered holder of a bonus bond dies or is adjudicated bankrupt, it shall be the duty of his personal representatives or of the Official Assignee, as the case may be, to redeem the bond forthwith. If the bond is not so  
5 redeemed, the Postmaster-General or the registrar may, on his becoming aware of the death or bankruptcy, by notice in writing to the personal representatives or to the Official Assignee, as the case may require, cancel the bond and, on so doing, shall repay the amount secured by it.

10 “(11) On application being made at any office of the Post Office Savings Bank in New Zealand on a form provided by the Postmaster-General for the purpose,—

“(a) By the registered holder of a bonus bond; or

15 “(b) If the registered holder is dead, by his personal representatives; or

“(c) If the registered holder is bankrupt, by the Official Assignee in Bankruptcy; or

20 “(d) If the registered holder is a mentally defective person within the meaning of the Mental Health Act 1911, and a committee has been appointed in respect of his estate or the Public Trustee or the Maori Trustee is entitled by virtue of any enactment to the custody and administration of his estate, by the committee or by the Public Trustee or the Maori  
25 Trustee, as the case may be; or

“(e) If the registered holder is a protected person within the meaning of the Aged and Infirm Persons Protection Act 1912 and a manager has been appointed to manage his estate, by the manager; or

30 “(f) In the case of a bond issued in the name and on behalf of a minor under 7 years of age, by any person who has the custody and control of the minor if he is still under that age—

and on surrender of the bond, the Postmaster-General shall  
35 repay to the applicant the amount secured by the bond; and, on being notified of the repayment, the registrar shall cancel the entries in the registers relating to the bond in respect of which the repayment has been made.

“(12) The Minister of Finance shall from time to time by notice published in the *Gazette* fix the rate of interest applicable to bonus bonds. The interest on the amount secured by bonus bonds shall be distributed by the Postmaster-General in the form of cash prizes to holders of bonus bonds in accordance with subsection (13) of this section. 5

“(13) The Postmaster-General shall from time to time cause a ballot to be held of the units of all registered bonus bonds that the Postmaster-General declares to be eligible for the purpose of ascertaining which of the registered holders of those bonds are to receive the cash prizes referred to in subsection (12) of this section. In respect of ballots held under this subsection, the Postmaster-General shall from time to time determine— 10

“(a) The method of conducting a ballot: 15

“Provided that every ballot shall be held in such a way as to ensure that each unit of a bonus bond has the same chance of securing a prize for the registered holder of the bond as any other unit:

“(b) The number and value of prizes to be allocated in respect of ballots generally or in respect of any particular ballot: 20

“(c) The conditions and eligibility of bonus bonds to participate in ballots or in respect of any specified ballot: 25

“(d) Such other matters as may be necessary to hold any ballot.

“(14) The Postmaster-General shall cause the number of each bond-unit drawn in every ballot held under subsection (13) of this section to be published in the *Gazette* and by such other means as he may determine from time to time. 30

“(15) Where as a result of a ballot held under this section a cash prize is payable in respect of a bonus bond, the Postmaster-General shall pay the prize out of the Post Office Account— 35

“(a) Subject to paragraphs (b) to (f) of this subsection, to the registered holder of the bond; or

“(b) If the registered holder is dead, to his personal representatives; or

“(c) If the registered holder is bankrupt, to the Official Assignee; or 40

5 “(d) If the registered holder is a mentally defective person within the meaning of the Mental Health Act 1911 and a committee has been appointed in respect of his estate or the Public Trustee or the Maori Trustee is entitled by virtue of any enactment to the custody and administration of his estate, to the committee or Public Trustee or the Maori Trustee, as the case may be; or

10 “(e) If the registered holder is a protected person within the meaning of the Aged and Infirm Persons Protection Act 1912 and a manager has been appointed to manage his estate, to the manager; or

15 “(f) In the case of a bond issued in the name and on behalf of a minor under 7 years of age, to any person having the custody and control of the minor if he is still under that age.

“(16) Before making any payment under subsection (15) of this section, the Postmaster-General shall satisfy himself that the person to whom he proposes to pay the prize is the  
20 person entitled to it, and for this purpose may require production of the bond and such evidence of identity of that person as he thinks necessary.

