



# Trustee Savings Banks Act 1976

CHAPTER 4

*LONDON*  
HER MAJESTY'S STATIONERY OFFICE



# Trustee Savings Banks Act 1976

## CHAPTER 4

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ELIZABETH II



# Trustee Savings Banks Act 1976

1976 CHAPTER 4

An Act to establish a Trustee Savings Banks Central Board; to confer wider powers on trustee savings banks; to transfer to the Registrar of Friendly Societies certain functions previously exercised by other persons; and for purposes connected therewith.

[25th March 1976]

**B**E IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

## PART I

## THE TRUSTEE SAVINGS BANKS CENTRAL BOARD

*The Trustee Savings Banks Central Board*

1.—(1) There shall be established a Board to be called the Trustee Savings Banks Central Board (hereafter in this Act referred to as “the Central Board”).

Establishment  
and functions  
of the Central  
Board.

(2) The provisions in Schedule 1 to this Act shall have effect in relation to the Central Board.

(3) The Central Board—

- (a) may give directions of a general character to the trustee savings banks as to the carrying on by the trustee savings banks of their activities;
- (b) may provide banking services for the trustee savings banks;

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- (c) may provide other common services for the trustee savings banks including (without prejudice to the generality of the foregoing) data processing services and the formation, management and operation of unit trusts ;
- (d) may give directions to the trustee savings banks as to the equipment and procedures to be adopted by them in the operation of banking services, the manner in which funds are to be raised, expended, allocated to reserve and invested and the rates of interest to be paid on deposits ;
- (e) shall give directions to the trustee savings banks as to the conditions of service of persons employed by the banks ; any directions given under this paragraph shall be in accordance with the terms of any settlement which may have been reached or award which may have been made by virtue of paragraph 18 of Schedule 1 to this Act ;
- (f) may exercise such other powers and shall perform such other duties as may be conferred on them by this Act.

## (4) The powers conferred on—

- (a) the Inspection Committee by the following sections of the Act of 1969 that is to say—
  - (i) section 9(3) and (4) (power of Inspection Committee in relation to appointment and removal of custodian trustees),
  - (ii) section 58(1) (power of Inspection Committee to appoint inspectors), and
  - (iii) section 85(2) (power of Inspection Committee in relation to keeping of books), and
- (b) the National Debt Commissioners by the following enactments, that is to say—
  - (i) section 61(1) of the Act of 1969 (assent of Commissioners as to amalgamations), and
  - (ii) section 399(8) of the Companies Act 1948 (power of Commissioners to petition for the winding up of a trustee savings bank) and section 349(8) of the Companies Act (Northern Ireland) 1960 (which makes corresponding provision for Northern Ireland),

shall be exercisable by the Central Board, and accordingly, references in those enactments to the Inspection Committee and the National Debt Commissioners shall be construed as references to the Central Board.



(5) The Central Board shall have power to carry on all such activities as may appear to them to be requisite, advantageous or convenient for them to carry on for or in connection with the discharge of their powers and duties under subsections (3) and (4) above.

(6) The Central Board shall have power to enter into any transaction (whether or not involving the expenditure of money, the investment of money, the borrowing of money, the acquisition of any property or rights or the disposal of any property or rights) which in their opinion is calculated to facilitate the exercise of their powers or performance of their duties under this Act or is incidental or conducive to the exercise of their powers or performance of their duties.

(7) Notwithstanding the provisions of this section, the Central Board shall not be taken as satisfying the conditions mentioned in paragraphs (a) to (c) of section 112(1) of the Fair Trading Act 1973 (provisions as to certain associations).

*Financial provisions*

2.—(1) The Central Board shall exercise their powers and perform their duties under this Act and exercise control over their subsidiaries so as to secure that taking one year with another, the combined revenues of the Central Board and their subsidiaries are not less than sufficient—

Revenue of Central Board and subsidiaries to cover outgoings and allocations to reserves.

(a) to meet the total outgoings of the Central Board and their subsidiaries properly chargeable to revenue account, and

(b) to enable the Central Board and their subsidiaries to make such allocations to reserves as the Central Board consider adequate.

(2) The reserves of the Central Board shall be applied for such purposes as the Central Board may determine.

3.—(1) The Central Board may, from time to time, for the purpose of financing their expenditure in exercising the powers and performing the duties conferred on them by or by virtue of sections 1 and 2 of this Act, require each trustee savings bank to pay to them such sum as the Central Board may determine.

Power to levy contributions on trustee savings banks.

(2) On determining the sum to be paid by each trustee savings bank under subsection (1) above, the Central Board shall send to each trustee savings bank a notice stating the sum required to be paid and each trustee savings bank shall within one month of the date of the notice pay over to the Central Board the sum so required.

## PART II

## THE TRUSTEE SAVINGS BANKS

*General Provisions*

Duty to  
comply with  
directions.

4.—(1) It shall be the duty of each trustee savings bank to comply with such directions as may be given to it by the Central Board in the exercise of their powers and performance of their duties under this Act.

(2) If a trustee savings bank fails to comply with any directions of the Central Board, that Board may give notice in writing to the bank to remedy the non-compliance within a specified time and, if the trustee savings bank does not comply within that time, the Central Board may—

- (a) appoint a person to conduct an inquiry into the conduct of the trustee savings bank and to report his findings to the Central Board ;
- (b) report the non-compliance to the Registrar of Friendly Societies with a request that an examination be made under section 59 of the Act of 1969 (appointment of commissioner to examine affairs of trustee savings banks) into the affairs of the trustee savings bank ;
- (c) withdraw any or all of the banking services or other common services provided by the Central Board as that Board may determine until the bank complies.

1969 c. 50.

(3) A person appointed under subsection (2)(a) above need not be an officer of the Central Board ; and the trustee savings bank concerned shall give all due facilities for enabling the inquiry to be made.

Scheme for  
appointment  
and removal  
of trustees.

5.—(1) Subject to subsection (5) below, by such date as the Central Board may direct, each trustee savings bank shall submit to the Central Board, for that Board's approval, a scheme providing for the appointment of trustees and for their removal by its depositors.

