

No. VI.

An Act to amend the Laws relating to the SAVINGS BANKS.
Savings' Bank of New South Wales and Port
Phillip respectively. [10th November, 1843.]

WHEREAS an Act of His Excellency the Governor of New South Preamble.
Wales with the advice of the Legislative Council thereof was
passed in the third year of the reign of Her present Majesty intituled
“ *An Act to consolidate and amend the Laws relating to the Savings' ³ Victoria No. 12.*
Bank of New South Wales” and another Act was passed in the fifth
year of the reign of Her said Majesty intituled “ *An Act to amend and ⁵ Victoria No. 5.*
“ *to extend to Port Phillip an Act intituled ‘An Act to consolidate*
“ *and amend the Laws relating to the Savings' Bank of New South*
“ *Wales’*” and whereas it is expedient further to amend the Laws
relating to the said Savings' Bank Be it therefore enacted by His Repealing so much
Excellency the Governor of New South Wales with the advice and of the above Acts as
consent of the Legislative Council thereof That so much of the said relates to the security
recited Acts as relates to the rate of interest to be allowed on money fund.
deposited in the said bank or banks and also so much of the said
recited Acts as relates to the establishment of a security fund or rest
shall be and the same are hereby repealed.

2. And be it enacted That the conditions under which interest Conditions for pay-
shall be paid on deposits and additions made to the rest or security ment of interest
fund shall be the following— and setting apart
security fund.

Firstly—That so long as the rest or security fund shall be less
than the one-tenth part of the whole amount of monies
deposited

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deposited in the bank the sum divided among the depositors in any year shall not exceed three-fourths of the net profits made by the bank during the same year.

Secondly—That whenever the security fund be less than the one-seventh part of the whole amount of monies deposited in the bank the sum distributed as interest among the depositors shall not in any year exceed four-fifths of the net profits made by the bank during the same year.

Thirdly—That whenever the security fund be less than the one-fourth part of the whole amount of monies deposited in the bank the sum divided among the depositors in any year shall not exceed five-sixths of the net profits made by the bank during the same year.

Provided always that whenever the rest or security fund shall amount to one-fourth part of the whole amount of monies deposited in the said bank no addition shall be made to the said fund unless from loss or any other cause it should at any time fall short of that amount Provided also that in case any depositor shall withdraw the whole of his deposits before the thirty-first day of December in any year he shall be allowed interest only for the period forming part of the current year during which the amount remained deposited in the bank at the rate of three pounds six shillings and eight-pence for every hundred pounds per annum.

One-third only of the funds of the bank to be invested on mortgages.

3. And whereas by the first of the above recited Acts the Trustees of the said Savings' Bank are empowered to invest on mortgage a portion of the monies deposited in the said bank and it is expedient to limit the proportion of the funds of the bank which may be so invested on mortgage Be it enacted That no new mortgage shall be taken by the Trustees so long as one-third or more than one-third of the entire funds of the bank shall be vested on mortgage.

No part of the funds of the bank to be employed in the discount of bills.

4. And whereas by the said first recited Act the Trustees are under certain conditions empowered to employ the funds of the bank in the discounting of bills and it is expedient to prohibit all future investments of this kind Be it enacted That from and after the passing of this Act no discount of any new bill or promissory note shall be made from or out of the funds of the said bank Provided however that any bill or note now under discount may be renewed in whole or in part at the discretion of the Trustees.

Funds of the bank may be invested in Government securities within the Colony or in the Bank of England provided the benefit of the 9 George IV. c. 92 can be extended to the Colony.

5. And whereas it is expedient and necessary to provide other means for the employment of the funds of the bank Be it enacted and declared That any proportion of the funds of the bank may at the discretion of the Trustees and with the approval of the Governor be invested in Government securities legally issued in the Colony of New South Wales or in the Bank of England in the manner directed by an Act passed by the British Parliament in the ninth year of the reign of His late Majesty King George the Fourth intituled "*An Act to consolidate and amend the Laws relating to Savings' Banks*" provided the benefit of the said Act of Parliament can be obtained for Savings' Banks in New South Wales.

