
STATUTORY INSTRUMENTS

1996 No. 1854

SAVINGS BANKS

**The National Savings Bank (Investment
Deposits) (Limits) (Amendment) Order 1996**

Made - - - - *16th July 1996*

Coming into force - - *4th September 1996*

Whereas a draft of this Order has been laid before Parliament and a period of 40 days beginning with the day of laying has expired and neither House of Parliament has resolved that the Order be not made;

Now, therefore, the Treasury, in exercise of the powers conferred upon them by section 4 of the National Savings Bank Act 1971⁽¹⁾, and of all other powers enabling them in that behalf, hereby make the following Order:

1. This Order may be cited as the National Savings Bank (Investment Deposits) (Limits) (Amendment) Order 1996 and shall come into force on 4th September 1996.

2. The National Savings Bank (Investment Deposits) (Limits) Order 1977⁽²⁾ shall be amended in accordance with the following provisions of this Order.

3. After article 2, there shall be inserted the following—

“**2A** In this Order, the expression “treasurer’s account” has the same meaning as in the National Savings Bank Regulations 1972⁽³⁾, and for the purposes of article 3 of this Order, two or more treasurer’s accounts shall be treated as held in the same name if they are held in the name of the same organisation (within the meaning of the said Regulations), whether or not the titles of the respective accounts differ in other respects.”

4. In article 3—

- (a) after the words “a deposit”, there shall be inserted the words “(except for the credit of a treasurer’s account)”;
- (b) after the words “an account”, there shall be inserted the words “except a treasurer’s account”; and

⁽¹⁾ 1971 c. 29; section 4 was amended by paragraph 3 of Schedule 20 to the Finance Act 1982 (c. 39).

⁽²⁾ S.I. 1977/1210; there have been various amendments to the amount of the limit specified in article 3, the most recent being S.I. 1993/1239; other relevant amending instruments are S.I. 1981/108, 1987/329.

⁽³⁾ S.I. 1972/764; the definitions of “treasurer’s account” and “organisation” are inserted in regulation 2(1) by S.I. 1996/1724 with effect from 4th September 1996.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

(c) after the word “Bank” there shall be inserted the words “(other than in a treasurer’s account)”.

5. After article 3, there shall be inserted the following—

“**3A.** Subject to the provisions of this Order, it shall not be lawful for the Director of Savings to receive a deposit for crediting to a treasurer’s account, or make a credit to such an account, in any case where the amount standing credited to that account and any other treasurer’s account held in the same name exceeds, or would as a result of the receipt of the said deposit or the making of the said credit, exceed £2,000,000.”.

6. In article 4(1), after “Article 3”, there shall be inserted “or 3A”.

Derek Conway

Liam Fox

Two of the Lords Commissioners of Her
Majesty’s Treasury

16th July 1996

EXPLANATORY NOTE

(This note is not part of the Order)

This Order further amends the National Savings Bank (Investment Deposits) (Limits) (Order) 1977, to limit the aggregate amount of investment deposits which may be made in the name of any organisation for the credit of a treasurer's account to £2,000,000. A treasurer's account is a new type of investment deposit account being introduced on 4th September 1996 by the National Savings Bank (Amendment No. 2) Regulations 1996. The existing limit of £100,000 will continue to apply to investment deposits which are made otherwise than to a treasurer's account.