(2) When such a scheme has been approved, with or without modifications, by the Central Board the trustee savings bank shall within six months of the date of approval alter its rules in accordance with the provisions of the scheme.

(3) If a trustee savings bank fails to alter its rules in accordance with the scheme approved by the Central Board by the expiry of the period of six months mentioned in subsection (2) above, the Central Board may give a direction to the bank to so alter its rules within such time as may be specified in the direction.

(4) If a trustee savings bank fails to submit a scheme for approval by the date by which it is due, the Central Board may

make a scheme on behalf of the bank and give a direction to that bank to alter its rules in accordance with the provisions of that scheme within such time as may be specified in the direction.

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(5) In the application of this section to a trustee savings bank whose formation has been promoted by a local authority, the scheme submitted under subsection (1) above shall provide for the appointment and removal of that bank's trustees by the local authority.

6.—(1) A person who has attained the age of 70 shall cease to be a trustee of a trustee savings bank. Age limit for trustees.

(2) Subsection (1) above shall apply to a person who is a trustee of a trustee savings bank on the commencement of that subsection, with the substitution of the word " 75 " for the word " 70 ".

(3) Any person who is appointed or to his knowledge proposed to be appointed a trustee of a trustee savings bank shall give notice of his age to the bank.

7. Whenever a person becomes or ceases to be a trustee of a trustee savings bank, the bank shall within one month give notice thereof to the Central Board and to the Registrar of Friendly Societies and shall furnish such particulars of that person as the Central Board may direct. Notification of changes of trustees.

8.—(1) Section 2 of the Act of 1969 (requirements as to bank rules) shall be amended as set out in the following subsections. Requirements as to bank rules.

(2) For subsection (1) there shall be substituted— 1969 c. 50.

“ (1) A savings bank shall not have the benefit of this Act nor of the Trustee Savings Banks Act 1976 unless the rules of the bank expressly provide for the matters set out in Schedule 1 to this Act nor unless those rules—

- (a) have been certified by the Registrar in pursuance of this section, and
- (b) have been entered in a book to be kept by an officer of the bank appointed for that purpose which is to be open at all proper times for inspection by depositors.”

(3) In subsection (4) for the words “ deposited by the Registrar with the Commissioners ” there shall be substituted the words “ retained by the Registrar ”.

(4) For Schedule 1 to the Act of 1969 (matters to be covered by the rules of a bank which is to have the benefit of the Act) there shall be substituted the Schedule set out in Schedule 2 to this Act.

## PART II

*Powers of trustee savings banks*

Power to carry on business of banking.

**9.**—(1) Subject to the provisions of this Act, each trustee savings bank shall have power to carry on the business of banking.

(2) Any expenditure properly incurred by a trustee savings bank in carrying on the business of banking shall be deemed to be necessary expenses of management for the purposes of section 1 of the Act of 1969 (conditions under which a savings bank may obtain the benefit of the Act).

Provisions relating to the purchase and disposal of property, the erection of buildings, etc.  
1969 c. 50.

**10.**—(1) The power conferred on the trustees of a trustee savings bank by section 11 of the Act of 1969 (power to purchase and dispose of property etc.) shall cease to be subject to the consent of the National Debt Commissioners; and, accordingly, in subsection (1) of that section the words “, with the consent of the Commissioners,” and “with the like consent”, and in subsection (3) of that section, the words “, or consent of the Commissioners to,”, and subsection (4) of that section shall cease to have effect.

(2) The trustees of a trustee savings bank shall have power to purchase land or erect buildings jointly with one or more other trustee savings banks for their joint purposes.

1889 c. 63.

(3) Without prejudice to section 38 of the Interpretation Act 1889 (effect of repeals) any certificate issued under section 11(4) of the Act of 1969 before the commencement of this section shall continue to be conclusive evidence of the matters mentioned in that subsection.

Power to pay trustees.

**11.** A trustee savings bank shall have power to pay to its trustees such remuneration by way of fees and expenses as it may with the approval of the Central Board determine.

*General financial provisions relating to trustee savings banks*

Ordinary deposits.

**12.**—(1) Moneys deposited with the trustees of a trustee savings bank as ordinary deposits to be placed to the credit of a current account shall not be required to be invested with the National Debt Commissioners in accordance with the provisions of section 12(1) of the Act of 1969 (investment of deposits).

(2) Moneys deposited with the trustees of a trustee savings bank for investment as ordinary deposits to be placed to the credit of a savings account shall not be required to be invested with the National Debt Commissioners in accordance with the provisions of section 12(1) of the Act of 1969 (investment of deposits).

(3) Each trustee savings bank shall give notice to the persons who have savings account deposits with the bank that those deposits will be transferred to another kind of account with the bank, together with interest accrued thereon in accordance with section 15(1) of the Act of 1969 (payment of interest on ordinary deposits) from the date on which interest was last computed under subsection (2) of that section to the date on which the deposit is so transferred.

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1969 c. 50.

(4) For section 32(2) of the Act of 1969 (investment of ordinary deposits) there shall be substituted—

“ (2) Subsection (1) above shall not apply to such percentage, as the National Debt Commissioners may, after consultation with the Treasury, specify of such sums of money as represents the bank’s liabilities to its depositors.”

**13.**—(1) It shall be the duty of each trustee savings bank to secure that at any time—

Trustee savings bank liabilities as banker to be matched by cash and liquid assets.

- (a) such proportion of the aggregate of the sums owed by it to its depositors as the Treasury may from time to time determine is matched by assets of the trustee savings bank of one or more of the classes specified in Part I of Schedule 3 to this Act ; and
- (b) the residue of that aggregate is matched by assets of the trustee savings bank of one or more of the classes specified in Part II of that Schedule.

(2) The Treasury may from time to time determine the amount which may be invested by a trustee savings bank in any class of assets specified in or designated by virtue of Schedule 3 to this Act as a proportion of the total amount invested by the bank in all classes of assets specified in or designated by virtue of that Schedule.

**14.** It shall be the duty of each trustee savings bank to conduct its business so as to secure that, taking one year with another, its revenue is not less than sufficient—

Revenue of trustee savings bank to cover outgoings and allocations to reserves.

