SAVINGS BANKS

1960 No. 779

The Savings Banks (Deposits) (Limits) Order, 1960

Laid before Parliament in draft

Made - - - -	*28th April*, 1960
Coming into Operation	*2nd May*, 1960

The Lords Commissioners of Her Majesty's Treasury, in exercise of the powers conferred upon them by section 4 of the Post Office Savings Bank Act, 1954(**a**), and section 12 of the Trustee Savings Banks Act, 1954(**b**), and of all other powers enabling them in that behalf, hereby make the following Order:—

1.—(1) Subject to the provisions of this Order, it shall not be lawful for the Postmaster-General to receive a deposit from, or make a credit to, an account of any person, or for a trustee savings bank to receive a deposit from, or make a credit to, an account of any person by way of ordinary deposit, in any case where the amount standing to the credit of that person in the Post Office Savings Bank or by way of ordinary deposit in the trustee savings bank, whether solely or jointly with any other person, and whether the depositor has or has not more than one account in the Post Office Savings Bank or by way of ordinary deposit in the trustee savings bank, as the case may be, exceeds, or would as a result of the receipt of the said deposit or the making of the said credit, exceed £5,000.

(2) The foregoing paragraph shall not operate to prevent—

(*a*) the transfer of an account from one trustee savings bank to another trustee savings bank; or

(*b*) the crediting to a depositor's account in any savings bank of—

(i) interest on deposits in any such account,

(ii) dividends on any Government stock or bonds held by him on the Post Office register,

(iii) any sum accruing to him in respect of any savings bank annuity or insurance,

(iv) any sum transferred from the account of another depositor who has died.

(3) In computing for the purposes of this Order the amount standing to the credit of any person, whether solely or jointly with any other person and whether the depositor has or has not more than one account as aforesaid, there shall not be taken into account deposits made for the purpose of an immediate—

(**a**) 2 & 3 Eliz. 2. c. 62. (**b**) 2 & 3 Eliz. 2. c. 63.

(*a*) investment in any Government stock or bonds,

(*b*) purchase of a savings bank annuity or insurance,

(*c*) loan, free of interest, to Her Majesty's Government.

2.—(1) The limits on the amounts of deposits imposed by this Order shall not apply to deposits made—

(*a*) with the approval of the National Debt Commissioners,

(i) by a friendly society registered under the Acts relating to friendly societies or by a registered branch of such a society ;

(ii) by a society incorporated under the Building Societies Acts ;

(iii) by a society registered under the Industrial and Provident Societies Act, 1893(**a**) ;

(iv) by a charitable or provident institution or society ;

(v) by any person in respect of donations or bequests for the maintenance, education or benefit of the poor ;

(vi) by a savings club ; or

(vii) by a penny savings bank ; or

(*b*) in the Post Office Savings Bank, with the approval of the Postmaster-General, by a Government Department or Office ; or

(*c*) by virtue or in pursuance of any enactment in that behalf, by a sheriff clerk in Scotland or a clerk of the Crown and Peace in Northern Ireland.

(2) The National Debt Commissioners and the Postmaster-General may attach to their approval referred to in this article and to any approval of theirs given before the date on which this Order takes effect such conditions as may seem to them appropriate and may at any time revoke or vary an approval given by them or revise the conditions attached thereto.

3. The Interpretation Act, 1889(**b**), shall apply to the interpretation of this Order as it applies to the interpretation of an Act of Parliament.

4.—(1) The Savings Banks (Limits of Deposits) Order, 1946(**c**), and the Savings Banks (Limits of Deposits) (Amendment) Order, 1952(**d**), are hereby revoked.

(2) Subject to the provisions in that behalf contained in paragraph (2) of article 2 hereof, nothing in this Order shall operate to revoke any approval of the National Debt Commissioners or the Postmaster-General given before the date on which this Order comes into operation.

5. This Order may be cited as the Savings Banks (Deposits) (Limits) Order, 1960, and shall come into operation on the second day of May, nineteen hundred and sixty.

(**a**) 56 & 57 Vict. c. 39. (**b**) 52 & 53 Vict. c. 63.
(**c**) S.R. & O. 1946/1790 (Rev. XX, p. 599: 1946 I, p. 1532).
(**d**) S.I. 1952/293 (1952 III, p. 2953).

Dated this twenty-eighth day of April, nineteen hundred and sixty.

Michael Hughes-Young,
Graeme Bell Finlay,
Two of the Lords Commissioners
of Her Majesty's Treasury.

EXPLANATORY NOTE

(This Note is not part of the Order, but is intended to indicate its general purport.)

The Order consolidates, with amendments, the Savings Banks (Limits of Deposits) Order of 1946 and the Savings Banks (Limits of Deposits) (Amendment) Order of 1952. It applies to accounts and deposits in the Post Office Savings Bank and in the Ordinary Department of a Trustee Savings Bank and its main purposes are:—

(*a*) to increase from £3,000 to £5,000 the limit on the aggregate amount standing to the credit of a Savings Bank account;

(*b*) to suspend the limit on the amount which may be deposited in or credited to a savings bank account in any Savings Bank year. The present limit is £500 subject to the proviso that a depositor may, not more than once in the same Savings Bank year, deposit money to replace money previously withdrawn in one entire sum during that year;

(*c*) to define, with some modifications, the conditions under which the limit shall not prevent the making of certain classes of deposit;

(*d*) to define certain kinds of deposit which are ignored in computing the amount of the account for the purposes of the limit;

(*e*) to define the terms and conditions under which the limit may be waived in favour of certain classes of depositor.