



**THE POST OFFICE SAVINGS BANK REGULATIONS 1944,
AMENDMENT NO. 18**

DAVID BEATTIE, Governor-General

ORDER IN COUNCIL

At the Government House at Wellington this 10th day of August 1981

Present:

HIS EXCELLENCY THE GOVERNOR-GENERAL IN COUNCIL

PURSUANT to the Post Office Act 1959, 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 Post Office Savings Bank Regulations 1944, Amendment No. 18, and shall be read together with and deemed part of the Post Office Savings Bank Regulations 1944* (hereinafter referred to as the principal regulations).

(2) These regulations shall come into force on the 14th day after the date of their notification in the *Gazette*.

2. Direct credits and automatic payments accepted by Post Office Savings Bank—The principal regulations are hereby amended by inserting, after regulation 58, the following heading and regulation:

“DIRECT CREDITS AND AUTOMATIC PAYMENTS

“58A. **Direct credits and automatic payments accepted by Post Office Savings Bank**—(1) A direct credit of funds may be accepted—

“(a) As a deposit to such classes of account as may be determined by the Postmaster-General from time to time; or

“(b) For transmittal to an account held in another banking institution:

“Provided that where any direct credit is entered in any depositor’s account pursuant to paragraph (a) hereof, but the necessary funds are not received from the payer, such funds may be recovered by a debit in the depositor’s account without the consent of the depositor first being obtained, and notice of any such debit entry shall be forwarded by the first available mail to the depositor.

“(2) Any depositor may instruct the Savings Bank to make payments from any money deposited to such classes of account open in his name as may be determined from time to time by the Postmaster-General to any nominated individual person, body corporate, or unincorporated body.

“(3) Notwithstanding anything in these regulations, any payment made or direct credit accepted as a deposit under this regulation shall be subject to such conditions, including fees (if any), in respect of such class of accounts, class of payments, class of depositors or payees, group of depositors or payees, or particular payee organisations, as may be determined from time to time by the Postmaster-General.”

3. Personal loan services—The principal regulations are hereby further amended by revoking regulation 120 (as added by regulation 2 (1) of the Post Office Savings Bank Regulations 1944, Amendment No. 12), and substituting the following regulation:

“120. **Eligibility for loan**—Personal loans shall be made at the discretion of the Postmaster-General to such persons aged 17 years or over and on such conditions as he may determine.

4. Persons entitled to open personal cheque accounts—Regulation 134 (1) of the principal regulations (as added by regulation 3 of the Post Office Savings Bank Regulations 1944, Amendment No. 14, and amended by regulation 2 of the Post Office Savings Bank Regulations 1944, Amendment No. 17) is hereby amended by adding the following paragraph:

“(c) Any person under the age of 18 years, under such conditions as the Postmaster-General may determine from time to time.”

5. Farm ownership accounts—The principal regulations are hereby further amended by revoking regulation 139 (as inserted by regulation 4 of the Post Office Savings Bank Regulations 1944, Amendment No. 14), and substituting the following regulation:

“139. **Persons entitled to open farm ownership accounts**—A farm ownership account may be opened in the name of any person eligible to do so in terms of section 5 of the Farm Ownership Savings Act 1974.”

6. Fishing vessel ownership accounts—The principal regulations are hereby further amended by revoking regulation 146 (as inserted by regulation 15 of the Savings Bank Regulations 1944, Amendment No. 16), and substituting the following regulation:

“146. **Persons entitled to open fishing vessel ownership accounts**—A fishing vessel ownership account may be opened in the name of any person eligible to do so in terms of section 5 of the Fishing Vessel Ownership Savings Act 1977.”

7. New Part XV added—(1) The principal regulations are hereby amended by adding the following Part:

“PART XV

“CUSTOMER IDENTIFICATION CARDS

“166. **Customer identification cards and guarantee of cheques**—The Postmaster-General may issue customer identification cards to such holders of cheque accounts as he may determine and may guarantee payment of a cheque not exceeding \$50 to a third party under the following conditions:

- “(a) The cheque shall be presented to the third party together with a Post Office Savings Bank customer identification card; and
- “(b) The cheque shall be drawn payable to the third party on a Post Office Savings Bank cheque form which bears the account number printed on the customer identification card and shall be drawn prior to the expiry date shown on the card; and
- “(c) The cheque shall be signed in the presence of the payee; and
- “(d) The payee shall—
 - “(i) Verify the signature on the cheque by comparing it with that on the customer identification card; and
 - “(ii) Record the card number and expiry date printed in the customer identification card on the back of the cheque and sign and date the entry.

“167. **General conditions regarding use of cards**—(1) If a cardholder draws a cheque pursuant to regulation 166 hereof so as to:

- “(a) Overdraw any account where no overdraft arrangement has been made; or
- “(b) Overdraw any account in excess of any overdraft limit authorised by the Postmaster-General,—

he shall be deemed to have been granted an overdraft pursuant to Part XIV hereof of the amount overdrawn, subject to the conditions and rates of interest then applying, or, if different conditions and rates apply to different cheque account holders, subject to the least advantageous conditions and rates of interest:

“Providing that nothing in this subclause shall be regarded as entitling a cardholder to overdraw any account without authority.

“(2) Any countermand of payment of a cheque issued under the conditions of regulation 166 hereof shall not be binding upon the Postmaster-General.

“(3) Every customer identification card shall remain the property of the Postmaster-General at all times, and shall be returned to him upon request. Should such a request not be complied with, the Postmaster-General may stop the operation of the cardholder’s account until such time as the customer identification card is returned, or as may be deemed necessary by the Postmaster-General.”

C. J. HILL,
Acting for Clerk of the Executive Council.

EXPLANATORY NOTE

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

These regulations amend the Post Office Savings Bank Regulations 1944.

Regulation 2 provides for—

- (a) The acceptance of deposits to Post Office Savings Bank customers' accounts by way of direct credit;
- (b) The acceptance and transmittal by the Post Office Savings Bank of funds destined for an account held by another banking institution;
- (c) The payment by the Post Office Savings Bank of the funds held at the credit of a customer on the instructions of that customer;
- (d) The setting of the conditions and charges (if any) for these services by the Postmaster-General.

Regulation 3 provides for the reduction of the minimum age of a borrower in respect of any class of personal loan from 18 years to 17 years.

Regulation 4 provides for the personal cheque account service to be made available to persons under the age of 18 years.

Regulations 5 and 6 allow Farm and Fishing Vessel Ownership accounts to be opened without the prior written consent of the Rural Banking and Finance Corporation.

Regulation 7 provides for customer identification cards to be issued to selected cheque account customers and for cheques up to \$50 issued by these customers to third parties to be guaranteed by the Post Office Savings Bank subject to the conditions outlined.

Issued under the authority of the Regulations Act 1936.

Date of notification in *Gazette*: 13 August 1981.

These regulations are administered in the Post Office.