



THE PRIVATE SAVINGS BANKS INTEREST ORDER 1977

DENIS BLUNDELL, Governor-General

ORDER IN COUNCIL

At the Government House at Wellington this 26th day of July 1977

Present:

HIS EXCELLENCY THE GOVERNOR-GENERAL IN COUNCIL

PURSUANT to the Reserve Bank of New Zealand Act 1964 and the Private Savings Banks Act 1964, 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 Private Savings Banks Interest Order 1977.

(2) This order shall come into force on the day after the date of its notification in the *Gazette*.

2. Interpretation—In this order—

“Investment account” means a deposit account where the deposit is for a specified term of not less than 30 days and in respect of which a lower rate of interest is payable on money withdrawn before the expiry of the specified term:

“Term deposit” means any deposit account where the fixed term of the deposit is not less than 30 days.

3. Rate of interest on accounts other than investment accounts and term deposits—The rate of interest to be paid by any savings bank company on money deposited with the bank in any class of account, other than an investment account or a term deposit, (whether the deposit was made before or after the commencement of this order) shall be such rate in respect of each class of account as may be determined from time to time by each savings bank company, but not exceeding 3 percent per annum.

4. Revocation and transitional provisions—(1) The Private Savings Banks Interest Order 1976* is hereby revoked.

(2) Notwithstanding the revocation of the Private Savings Banks

Interest Order 1976 by subclause (1) of this clause, the rates of interest payable, and the conditions applying, in respect of money which was deposited in 6-month, 1-year, 2-year, and 3-year investment accounts immediately before the commencement of this order shall be the same as those specified in that order until the expiry of each term of deposit.

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 defines the terms "investment account" and "term deposit".

Clause 3 repeats the provision fixing the maximum rate of interest payable on accounts other than investment accounts and term deposits. The maximum rate is 3 percent per annum.

Clause 4, subclause (1) revokes the Private Savings Banks Interest Order 1976.

Subclause (2) provides that the rates of interest payable, and the conditions applying, in respect of current investment accounts shall be the same as those specified in the Private Savings Banks Interest Order 1976 until the expiry of each term of deposit.

NOTE: 1. The provision whereby interest was payable only on \$1,000 in special-purpose accounts is not repeated.

2. As no rates of interest are specified in respect of investment accounts or term deposits each savings bank company is free, subject to clause 4 (2) of the order, to set its own rates of interest and other conditions.

Issued under the authority of the Regulations Act 1936.

Date of notification in *Gazette*: 28 July 1977.

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