- (a) to meet the total outgoings of the bank properly chargeable to revenue account, and
- (b) to enable the bank to make such allocations to reserves as it may consider adequate and as may be necessary to comply with any directions given by the Central Board under section 1 above.

**15.** Sections 51 to 54 of the Act of 1969 (provisions relating to the defraying of expenditure in the acquisition of land and equipment) shall cease to have effect but without prejudice to any advance made under sections 53 and 54 of that Act before the commencement of this section.

Financing of capital expenditure.

## PART II

The Fund  
for the Banks  
for Savings.

*The Fund for the Banks for Savings*

16.—(1) The Fund for the Banks for Savings shall be closed.

(2) Until the commencement of subsection (1) above the following provisions of this section shall apply in relation to the Fund.

(3) The National Debt Commissioners shall repay to each trustee savings bank such amount standing to that bank's credit in the Fund as represents the current account deposits of that bank, together with interest accrued thereon in accordance with section 35(1) of the Act of 1969 (interest on sums in the Fund) from the date on which the interest was last credited under subsection (2) of that section to the date of repayment of the amount.

(4) The Treasury may by order fix a limit on the sums which may be withdrawn in any period of six months ending on 20th November or 20th May by a trustee savings bank from the amount standing to the bank's credit in the Fund in respect of the savings account deposits of that bank.

(5) At the end of the period of six months ending on 20th November or, as the case may be, on 20th May immediately preceding the commencement of subsection (1) above, the National Debt Commissioners shall pay to each trustee savings bank the amount (if any) standing to its credit in the Fund, together with any interest accrued thereon under section 35(1) of the Act of 1969 (interest on sums in the Fund) from the date on which interest was last credited under subsection (2) of that section to the date of payment.

(6) After paying each bank in accordance with subsection (5) above, the National Debt Commissioners shall pay any surplus amount remaining in the Fund into the Consolidated Fund.

(7) The power to make an order under this section shall be exercisable by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament; and includes power to vary or revoke a previous order.

*Provisions as to accounts, audit and returns  
by trustee savings banks*

Provisions  
as to accounts  
and balance  
sheets.

17.—(1) Each trustee savings bank shall—

- (a) keep proper accounts and proper records in relation to the accounts; and
- (b) prepare in respect of each financial year a statement of accounts in such form as the Central Board may direct, being a form which shall conform to the best commercial accounting practice.

(2) Each statement of accounts shall include—

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- (a) a balance sheet giving a true and fair view of the state of affairs of the bank at the end of the financial year ; and
- (b) an income and expenditure account of the bank giving a true and fair view of the income and expenditure of the bank for the financial year.

(3) The accounts prepared in pursuance of this section shall be supported by—

- (a) schedules or notes to the accounts, including a statement of the accounting policies adopted by the bank, giving such information as is necessary for a proper understanding of the accounts ; and
- (b) a statement with respect to the state of affairs of the bank listing the principal activities of the bank in the course of the financial year and indicating any significant change in those activities in that year.

**18.**—(1) A copy of the audited accounts shall be sent by each trustee savings bank to the Central Board and to the Registrar of Friendly Societies within four months of the end of each financial year, and shall be accompanied by a statement of the trustees of the bank giving such particulars as the Central Board may direct. Right to receive copies of accounts.

(2) Each depositor of a trustee savings bank shall be entitled, on demand and without charge to be furnished with a copy of the last audited accounts of the bank.

**19.**—(1) Each trustee savings bank shall at the beginning of each financial year appoint a qualified auditor or qualified auditors to audit its accounts. Appointment and qualifications of auditors.

(2) A person shall not be qualified to be an auditor of a trustee savings bank, unless he is a member of one or more of the following bodies—

- (a) the Institute of Chartered Accountants in England and Wales ;
- (b) the Institute of Chartered Accountants of Scotland ;
- (c) the Association of Certified Accountants ;
- (d) the Institute of Chartered Accountants in Ireland ;
- (e) any other body of accountants established in the United Kingdom and for the time being recognised for the purposes of section 161(1)(a) of the Companies Act 1948 or section 155(1)(a) of the Companies Act (Northern Ireland) 1960, 1948 c. 38. 1960 c. 22. (N.I.).

or a person who is for the time being authorised under section 161(1)(b) of the said Act of 1948 or section 155(1)(b) of the

said Act of 1960 as being a person with similar qualifications obtained outside the United Kingdom.

(3) None of the following persons shall be qualified to be an auditor of a trustee savings bank—

- (a) a trustee, officer or servant of the bank ;
- (b) a person who is a partner of or in the employment of a trustee, officer or servant of the bank ;
- (c) a body corporate.

(4) References in subsection (3) above to an officer or servant shall be construed as not including an auditor.

(5) Notwithstanding anything in this section, a Scottish firm shall be qualified to act as auditor of a trustee savings bank if all the partners are qualified so to act.

Periodic  
returns.  
1969 c. 50.

**20.**—(1) For section 55 of the Act of 1969 (which provides for weekly returns to be submitted to the National Debt Commissioners) there shall be substituted—

“ Periodic returns to National Debt Commissioners. **55.** The trustees of each trustee savings bank shall transmit such periodic returns to the Commissioners in such form and containing such particulars as the Commissioners may from time to time direct.”.

(2) Each trustee savings bank shall transmit to the Central Board such periodic returns in such form and containing such particulars as the Central Board may from time to time require.

#### *Mutual assistance*

Repeal of  
sections 62  
and 63 of the  
Act of 1969.

**21.**—(1) Section 62 of the Act of 1969 (advances by trustee savings banks for development) shall cease to have effect but without prejudice to any advance made under that section before the commencement of this section.

(2) Section 63 of the Act of 1969 (grants by trustee savings banks for benefit of other trustee savings banks) shall cease to have effect and any sum standing to the credit of the mutual assistance account by virtue of that section shall be paid over to the Central Board, together with interest accrued thereon in accordance with subsection (3) of that section from the date on which interest was last credited to the date of payment.

#### *Closing of trustee savings banks*

Closing of  
trustee savings  
banks.