“(17) If any prize money won as a result of a ballot held under this section is not claimed or the person entitled to it  
25 cannot be traced, or if any bond is cancelled under this section and the person entitled to the money secured by the bond cannot be traced, the Postmaster-General shall hold the money in an ordinary Post Office Savings Bank account on behalf of the person entitled to it; and all the  
30 provisions of this Part of this Act relating to such an account and to deposits in any such account, so far as they are applicable, shall apply accordingly.

“(18) All money received from the sale of bonus bonds under this section shall be paid into the Post Office Account,  
35 and all repayments made in accordance with subsections (10) and (11) of this section and all payments of prizes in accordance with subsection (15) of this section shall, without further appropriation than this section, be made out of that account.

“(19) Any money paid into the Post Office Account under  
40 subsection (18) of this section, or such part of any such money as the Postmaster-General directs, may be invested in accordance with section 75 of the Public Revenues Act 1953.

“(20) Nothing in the Gaming Act 1908 shall apply to bonus bonds or to the sale or purchase of any such bonds or to any cash prize payable under this section to the holder of any such bond or in respect of the holding of a ballot under this section.

“129B. **National development bonds**—(1) Subject to the provisions of this section, the Postmaster-General may from time to time issue, for purchase by members of the public, securities to be known as Post Office National Development Bonds (in this Part of this Act referred to as development bonds). 5 10

“(2) A development bond may be issued as security for the sum of \$10 or for any multiple of \$10.

“(3) Every development bond issued under this section shall bear on its face the amount which it secures and shall be in such form as the Postmaster-General from time to time directs. 15

“(4) The Postmaster-General shall cause a register or registers of development bonds and of holders of development bonds to be kept by an officer or officers of the Post Office at such place or places as he from time to time directs. Every such register shall be kept in such manner and form and contain such particulars as may be prescribed by regulations made under this Act or, in default of any such regulations, as the Postmaster-General from time to time directs. Except as provided in subsection (8) of this section, no notice of any trust relating to any development bond, whether expressed, implied, or constructive, shall be entered in any such register or be receivable by the Postmaster-General or by any officer of the Post Office. 20 25

“(5) Subject to the provisions of this section and to any regulations made under this Act, any person who has attained 7 years of age and who is not under any legal disability other than that of being a minor may make application at any office of the Post Office Savings Bank, on a form provided by the Postmaster-General for the purpose, to purchase any number of development bonds, either in his own name or in the name of any other person who has attained 7 years of age or who is not under any legal disability other than that of being a minor: 30 35

“Provided that any person having the custody and control of a minor who has not attained 7 years of age may apply to purchase any such bonds in the name and on behalf of that minor: 40

“Provided also that no application for the purchase of any such bonds may be made in the name of any body corporate or any unincorporated body of persons, or in the names of two or more individual persons.

5 “(6) As soon as practicable after the receipt of any application made under subsection (5) of this section and after the applicant has deposited with the Post Office Savings Bank the amount that he wishes to be secured by the bond for which he has applied, the officer charged with keeping the appropriate register of development bonds and register of holders of development bonds shall, if the application is in accordance with this section and with any regulations made under this Act relating to development bonds, issue to the applicant a development bond as security for the amount deposited by him and shall then record particulars of the issue in the registers in the manner prescribed by regulations made under this Act or, in default of any such regulations, in the manner directed by the Postmaster-General.

10 “(7) Neither the registered holder of any development bond nor any person to whom the bond is transmitted by operation of law or who is for the time being charged by the law of New Zealand with the administration of the estate of the registered holder of any such bond may assign the bond to any other person, whether for consideration or otherwise. If any person purports to assign any such bond in contravention of this subsection, that purported assignment shall be of no effect:

15 “Provided that nothing in this subsection shall prevent any such bond from being transmitted by operation of law to the personal representatives of the registered holder of the bond on his death or to the Official Assignee on the registered holder of the bond being adjudicated bankrupt:

20 “Provided also that, where the registered holder of a bond has died, his personal representatives may assign the bond to any trustee who may have been appointed in respect of the estate of the deceased bondholder or to any beneficiary who may be entitled to the bond either under the will of the deceased bondholder or under the Administration Act 1952 or any other enactment.