Two-thirds of the funds of the bank may be placed at interest in any of the Colonial Banks.

6. And in order to afford further means of investing or employing the funds of the Savings' Bank Be it enacted That any portion of these funds not exceeding two-thirds of the whole may be deposited in any bank or banks in the Colony at such rate of interest as may be agreed on between the Directors of such bank or banks and the Trustees of the Savings' Bank.

Governor may guarantee loan to be raised by the Trustees.

7. And whereas in consequence of the employment of the funds of the bank as hereinbefore authorized or directed the Trustees of the bank may without the assistance of the Government be unable to meet the demands made upon them from time to time by depositors desirous of

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of withdrawing their deposits and it is expedient that in case of need such assistance should be afforded to them Be it therefore enacted That it shall and may be lawful for the Governor of New South Wales to guarantee the repayment of any loan which it may be necessary for the Trustees to negotiate in order to meet the demands of such depositors Provided that no loan or loans outstanding at any time and so guaranteed shall exceed the sum of fifty thousand pounds without the previous advice and consent of the Legislative Council.

Guarantee not to exceed £50,000 without consent of Legislative Council.

8. And whereas by the said first recited Act it is enacted That no person being a Trustee or District Trustee or Treasurer of the said Savings' Bank or being in any way concerned in the management thereof shall be allowed to deposit any sum or sums of money therein nor to borrow any money therefrom nor to derive any benefit from any deposit made in such Savings' Bank nor to act in the capacity of Accountant to such Savings' Bank nor receive directly or indirectly any salary allowance profit or benefit whatsoever from the funds of the said Savings' Bank but nevertheless no penalty is imposed on any person being a Trustee or District Trustee or Treasurer of the said bank who may offend in any such particular and whereas it is expedient that a penalty should be imposed Be it therefore enacted That any person being a Trustee or District Trustee or Treasurer of the said Savings' Bank who shall offend in any one of the said particulars shall forfeit and pay for each offence the sum of one hundred pounds and that such penalty may be sued for in the Supreme Court of the Colony by any person having money deposited in the bank to the amount of thirty pounds the penalty to be paid one half to the Queen for the uses of the Colony and one half to the informer.

Trustees deriving any benefit under this Act to be subject to a penalty of £100.

Victoria No. 12 s. 5.

9. And be it enacted That if any dispute shall arise between the said Savings' Bank or any person or persons acting on behalf thereof and any individual depositor therein or any executor or administrator next of kin or creditor of any deceased depositor or any person claiming to be such executor administrator next of kin or creditor then and in every such case the matter so in dispute shall be referred to the arbitration of two indifferent persons one to be chosen and appointed by the Trustees of the said Savings' Bank and the other by the party with whom the dispute arose and in case the arbitrators so appointed shall not agree then such matter in dispute shall be referred in writing to an umpire having no interest in such matter or in the said institution to be chosen by the said arbitrators and whatever award order or determination shall be made by the said arbitrators or by the said umpire shall be binding and conclusive on all parties and shall be final to all intents and purposes without any appeal.

Matter in dispute shall be referred to arbitration.

10. And be it enacted That this Act shall extend and apply to the Savings' Bank at Port Phillip established under the provisions of the said last recited Act in as full and ample a manner and to all intents and purposes as to the said Savings' Bank of New South Wales.

Act to extend to the Savings' Bank of Port Phillip.

RIDER.

And whereas it is expedient that longer notice should be given by parties desirous of withdrawing their deposits and also that the length of such notice should be proportioned to the amount standing at the credit of the party so withdrawing in the books of the said Savings' Bank Be it enacted That notice of withdrawal from any holder of deposit to the amount of fifty pounds or upwards shall be at three months' date and similar notice from holders of deposits under fifty pounds at one month's date anything in the said recited Act passed in the third year of the reign of Her present Majesty to the contrary thereof required notwithstanding.

Notice to be given by depositors desirous of withdrawing deposits.