**22.** For sections 64 and 65 of the Act of 1969 (closing of trustee savings banks) there shall be substituted the following sections—

“ Procedure for closing of bank.

**64.** It shall not be lawful for the trustees of a trustee savings bank to close, or dissolve, the bank or cease to carry on the business of the bank or



carry on business only for the purposes of winding up its affairs unless—

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- (a) the approval of the Central Board has been obtained and, then, only in the manner prescribed by the bank's rules, or
- (b) the bank is ordered to be wound up in pursuance of section 399 of the Companies Act 1948 (which makes provision for the winding up of unregistered companies) or section 349 of the Companies Act (Northern Ireland) 1960 (which makes corresponding provision for Northern Ireland).

Disposal of surplus money on closing of a bank.

**65.** When a trustee savings bank is finally closed, the trustees shall pay over to the Central Board any surplus moneys remaining in the hands of the trustees, after providing for the sums due to depositors and for any expenses authorised by the bank's rules ; and the Central Board may distribute the moneys among such other trustee savings banks as the Central Board think fit."

**23.—**(1) The closed banks fund, within the meaning of section 65(3) of the Act of 1969 (which makes provision regarding the proceeds of the sale of property on the closing of a bank), shall be closed and as soon as may be thereafter the National Debt Commissioners shall pay over to the Central Board any moneys standing to the credit of that fund.

Closed banks fund.

1969 c. 50.

(2) The moneys received by the Central Board by virtue of subsection (1) above shall be subject to any claims that may thereafter be substantiated on account of any depositor in a bank up to the amount of money (if any) carried in the fund on account of the bank.

### PART III

#### MISCELLANEOUS PROVISIONS

##### *Powers and duties of Registrar of Friendly Societies*

**24.—**(1) The power conferred on the National Debt Commissioners by section 1(2) of the Act of 1969 (conditions under which a savings bank may obtain the benefit of the Act) shall be exercisable by the Registrar of Friendly Societies.

Transfer of functions under the Act of 1969 to the Registrar of Friendly Societies.

(2) The duties conferred on the National Debt Commissioners by section 10 of the Act of 1969 (register of and certificates as to custodian trustees and property) shall be performed by the

PART III Registrar of Friendly Societies ; and accordingly section 10 of that Act shall be amended in accordance with subsection (3) below.

(3) In subsections (1) and (3) of section 10 of the Act of 1969 for the word "Commissioners" in each place there shall be substituted the word "Registrar"; and in subsection (2) for the words from "Comptroller General" to "Office" there shall be substituted the word "Registrar".

1969 c. 50.

(4) The powers conferred on the National Debt Commissioners by section 55 (as originally enacted and as substituted by section 20 of this Act) of the Act of 1969 (which provides for returns to be transmitted to the National Debt Commissioners) shall be exercisable by the Registrar of Friendly Societies; and accordingly the references in that section to the Commissioners shall be construed as references to the Registrar.

(5) The powers conferred on the Treasury by section 59 of the Act of 1969 (appointment of commissioner to examine affairs of trustee savings bank) shall be exercisable by the Registrar of Friendly Societies after consultation with the Treasury; and accordingly in subsections (1) and (5) of that section for the word "Treasury" in each place there shall be substituted the words "Registrar, after consultation with the Treasury,".

#### *Advertising*

Power to control advertising.

**25.**—(1) If, with respect to any trustee savings bank, the Chief Registrar of Friendly Societies considers it expedient to do so in the interests of persons who may invest or deposit money with the bank, he may with the consent of the Treasury serve on the trustees of the bank a notice giving a direction under this section.

(2) A direction given to the trustees under this section may do all or any of the following things—

- (a) prohibit the issue by the bank of advertisements of any description specified in the direction, or
- (b) prohibit the issue by the bank of any advertisements which are, or are substantially, repetitions of an advertisement which has been issued and which is specified in the direction, or
- (c) require the bank to take all practical steps to withdraw any advertisement, or any description of advertisement, specified in the direction which is on display in any place.

(3) If a trustee savings bank contravenes a direction under this section, it shall be liable—

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(a) on summary conviction to a fine not exceeding £400,

or

(b) on conviction on indictment to a fine ;

and every trustee who knowingly authorises or permits a contravention of a direction under this section shall be liable—

(i) on summary conviction to a fine not exceeding £400,  
or

(ii) on conviction on indictment to a fine or to imprisonment for a term not exceeding two years, or to both.

(4) Any direction under this section may be varied or revoked at any time by a subsequent direction thereunder.

26.—(1) Not less than one week before giving a direction under section 25 of this Act to a trustee savings bank, the Chief Registrar of Friendly Societies shall serve on the bank, and on every trustee of the bank, a notice stating that he proposes to give the direction. Supplementary provisions as to directions under section 25.

(2) A notice served on a trustee savings bank under subsection (1) above shall specify the considerations which have led the Chief Registrar of Friendly Societies to conclude that it would be in the interests of persons who may invest or deposit money with the bank to give the direction.

(3) The Chief Registrar of Friendly Societies shall consider any representations with respect to the notice which may be made to him by the trustee savings bank within the period of one week from the date on which the bank is served with the notice, and, if the bank so requests, shall afford to it an opportunity of being heard by him within that period.

(4) On giving a direction under section 25 of this Act the Chief Registrar of Friendly Societies shall serve on the trustee savings bank, and on every trustee of the bank, a notice of the giving of the direction, and shall serve on the bank a notice specifying the considerations which have led him to conclude that it is expedient to give the direction in the interests of persons who may invest or deposit money with the bank ; and the Chief Registrar of Friendly Societies shall not have power to give a direction under section 25 of this Act unless all the considerations so specified were those, or were among those, which were specified in the notice served on the bank under subsection (1) above.

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General  
control of  
advertisements  
and other  
communi-  
cations.

**27.**—(1) The Chief Registrar of Friendly Societies may, with the consent of the Treasury, make regulations with respect to the nature and form of any kind of communication which a trustee savings bank may issue or cause to be issued, and in particular—

- (a) of any kind of advertisement, or
- (b) of any kind of invitation, whether or not addressed to particular persons, to invest in or lend money to a trustee savings bank.