25 “(8) Every development bond shall mature at the expiration of 8 years from the date of its purchase. At any time after the expiration of 3 months from the date on which any such bond was purchased, and on application being made at any office of the Post Office Savings Bank on a form provided by the Postmaster-General for the purpose—

30 “(a) By the registered holder of the bond; or

- “(b) If the registered holder is dead, by his personal representatives, or, where any such personal representatives have assigned the bond to any trustee or beneficiary of the deceased’s estate, by that trustee or beneficiary, or, where any such trustee has assigned the bond to any beneficiary, by that beneficiary; or 5
- “(c) If the registered holder is adjudicated bankrupt, by the Official Assignee in Bankruptcy; or
- “(d) If the registered holder is a mentally defective person 10  
 within the meaning of the Mental Health Act 1911 and a committee has been appointed in respect of his estate or the Public Trustee or the Maori Trustee is entitled by virtue of any enactment to the custody and administration of his estate, by the committee or by the Public Trustee or the Maori Trustee, as the case may be; or 15
- “(e) If the registered holder is a protected person within the meaning of the Aged and Infirm Persons Protection Act 1912 and a manager has been appointed to manage his estate, by the manager; or 20
- “(f) In the case of a bond issued in the name of a minor under 7 years of age, by any person having the custody and control of the minor if he is still under that age— 25

and on surrender of the bond, the Postmaster-General shall repay to the applicant the amount secured by the bond, together with such interest as shall have accrued in accordance with subsections (9) and (10) of this section in respect of the amount so secured. If any such bond is surrendered 30 before it has matured, the amount secured by the bond, together with such interest as may have accrued in accordance with subsections (9) and (10) of this section in respect of that amount up to and including the date of surrender, shall be repayable to such person as may be entitled to the 35 bond on his making an application as aforesaid. On any repayment being made under this subsection, the officer charged with keeping the appropriate register of development bonds and register of holders of development bonds shall, on being notified of the repayment, cancel the entry in the registers relating to the bond in respect of which the repayment 40 was made.

“(9) The amount secured by every development bond issued under this section shall bear interest from the date of its purchase at the rate of—

- 5       “(a) Two and a half percent per year during the first year or part of that year:
- “(b) Three and a half percent per year during the second year or part of that year:
- “(c) Four and a half percent per year during the third year or part of that year:
- 10     “(d) Five and a half percent per year during the fourth year or part of that year:
- “(e) Six and a half percent per year during the fifth year or part of that year:
- “(f) Seven and a half percent per year during the sixth year or part of that year:
- 15     “(g) Eight and a half percent per year during the seventh year or part of that year:
- “(h) Nine and a half percent per year during the eighth year or part of that year.

20     “(10) Interest on every development bond issued under this section shall be computed from the date of its purchase, and shall be calculated up to and including the anniversary of the date of purchase of the bond in each year of its currency. All such interest shall be added to the amount secured by the

25     bond for the purpose of calculating interest in any subsequent year. No such interest shall be payable to the registered holder of any such bond, or to such other person as may be entitled under this section to the bond, until the redemption of the bond on or after its maturity or on its earlier surrender.

30     “(11) If any development bond has not been surrendered at the date of its maturity, the interest payable in accordance with subsections (9) and (10) of this section in respect of the amount secured by the bond shall be ascertained at that date and the bond shall be deemed to be surrendered. The amount

35     secured by the bond, together with all interest so ascertained, shall thereafter be deemed to be money deposited in an ordinary Post Office Savings Bank account; and all the provisions of this Part of this Act relating to such an account and to deposits in any such account, so far as they are applicable,

40     shall apply accordingly.

“(12) All money received from the sale of development bonds under this section shall be paid into the Post Office Account and all payments made by way of principal and interest to the registered holders of development bonds or to any other person entitled to any such bonds in accordance with this section shall, without further appropriation than this section, be made out of that account. 5

“(13) Any money paid into the Post Office Account under subsection (12) of this section, or such part of any such money as the Postmaster-General directs, may be invested in accordance with section 75 of the Public Revenues Act 1953. 10

“129c. **No stamp duty payable in respect of bonus bonds and national development bonds**—No stamp duty or other duty under the Stamp Duties Act 1954 shall be payable in respect of any bond issued under section 129A or section 129B of this Act or in respect of any instrument which relates solely to the repayment of money secured by any such bond or to any prize or interest payable in respect of it. 15

“129d. **Indemnity of Postmaster-General and officers**—(1) Neither the Postmaster-General nor any person acting under his authority shall be liable in respect of any payment properly made or any act properly done under section 129A or section 129B of this Act. Any such payment shall, subject to the provisions of subsection (2) of this section, be deemed to have been a valid payment; and the receipt of the person to whom the money was paid shall be a full discharge to the Postmaster-General for the amount of the repayment. 20 25

