

SAVINGS BANKS AMALGAMA- TION ACT.

—
Act No. 6, 1914.

**George V, An Act to dissolve the Savings Bank of New South
No. 6.** Wales and to vest the property, rights, and liabilities of the said bank in the Government Savings Bank ; to repeal the Savings Bank of New South Wales Act, 1902, and the Savings Bank of New South Wales (Amendment) Act, 1902 ; to amend the Government Savings Bank Act, 1906, and the Government Savings Bank Amendment Act, 1913, and certain other Acts ; and for purposes consequent thereon or incidental thereto. [Assented to, 16th April, 1914.]

BE it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of the same, as follows : -

Short title
and
definition.

1. This Act may be cited as the "Savings Banks Amalgamation Act, 1914."

In this Act "The Principal Act" means the Government Savings Bank Act, 1906 ; and words and expressions used in this Act shall have the same meanings as when used in the Principal Act.

Commence-
ment of Act.

2. This Act shall, except where otherwise in this Act provided, commence and come into force on a date to be proclaimed by the Governor and published in the Gazette.

Dissolution

Dissolution of Savings Bank of New South Wales. George V,
No. 6.

3. The body corporate of the Savings Bank of New South Wales is dissolved.
The Savings Bank of New South Wales Act, 1902, and the Savings Bank of New South Wales (Amendment) Act, 1902, are repealed.

Dissolution of
Savings Bank
of New South
Wales.
Repeal.

Vesting of property in commissioners.

4. All property real and personal, and all moneys, and securities for money, and all obligatory instruments, evidences, and muniments, and all powers, rights, claims, and privileges at law or in equity acquired, had, or possessed, or enjoyed by, or vested in, the Savings Bank of New South Wales, or the trustees, district trustees, president, vice-president, or other officer of such bank on behalf of or for the use or benefit of such bank, or for any purpose, or upon any trust connected with such bank shall, by virtue of this Act, pass to and become vested in the commissioners, and be deemed and taken to be the property of the commissioners as if the right or title thereto had originally been vested in the commissioners.

Vesting of
property of
Savings Bank
of New South
Wales in the
Commis-
sioners.

5. All persons indebted at the commencement of this Act in any sum of money to the Savings Bank of New South Wales, or the trustees, district trustees, president, vice-president, or other officer of the bank on behalf or on account of such bank, shall pay such sum to the commissioners, and the same shall be recoverable by the commissioners as a debt due to them, whose receipt shall be sufficient discharge.

Where person
indebted to
Savings Bank
of New South
Wales.

6. All moneys lawfully due and owing at the commencement of this Act to any person by the Savings Bank of New South Wales, or such trustees, district trustees, president, vice-president, or other officer on behalf or on account of the said bank, shall be paid by and be recoverable from the commissioners.

Where money
owing by the
said bank.

7. Any right of action accrued to or against, and any contract, agreement, lease, mortgage, bond, guarantee, covenant, or obligation lawfully made or entered into by or with the Savings Bank of New South Wales, or the trustees, district trustees, president, vice-president, or other officers thereof, on behalf or account of the said bank may be enforced, by or

Enforcement
of rights of
action by and
against such
bank.

Savings Banks Amalgamation Act.

**George V,
No. 6.** against the commissioners in their name, as if the right of action had originally accrued to or against, or the contract, agreement, lease, mortgage, bond, guarantee, covenant, or obligation had been made or entered into by or with the commissioners.

Moneys to be carried to Savings Bank Department. **8.** (1) All properties and moneys vested in or payable to and all moneys payable by the commissioners under the four last preceding sections shall, subject to this Act, be carried to and payable out of the Savings Bank Department.

Reserve fund. (2) The reserve fund of the Savings Bank of New South Wales shall be carried to the reserve fund constituted by section twenty-five of the Principal Act.

Officers of the banks.

Compensation to managing trustee. **9.** (1) Out of the reserve fund of the Savings Bank department the commissioners shall pay to the managing trustee of the Savings Bank of New South Wales such sum as the Governor may approve as compensation for the abolition of his office.

Taking over of officers of Savings Bank of New South Wales. (2) All permanent staff officers in the service of the Savings Bank of New South Wales at the commencement of this Act shall be regarded as having been appointed by the commissioners in terms of the Principal Act, such appointment to date from the date of appointment in the Savings Bank of New South Wales, and such officers shall otherwise be subject to sections thirty-two and thirty-three of the Government Savings Bank Act, 1906.

Compensation on dispensing with services of officers. (3) Provided that should the services of any of the permanent staff officers of the bank be dispensed with by the commissioners within two years after the commencement of this Act for any reason other than misconduct, the commissioners shall pay to such officers such amount by way of compensation as the commissioners in their discretion may determine, but shall not exceed one month's salary for every year's service.

Fidelity guarantee fund.

Fidelity guarantee fund. **10.** Out of the accumulated profits of the bank the commissioners may from time to time set aside such sums as may be necessary to supplement the fidelity guarantee fund established by the Savings Bank of New South Wales. The

The said guarantee fund may be added to by the addition of premiums on fidelity guarantees, and interest at such rate as the commissioners may determine on the amount at credit of such fund :

George V,
No. 6.

Provided that such premiums may be paid by the officers or charged to the bank in whole or in part at the option of the commissioners.

11. All losses caused by fraud or carelessness, whether occurring before or after the commencement of this Act, and whether in connection with the bank or with the Savings Bank of New South Wales, may be charged to the said fidelity guarantee fund :

Losses by
fraud, &c.

Provided that nothing herein shall prevent the commissioners from recovering compensation or damages from the officer or other person guilty of such fraud or carelessness.

Depositors in the Savings Bank of New South Wales.