(2) Regulations under this section may in particular—

- (a) require that in any specified kind of advertisement or invitation to invest in or lend money to a trustee savings bank, there shall be included in the prescribed form information concerning the general financial position of the trustee savings bank or giving any particular information with respect to the affairs of the bank ;
- (b) require a trustee savings bank to take prescribed steps to withdraw advertisements which are on display in public places and which do not comply with the requirements of the regulations.

(3) Any regulations made under this section—

- (a) may make different provision for different cases, and
- (b) may contain such transitional, supplementary and incidental provisions as appear to the Chief Registrar of Friendly Societies to be desirable.

(4) If a trustee savings bank contravenes any provisions contained in regulations under this section it shall be liable—

- (a) on summary conviction to a fine not exceeding £400, or
- (b) on conviction on indictment to a fine ;

and every trustee who knowingly contravenes or authorises or permits a contravention of any provisions contained in regulations under this section shall be liable—

- (i) on summary conviction to a fine not exceeding £400, or
- (ii) on conviction on indictment to a fine or to imprisonment for a term not exceeding two years, or to both.

(5) If an employee of a trustee savings bank knowingly contravenes any provision contained in regulations under this section he shall be liable—

- (a) on summary conviction to a fine not exceeding £400, or
- (b) on conviction on indictment to a fine or to imprisonment for a term not exceeding two years, or to both.

(6) In this section “prescribed” means prescribed by regulations under this section. PART III

(7) The power conferred by this section to make regulations shall be exercisable by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.

(8) The Statutory Instruments Act 1946 shall apply to the power to make statutory instruments under this section as if the Chief Registrar of Friendly Societies were a Minister of the Crown. 1946 c. 36.

**28.** In any proceedings under sections 25 and 27 of this Act it shall be a defence for the person charged to prove that he took all reasonable precautions and exercised all due diligence to avoid the commission of such an offence by himself or any person under his control. Defence available to persons charged with offences.

**29.—**(1) Summary proceedings in England, Wales and Northern Ireland for any offence under sections 25 and 27 of this Act may, subject to subsection (4) below, be commenced by the Chief Registrar of Friendly Societies at any time within the period of one year beginning with the date on which evidence, sufficient in the opinion of the Chief Registrar to justify a prosecution for the offence, comes to his knowledge. Time limit for commencement of summary proceedings.

(2) Summary proceedings in Scotland for any offence under sections 25 and 27 of this Act may, subject to subsection (4) below, be commenced at any time—

- (a) within the period of one year beginning with the date on which evidence, sufficient in the opinion of the Lord Advocate to justify proceedings, comes to his knowledge, or
- (b) where such evidence was reported to him by the Chief Registrar of Friendly Societies within one year after the date on which it came to the knowledge of the Chief Registrar,

and subsection (3) of section 331 of the Criminal Procedure (Scotland) Act 1975 shall apply for the purposes of this section as it applies for the purposes of that section. 1975 c. 21.

(3) In relation to summary proceedings in Scotland this section shall have effect as if any reference to the Chief Registrar of Friendly Societies included a reference to the Assistant Registrar of Friendly Societies for Scotland, and the period of one year referred to in subsection (2)(b) above shall run from the time when evidence as aforesaid first came earliest to the knowledge of either.

**PART III** (4) Nothing in this section shall authorise the commencement of proceedings for any offence at a time more than three years after the date on which the offence was committed.

(5) For the purposes of subsection (1) above, a certificate, purporting to be signed by or on behalf of the Chief Registrar of Friendly Societies as to the date on which sufficient evidence as is mentioned in that subsection came to his knowledge, shall be conclusive evidence of that date.

(6) For the purposes of subsection (2) above, a certificate, purporting to be signed by or on behalf of the Lord Advocate or of the Chief Registrar of Friendly Societies or of the Assistant Registrar of Friendly Societies for Scotland as to the date on which sufficient evidence as is mentioned in that subsection came to his knowledge, shall be conclusive evidence of that date.

#### *Superannuation*

**Superannuation schemes.** **30.—**(1) The Central Board shall direct the trustee savings banks—

- (a) to pay such pensions, allowances, gratuities or other benefits to or in respect of such of the employees of the banks as that Board may determine ;
- (b) to make such payments towards the provision of such pensions, allowances, gratuities or other benefits as may be so determined.

(2) The Central Board shall make and administer such schemes (whether contributory or not) for the payment of such pensions, allowances, gratuities or other benefits to be paid to or in respect of employees of the trustee savings banks as may be determined by the Central Board.

(3) Any scheme under subsection (2) above may amend or revoke any previous scheme made thereunder.

(4) No scheme under subsection (2) above shall make any provision which would have the effect of reducing the amount of any pension, allowance, gratuity or other benefit in so far as that amount is calculated by reference to service rendered before the coming into operation of the scheme, or of reducing the length of any reckonable service so rendered.

**1969 c. 50.** (5) Notwithstanding any repeal made by this Act of the existing superannuation provisions, that is to say, sections 75, 76, 78 to 82 of the Act of 1969 the said sections and any instruments made thereunder in so far as those instruments apply to trustee savings banks shall, with the necessary adaptations and modifications, have effect as from the commencement of this section as if they constituted a scheme under subsection (2) above coming into effect on the said commencement and may be revoked or amended accordingly.

(6) The repeal of the enactments mentioned in subsection (5) above shall not affect any pension, allowance, gratuity or other benefit granted or any contribution paid or any other thing done under or by virtue of those enactments before the commencement of this section.

PART III

**31.** The National Debt Commissioners shall pay to each trustee savings bank the sum representing the assets of that bank's superannuation reserve invested with them under section 80(6) of the Act of 1969, together with interest accrued thereon from the date on which it was last credited in accordance with that subsection to the date of payment.

Superannuation reserve established under section 80 of the Act of 1969.

#### *The Inspection Committee*

**32.—**(1) The Inspection Committee shall cease to exist and all property, rights and liabilities to which the Inspection Committee is entitled or subject shall be transferred to the Central Board.

