

**FIRST SUPPLEMENT TO THE GIBRALTAR
GAZETTE**

No.2,465 of 8th December, 1988.



I ASSENT,
PETER TERRY,
GOVERNOR.

8th December, 1988.



GIBRALTAR

No. 28 of 1988.

AN ORDINANCE to amend the Savings Bank Ordinance.

ENACTED by the Legislature of Gibraltar.

Title and Commencement.

1. This Ordinance may be cited as the Savings Bank (Amendment) Ordinance, 1988 and shall come into operation on such date as the Governor may by notice in the Gazette appoint.

Amendments to section 2.

2. Section 2 of the Savings Bank Ordinance (hereinafter called "the principal Ordinance") is amended by inserting in their appropriate alphabetical positions the following definitions, namely-

" "ordinary account" means an account into which an ordinary deposit is made;

"investment account" means an account into which an investment deposit is made;".

Amendments to section 4.

3. Section 4 of the principal Ordinance is amended-

(a) by inserting after the word "rules" the words "or regulations"; and

(b) by omitting the words "objects and purposes of this Ordinance" and substituting therefor the words "social and economic development of the community".

New sections.

4. Section 7 of the principal Ordinance is repealed and the following sections are substituted therefor-

"Ordinary and investment deposits.

7.(1) A deposit with the Savings Bank may be made either as an ordinary deposit or as an investment deposit.

(2) The Governor may by regulations make different provisions with respect to ordinary deposits and with respect to investment deposits of different descriptions.

(3) Regulations made under this section may provide-

(a) for a minimum balance of an investment account,

(b) for converting into a different description of investment account any account into which investment deposits of any description are made if the balance of that account falls below the minimum balance prescribed for an account of that description,

(c) for the acceptance of investment accounts in a currency other than sterling, and

(d) for matters incidental to the foregoing.

Bonds and debentures.

7A. Subject to the approval of the Financial and Development Secretary, the Director may enter into agreements for the issue of bonds and debentures on such conditions and at such rates of interest as shall be determined in any such agreement."

Amendments to section 9.

5. Section 9 of the principal Ordinance is amended-

(a) by omitting the marginal note and repealing subsection (I) and by substituting therefor the following marginal note and subsection, namely-

"Interest on ordinary deposits.

9.(1) Interest on ordinary deposits shall be payable at such rates as the Governor may determine by notice in the Gazette;

Provided that a reduction of the rate of interest may not take effect before the expiry of one month from the date of the publication of the notice."

(b) in subsection (3) by inserting after the words "Interest on" the word "ordinary".

New section.

6. The principal Ordinance is amended by inserting after section 9 the following new section, namely-

"Interest on investment deposits.

9A. (1) Interest on investment deposits shall be payable at such rates as the Governor may determine by notice in the Gazette and

different rates may be so determined in relation to different descriptions of investment deposits and different periods of notice of withdrawal.

(2) Without prejudice to the generality of subsection (1), the Governor may determine, in relation to an account into which investment deposits of any description are made, different rates of interest by reference to any one or more of the following factors, namely-

(a) the balance of that account at any time or over any period or the aggregate balance of the account and the depositor's other accounts of the same description, or the depositor's other investment accounts of any description, over any period; and

(b) the number of withdrawals from that account over any period or the number of withdrawals from that account and the depositor's other accounts of the same description of the depositor's other investment accounts of any description, over any period; and

(c) the currency of the account.

(3) Any alteration in a rate of interest payable on investment deposits may affect deposits received at or before, as well as after the alteration is made."

Amendments to section 11.

7. Section 11 of the principal Ordinance is amended-

(a) by omitting the marginal note and substituting therefor "Disposal of moneys in ordinary accounts.";

(b) by repealing subsection (1) and substituting therefor the following subsection -

"(1) Except so far as any sums may be prescribed to be kept in hand for the general purposes of the Savings Bank, moneys in the ordinary accounts shall be deposited in the Treasury and shall, as far as practicable, be invested on behalf of the Savings

Bank, under the direction of the Financial and Development Secretary in such securities or be employed at interest in such manner as shall be approved from time to time by the Governor."

(c) in the proviso to subsection (2) by omitting the words "with the approval of the Governor" and the words "and such advances shall bear interest at the rate from time to time payable to depositors."

New section.

8. The principal Ordinance is further amended by inserting after section 11B the following new section, namely-

"Disposal of moneys in Investment Accounts.

11C. The moneys in the investment accounts may, at the discretion of the Financial and Development Secretary-

(a) be advanced to-

(i) the Consolidated Fund in aid of the general expenditure of the Government,

(ii) the Improvement and Development Fund for the purposes of that Fund,

(iii) the Gibraltar Investment Fund for the purposes of that Fund,

(b) be invested on behalf of the Savings Bank in such securities or be employed at interest in such manner, as shall be approved from time to time by the Governor."

Amendment to section 12.

9. Section 12 of the principal Ordinance is amended-

(a) by omitting the words "and submitted to the Secretary of State", and

(b) by inserting at the end of the section the following-

"The Financial and Development Secretary shall cause a copy of such accounts and statement to be furnished to a Secretary of State."

Amendment to section 13.

10. Section 13 of the principal Ordinance is amended by repealing subsections (2) and (3) and substituting therefor the following subsection, namely-

"(2) If in any year the revenue of the Savings Bank shall be more than sufficient to defray the interest due to depositors and all expenses incurred in the execution of this Ordinance, the Financial and Development Secretary may direct that the surplus, or such part thereof as he shall determine, -

(a) shall be retained within the Savings Bank, or

(b) shall be paid into the Consolidated Fund or into a Special Fund established by or in pursuance of the Public Finance (Control and Audit) Ordinance: provided that no such payment shall be made unless the assets of the Savings Bank will thereafter exceed the liabilities by not less than 10% of the liabilities to depositors or such other percentage as the Governor may decide from time to time".

Amendment to section 17.

11. Section 17 of the principal Ordinance is amended by inserting after the word "rules" the words "or regulations".

Passed by the Gibraltar House of Assembly on the 29th day of November, 1988.

C. M. COOM,
Clerk to the Assembly.