12. (1) Notwithstanding section thirty-eight of the Principal Act, where any person has at the commencement of this Act an account in the Savings Bank of New South Wales, such person may, subject to the provisions of this section, continue such account for a period not exceeding ten years from such commencement, at the office at which it was kept at such commencement, or at a branch of the bank substituted by the commissioners for such office.

Continuation
of accounts in
the Savings
Bank of New
South Wales.

Subject to this Act, the provisions of the Principal Act and the Government Savings Bank Amendment Act, 1913, shall apply to any such account :

Provided that this subsection shall not apply where the holder of an account which was opened in the Savings Bank of New South Wales after the first day of July, one thousand nine hundred and fourteen, also had an account at the commencement of this Act in the bank managed by the commissioners.

(2) At the expiration of such period such account shall be subject in all respects to the provisions and regulations governing accounts opened under the Principal Act.

(3)

George V,
No. 6. Rate of
interest.

(3) Such person shall, while his account in the Savings Bank of New South Wales is continued, be entitled to receive from time to time interest at the rate hereinafter mentioned on any amount up to two hundred pounds to the credit of such account :

Provided that, in the case of the account of any friendly society or charitable institution, the commissioners may allow interest on any amount above two hundred pounds at such rate as may be agreed upon between them and the society or charitable institution.

(4) The interest payable under the first paragraph of the last preceding subsection shall be one-half of one per centum above the rate paid to depositors under the Principal Act, but not exceeding three and one-half per centum per annum :

Provided that if, at any time during the said period of ten years, the rate of interest payable in respect of any accounts (other than the accounts mentioned in paragraphs (a) and (c) of section thirty-nine of the Principal Act as amended by the Savings Bank Amendment Act, 1913) is fixed by the commissioners at an amount equal to or greater than three and one-half per centum, the rate of interest payable under this subsection shall, in respect of like accounts, be the same as the rate so fixed.

Depositor
availing him-
self of the
advantages
conferred by
the Bank.

13. Any holder of a pass-book of the Savings Bank of New South Wales desiring, during the period of ten years aforesaid, to operate on such account at a branch or agency of the Government Savings Bank other than a branch or agency substituted by the commissioners for an office of the Savings Bank of New South Wales, or to avail himself of any other advantage possessed by the depositors of the Government Savings Bank, and not possessed by the depositors of the Savings Bank of New South Wales at the commencement of this Act, may do so, but such operation shall, unless the commissioners otherwise determine, be taken as a direction to the commissioners to transfer his account to a pass-book of the Government Savings Bank; and the transfer will be made accordingly, and the former pass-book shall be deemed to be cancelled.

Supplemental

*Supplemental.*George V,
No. 6.

14. The commissioners may at any time after the passing of this Act, and for the purpose of bringing it into operation at its commencement, inspect any books of account of the Savings Bank of New South Wales.

Inspection of
books of
account.

15. The commissioners may, under and subject to the provisions of the Principal Act relating to regulations made thereunder, make regulations for carrying out the provisions of this Act.

Regulations.

16. The amendments in sections sixty-six and sixty-eight of the Principal Act effected by the Schedule to the Government Savings Bank Amendment Act, 1913, are amended as follows:—

Amendments
to ss. 66 and
68 of
Principal Act.

- (a) In the amendment to section sixty-six subsection one, after “penalty” omit “of” and insert “not exceeding”; and after “six months’ interest” insert “as may be determined by the commissioners.”
- (b) Omit the new paragraph (d 1) inserted in section sixty-eight after paragraph (d) of that section.

Advances on irrigation farms.

17. (1) The commissioners may, under sections sixty-two and sixty-three of the Principal Act, as amended by the Government Savings Bank Amendment Act, 1913, lend moneys from the Advance Department upon mortgage of any irrigation farm lease, for the purposes specified in section sixty-three, notwithstanding such holding is subject to a mortgage or charge in favour of the Commissioner for Water Conservation and Irrigation, if the approval of the Minister administering the Irrigation Act, 1912, or some officer appointed by him in that behalf, is first obtained.

Loans on
irrigation
farms.

A loan under this section may be of any amount not exceeding three-fourths of the value of the interest of the holder in the permanent or prospective improvements on the land, exclusive of any improvements provided or effected by the Commissioner for Water Conservation and Irrigation, the cost of which has not been repaid to the said commissioner :

It

Savings Banks Amalgamation Act.

**George V,
No. 6.** It may be a condition of any loan under this section that the money be advanced in instalments on a certificate of the said commissioner or of any person appointed by him in that behalf.

Application
of Principal
Act.

(2) The provisions of the Principal Act, as amended by the Government Savings Bank Amendment Act, 1913, except so far as they are inconsistent with this section, shall apply to loans made under this section: Provided that the consent required by section sixty-three of the said Act shall not be necessary in case of a loan under this section.

Guarantee by
Crown.

(3) The repayment of any loan made under this section is guaranteed by the Crown. Any liability arising from such guarantee shall be payable out of the Consolidated Revenue Fund.

Accounts to
be kept
separate.

(4) All transactions and accounts relating to advances under this section shall be kept separate and distinct from those relating to the Savings Bank, Closer Settlement Promotion, Advances for Homes, and Advance Departments, except that the funds for advances shall, as hereinbefore provided, be drawn from the Advance Department:

Provided that the same officers may be employed in administering matters under this section, and under the Savings Bank, Closer Settlement Promotion, Advances for Homes, and Advance Departments, but the costs of administration shall be equitably apportioned by adjustments made quarterly by the commissioners.

Special
Reserve
Fund.

(5) There shall be a special reserve fund of the bank to which shall be carried any profit or loss arising from transactions under this section. Any deficiencies in such fund at the end of any financial year of the bank shall be made good from the Consolidated Revenue Fund, upon such deficiency being certified to by the commissioners.

CLOSER