Dissolution of the Inspection Committee and preservation of pensions.

(2) The repeal by this Act of sections 77 and 82 of the Act of 1969 (provisions as respects superannuation for officers of the inspection committee) shall not affect any pension, allowance, gratuity or other benefit granted or any thing done under or by virtue of those sections before the commencement of this section.

#### *National Savings Stock Register*

**33.—**(1) There shall not be registered in those parts of the National Savings Stock Register kept by trustees of trustee savings banks any description of government stock, within the meaning of section 15 of the National Debt Act 1972, which has not, immediately preceding the commencement of this subsection, been registered in those parts.

Provisions with respect to National Savings Stock Register. 1972 c. 65.

(2) The Treasury may by order provide for stock registered in such parts of the National Savings Stock Register as are kept by the trustees of trustee savings banks to be transferred to that part of the Register kept by the Director of Savings on such day as may be specified in the order.

(3) Each trustee savings bank shall send to the Director of Savings a list containing full particulars of all holdings of relevant stock registered in that part of the Register kept by it immediately before such day as may be specified by an order made under subsection (2) above.

(4) An order under this section may make different provision for different cases.

(5) The power to make an order under this section shall be exercisable by statutory instrument which shall be subject to

PART III annulment in pursuance of a resolution of either House of Parliament; and includes power to vary or revoke a previous order before the day specified thereby.

*Execution of documents by custodian trustees*

Amendment of section 9 of the Act of 1969 to provide for custodian trustees to execute documents under seal. 1969 c. 50.

**34.**—(1) For subsection (9) of section 9 of the Act of 1969 (which makes provision as respects bank property) there shall be substituted—

“ (9) Schedule 1A to this Act shall have effect with respect to the execution of documents by the custodian trustees of a trustee savings bank.”

(2) The Schedule set out in Schedule 4 to this Act shall be inserted as Schedule 1A to the Act of 1969.

PART IV

GENERAL

Interpretation.

**35.**—(1) In this Act, unless the context otherwise requires—

“ the Act of 1969 ” means the Trustee Savings Banks Act 1969 ;

“ advertisement ” means an advertisement in any medium inviting business or making known the activities of a trustee savings bank, and includes any circular or hand bill inviting business or making known the bank’s activities ;

“ current account deposit ” has the meaning assigned to it by section 13(4) of the Act of 1969 ;

“ enactment ” includes an enactment of the Parliament of Northern Ireland or of the Northern Ireland Assembly, and an Order in Council having the same effect as such an enactment ;

“ financial year ” means in relation to a trustee savings bank the period in respect of which an income and expenditure account of the trustee savings bank is made up, whether that period is a year or not ;

“ the Fund ” has the meaning assigned to it by section 33(1) of the Act of 1969 ;

“ Inspection Committee ” means the committee established under section 4 of the Act of 1969 ;

“ land ” includes hereditaments and chattels real and in Scotland heritable subjects of any description ;

“ the Registrar of Friendly Societies ” means, in relation to any trustee savings bank in Scotland, the Assistant Registrar of Friendly Societies for Scotland and, in



relation to any trustee savings bank in England and Wales, Northern Ireland, the Isle of Man or the Channel Islands, the Central Office of the Registry of Friendly Societies ;

PART IV

“savings account deposit” has the meaning assigned to it by section 13(4) of the Act of 1969 ;

“subsidiary” has the meaning assigned to it by section 154 of the Companies Act 1948 or section 148 of the Companies Act (Northern Ireland) 1960 ;

1948 c. 38.  
1960 c. 22  
(N.I.).

“trustee” in relation to a trustee savings bank does not include a custodian trustee ;

“trustee savings bank” means a bank certified under the Trustee Savings Banks Act 1969, the Trustee Savings Banks Act 1954 or the Trustee Savings Banks Act 1863.

1969 c. 50.  
1954 c. 63.  
1863 c. 87.

(2) Any reference in this Act to any enactment is, except where the context otherwise requires, a reference to it as amended by or under any other enactment, including this Act.

**36.**—(1) The enactments mentioned in Schedule 5 to this Act shall be amended in accordance with that Schedule.

Consequential  
and minor  
amendments  
and repeals.

(2) The enactments specified in Schedule 6 to this Act are hereby repealed to the extent specified in the third column of that Schedule.

**37.**—(1) This Act shall extend to the Isle of Man and the Channel Islands and shall have effect in those islands subject to such adaptations and modifications as Her Majesty may by Order in Council specify.

Application  
to Isle of  
Man and  
Channel  
Islands.

(2) Any Order in Council made under subsection (1) above may be varied or revoked by a subsequent Order in Council so made.

**38.**—(1) This Act may be cited as the Trustee Savings Banks Act 1976.

Short title,  
citation,  
commence-  
ment and  
extent.

(2) The Trustee Savings Banks Act 1969 and this Act may be cited together as the Trustee Savings Banks Acts 1969 and 1976.

(3) This Act shall come into force on such day as the Treasury may by order made by statutory instrument appoint and different days may be so appointed for, or for different purposes of, any one or more of the provisions of this Act, including, in the case of section 36 of this Act, the amendment or repeal of the different enactments specified in Schedule 5 or 6 to this Act or of different provisions of any enactment so specified.

## PART IV

(4) Any reference in this Act to the commencement of any provision of this Act shall be construed as a reference to the day appointed under this section for the coming into operation of that provision.

(5) An order under this section may make such transitional, incidental, supplementary and consequential provisions as the Treasury may consider necessary or expedient in connection with the provisions of this Act which are thereby brought (wholly or in part) into force.

(6) Any order under this section may be varied or revoked at any time before the day appointed thereby.

(7) This Act extends to Northern Ireland.

## SCHEDULES

## SCHEDULE 1

Section 1.

## PROVISIONS AS TO THE TRUSTEE SAVINGS BANKS CENTRAL BOARD

*Corporate Status*

1. The Central Board shall be a body corporate.

*Membership of Board*

2.—(1) The Central Board shall consist of—

- (a) persons appointed by eligible trustee savings banks, each of which shall appoint one member ;
- (b) the chief officer and deputy chief officer for the time being of the Board ;
- (c) the persons acting as alternate members by virtue of paragraph 14(3) of this Schedule, and
- (d) the persons appointed under sub-paragraph (2) below.