“(2) Nothing in subsection (1) of this section shall prevent the recovery by the registered holder of a bonus bond or a development bond, or any person for the time being entitled thereto, of any money lawfully due to him in respect of any such bond from the person to whom the money was paid by or under the direction of the Postmaster-General, or from any executor, administrator, trustee, committee, manager, or other representative or any beneficiary of that person's estate, or affect the right which any person or his legal personal representatives may have against any other person in respect of any such bond.” 30 35

**5. Security to depositors and bondholders**—The principal Act is hereby further amended by repealing section 120, and substituting the following section: 40

“120. If at any time the money available in the Post Office Account is insufficient for the payment of amounts (including any accrued interest or prize money) due to depositors and to registered holders of bonds issued under section 129A or section 129B of this Act, the Minister of Finance shall, without further appropriation than this section, pay the amount of the deficiency from the Consolidated Revenue Account into the Post Office Account and as soon as practicable thereafter, shall report the deficiency and payment to Parliament.”

10 **6. Miscellaneous amendments relating to bonus bonds and national development bonds**—(1) Section 118 of the principal Act is hereby consequentially amended by repealing subsection (1), and substituting the following subsection:

“(1) No officer shall disclose—

15 “(a) The name of any depositor in a Post Office Savings Bank Account or the name of the registered holder of any bond issued under section 129A or section 129B of this Act; or

20 “(b) The amount deposited in any such account or the number or value of bonds issued to or held by any person under the aforesaid sections; or

“(c) The amount withdrawn from any such account or the amount paid to any person in respect of any such bond; or

25 “(d) The balance of any such depositor’s account—  
except to the Postmaster-General or to such officers as are appointed to assist in implementing the provisions of this Part of this Act:

30 “Provided that nothing in this section shall be deemed to exempt any officer from disclosing in evidence any matters in obedience to the process of any court of law, or on an examination before any person having lawful authority to take evidence in any proceeding under any law relating to bankruptcy or insolvency or to social security benefits or from  
35 disclosing any matter in compliance with any enactment.”

40 (2) Section 126 of the principal Act is hereby amended by omitting the words “or any person claiming in right of a depositor,” and substituting the words “or the registered holder of any bond issued under section 129A or section 129B of this Act or any person claiming to be a depositor or registered holder of any such bond or any rights of a depositor or registered holder of any such bond”.

(3) Section 130 of the principal Act is hereby amended by adding the following paragraphs:

“(h) Prescribing the mode of issue of bonus bonds and development bonds and prescribing the conditions subject to which any such bonds may be issued or purchased: 5

“(i) Providing for the form and manner of registration of bonus bonds and development bonds and for the form and manner of registration of the holders of any such bonds: 10

“(j) Providing for the rectification of mistakes made in any bonus bond or development bond and in any register kept pursuant to section 129A or section 129B of this Act: 15

“(k) Providing for the replacement of bonus bonds or development bonds which are proved, to the satisfaction of the Postmaster-General or such other officer of the Post Office as may be specified in the regulations, to be lost or destroyed: 20

“(l) Prescribing the procedure to be followed in making repayments of money secured by bonus bonds and development bonds and in making payment of any prize money or interest due in respect of any such bond: 25

“(m) Providing for the cancellation of bonus bonds and development bonds in cases where their holders or other persons for the time being entitled thereto are in breach of any provision of this Part of this Act, or any regulations made under this Act, relating to bonus bonds or development bonds, as the case may be: 30

“Provided that, where any regulations are made under this paragraph, provision shall be made for the amount secured by any bond which is cancelled to be repaid to the holder of the bond or other person entitled to it: 35

“(n) Providing for such matters as are contemplated by or necessary for giving full effect to this Part of this Act and for its due administration.”

(4) Section 176 of the principal Act is hereby amended by omitting the words “section one hundred and nineteen”, and substituting the words and figures “sections 119, 129A, and 129B”. 40

**7. Regulations relating to the Sick Benefit Fund**—Section 186 of the principal Act is hereby amended by adding to subsection (2) the following paragraph:

- 5       “(f) Authorising the persons administering the Sick Benefit  
Fund to commence or carry on litigation in the  
name of any employee of the Post Office to whom  
a benefit has been paid out of the fund in respect  
of absence from duty in any case where the  
employee appears to the persons administering the  
10       fund to have a claim for damages or compensation  
in respect of any disease or injury which resulted in  
his absence from duty as aforesaid.”