(2) The Central Board shall have power to appoint not more than four persons to be members of the Board.

(3) The person to be appointed a member of the Central Board by an eligible trustee savings bank shall be either one of the trustees or the general manager of the bank.

(4) In this paragraph “eligible trustee savings bank” means—

- (a) as respects the first members of the Central Board appointed under sub-paragraph (1)(a) above, a trustee savings bank which has satisfied the Chief Registrar of Friendly Societies immediately before the commencement of section 1 of this Act that its cash liabilities to its depositors exceed £100 million ;
- (b) as respects the appointment of members under sub-paragraph (1)(a) above other than the first members, a trustee savings bank which satisfies the Central Board that its cash liabilities to its depositors exceed £100 million or such other sum as the Board may from time to time determine.

*Terms of office of members of Board*

3.—(1) The first members of the Central Board (other than the chief officer and the deputy chief officer) shall come into office on the day on which the Board comes into existence or in the case of such a member for any reason appointed after that day, on the day on which the appointment is made.

(2) A member, other than the chief officer or the deputy chief officer, shall hold office in accordance with the terms of his appointment.

## SCH. 1

*Vacation of office by members*

4. A member of the Central Board may resign his office.
5. A member of the Central Board shall vacate his office if—
  - (a) he ceases to be a trustee or, as the case may be, the general manager of the trustee savings bank which appointed him,
  - (b) the trustee savings bank which appointed him ceases to be an eligible trustee savings bank as defined in paragraph 2(4)(b) of this Schedule.

*First meeting of the Board*

6. The first meeting of the Central Board shall be held on such day, and at such time and place, and shall be convened by such person, as may be determined by the National Debt Commissioners.

*Chairman*

7.—(1) The chairman of the Central Board shall be elected by the Board from the members of the Board.

(2) The chief officer and the deputy chief officer shall not be eligible for election as chairman.

8. The election of the chairman shall be the first business of the first meeting of the Central Board.

9. Subject to the provisions of paragraphs 10 and 11 of this Schedule and of any standing orders made under paragraph 13(1)(b) of this Schedule, the chairman shall hold office for a period of 3 years from the date of his appointment but shall be eligible for reappointment.

10. If the chairman ceases to be a member of the Central Board he shall cease to be chairman.

11. The chairman may resign as such without resigning his membership of the Central Board.

*Meetings and proceedings of the Board and committees*

12.—(1) The Central Board may appoint such committees for any such purpose as the Board consider necessary or desirable.

(2) The Central Board may delegate to a committee appointed under this paragraph, with or without restrictions or conditions, as the Board think fit, any of the functions of the Board.

(3) Members of committees appointed under this paragraph need not be members of the Central Board.

(4) The number of members of a committee appointed under this paragraph and the terms of office of the members thereof shall be fixed by the Central Board.

(5) The proceedings of the Central Board or of any committee appointed under this paragraph shall not be invalidated by any vacancy in their number.

13.—(1) The Central Board may make standing orders with respect to— SCH. 1

- (a) the proceedings and conduct (including quorum, voting, place of meeting and notices to be given of meetings) of the Board or of any committee appointed by the Board under paragraph 12 of this Schedule ; and
- (b) subject to paragraphs 7, 10 and 11 of this Schedule, the appointment and removal of a chairman of the Board or of a chairman of any committee.

(2) Subject to any standing orders made under this paragraph, the proceedings of any committee appointed under paragraph 12 of this Schedule shall be such as the committee may determine.

14.—(1) A trustee savings bank may, in respect of the member appointed by it, appoint a person (being a trustee or the general manager of the bank) to perform the duties of that member in his absence.

(2) A person appointed under sub-paragraph (1) above may take part in the proceedings of the Central Board and of any committee in the absence of the member in respect of whom he was appointed or as provided by sub-paragraph (3) below, but not otherwise.

(3) If a member dies or vacates his office (otherwise than by virtue of paragraph 5(b) of this Schedule), his alternate may act as member in his place until a new person is appointed to fill his office as member.

(4) A person appointed as an alternate member shall hold office in accordance with the terms of his appointment and shall not act as an alternate member until his appointment as such has been notified in writing to the chief officer of the Central Board and any such appointment shall have effect either in relation to meetings during a stated period or until the appointment is revoked.

(5) A person appointed as an alternate member may resign his office and shall vacate his office if the member for whom he is an alternate vacates his office by virtue of paragraph 5(b) of this Schedule.

#### *Authentication of documents*

15.—(1) The application of the seal of the Central Board shall be authenticated by the signature of the chairman of the Board or of any member of the Board authorised by them either generally or specially to act for that purpose.

(2) Any document purporting to be a document duly executed under the seal of the Central Board shall be received in evidence and shall, unless the contrary is proved, be deemed to be so executed.

#### *Officers*

16.—(1) The Central Board shall appoint a chief officer and a deputy chief officer but no appointment of a chief officer shall be made except with the approval of the Treasury.

SCH. 1 (2) The Central Board may appoint such number of other officers as the Board may determine.

*Remuneration and allowances for members and officers*

17.—(1) The Central Board shall pay each member or alternate member of the Board, other than the chief officer and the deputy chief officer, such fees and allowances as the Board may determine.

(2) The Central Board shall pay to the officers of the Board such remuneration and allowances as the Board may determine.

(3) The Central Board shall—

- (a) pay such pensions, allowances or gratuities to or in respect of their officers ;
- (b) make such payments towards the provision of such pensions, allowances and gratuities ; or
- (c) provide and maintain such schemes (whether contributory or not) for the payment of such pensions, allowances or gratuities

as the Board may determine.

18.—(1) Except in so far as the Central Board consider adequate machinery exists for achieving the purposes of this paragraph, the Board shall seek consultation with such independent trade unions as appear to the Board to be appropriate with a view to the conclusion between the Board and any such trade union of agreements to establish and maintain machinery for—

- (a) the settlement by negotiation of terms and conditions of employment of persons employed by the Board, the Board's subsidiaries and trustee savings banks, with provision for reference to arbitration in default of such settlement in such cases as may be determined by or under the agreements ; and
- (b) consultation between the Board and independent trade unions on matters of common interest to the Board, the persons employed by the Board and the Board's subsidiaries and persons employed by trustee savings banks.

(2) In this paragraph the expression "independent trade union" has (throughout the United Kingdom) the meaning assigned to it by section 30(1) of the Trade Union and Labour Relations Act 1974.

1974 c. 52.

*Accounts and audit practice*

19.—(1) The Central Board shall keep proper accounts and proper records in relation to the accounts and shall prepare in respect of each financial year a statement of accounts in a form which shall conform to the best commercial accounting practice.

(2) Each statement of accounts shall include—

- (a) a balance sheet giving a true and fair view of the state of affairs of the Central Board at the end of the financial year ; and
- (b) a consolidated balance sheet in respect of the Central Board and the Board's subsidiaries giving a true and fair view of

- the state of affairs of the Board and the Board's subsidiaries at the end of the financial year; and
- (c) a consolidated income and expenditure account of the Central Board and the Board's subsidiaries giving a true and fair view of the income and expenditure of the Board and the Board's subsidiaries for the financial year.
- (3) The accounts prepared in pursuance of this paragraph shall be supported by—
- (a) schedules or notes to the accounts, including a statement of the accounting policies adopted by the Central Board and the Board's subsidiaries, giving such information as is necessary for a proper understanding of the accounts; and
- (b) a statement with respect to the state of affairs of the Central Board and the Board's subsidiaries listing the names of the persons who at any time during the financial year were members of the Board, the principal activities of the Board and the Board's subsidiaries in the course of the year and indicating any significant change in those activities in that year.
- (4) A copy of the audited accounts shall be transmitted to the Registrar of Friendly Societies within four months of the end of each financial year.

SCH. 1

*Appointment and qualifications of auditors*

- 20.—(1) The Central Board shall at the beginning of each financial year appoint a qualified auditor or qualified auditors to audit the accounts of the Board and the Board's subsidiaries.
- (2) A person shall not be qualified to be an auditor of the Central Board, unless he is a member of one or more of the following bodies—
- (a) the Institute of Chartered Accountants in England and Wales;
- (b) the Institute of Chartered Accountants of Scotland;
- (c) the Association of Certified Accountants;
- (d) the Institute of Chartered Accountants in Ireland;
- (e) any other body of accountants established in the United Kingdom and for the time being recognised for the purposes of section 161(1)(a) of the Companies Act 1948 or section 155(1)(a) of the Companies Act (Northern Ireland) 1960. 1948 c. 38.  
1960 c. 22  
(N.I.).
- or a person who is for the time being authorised under section 161(1)(b) of the said Act of 1948 or section 155(1)(b) of the said Act of 1960 as being a person with similar qualifications obtained outside the United Kingdom.
- (3) None of the following persons shall be qualified to be an auditor of the Central Board—
- (a) a member, officer or servant of the Central Board;
- (b) a person who is a partner of or in the employment of a member, officer or servant of the Central Board;
- (c) a body corporate.

SCH. 1 (4) References in sub-paragraph (3) above to an officer or servant shall be construed as not including an auditor.

(5) Notwithstanding anything in this paragraph, a Scottish firm shall be qualified to act as auditor of the Central Board if all the partners are qualified so to act.

*Status of Board and its property*

21. The Central Board shall not be regarded as the servant or agent of the Crown or as enjoying any status, privilege or amenity of the Crown and the property of the Board shall not be regarded as property of or property held on behalf of the Crown.

*Interpretation*

22. In this Schedule "financial year" means in relation to the Central Board the period in respect of which a consolidated income and expenditure account of the Board and the Board's subsidiaries is laid before the Board, whether that period is a year or not.

Section 8.

**SCHEDULE 2**

1969 c. 50.

**SCHEDULE TO BE SUBSTITUTED FOR SCHEDULE 1 TO THE  
TRUSTEE SAVINGS BANKS ACT 1969**

**" SCHEDULE 1**

**MATTERS TO BE COVERED BY THE RULES OF A BANK WHICH IS  
TO HAVE THE BENEFIT OF THIS ACT**

The rules of a trustee savings bank must expressly provide for the following matters.

1. The manner of appointment and removal of the trustees of the bank.
2. The manner of appointment and removal of any committee of management of the bank.
3. The manner of appointment of auditors.
4. The calling and holding of meetings of trustees and the procedure to be followed at such meetings.
5. The manner in which security is to be given by officers of the bank or in which insurance is to be effected against losses due to acts of default of officers of the bank.
6. The manner in which the bank is to be closed or dissolved."



SCHEDULE 3

Section 13.

CLASSES OF ASSETS TO BE HELD BY A TRUSTEE SAVINGS BANK  
TO MATCH ITS LIABILITIES TO DEPOSITORS

PART I

CLASSES OF ASSETS TO MATCH A PROPORTION, DETERMINED  
UNDER SECTION 13(1)(a) OF THIS ACT, OF SUMS DUE TO DEPOSITORS

1. Cash.
2. Deposits in the Fund for the Banks for Savings.
3. Money held on current account by other bankers (including the Central Trustee Savings Bank Limited) on behalf of the trustee savings bank.
4. Deposits in accounts with other bankers (including the Central Trustee Savings Bank Limited) repayable at not longer than 7 days' notice.
5. Loans of either of the kinds mentioned in paragraph 9 of Part II of Schedule 1 to the Trustee Investments Act 1961, being loans 1961 c. 62. repayable within one month.
6. Treasury Bills payable not more than ninety-one days from date; bills so payable issued by Her Majesty's Government in Northern Ireland and by local authorities in the United Kingdom.
7. Marketable fixed interest securities, issued by Her Majesty's Government in the United Kingdom or Her Majesty's Government in Northern Ireland, being securities within one year of the final redemption date.
8. Marketable fixed interest securities the payment of interest on which is guaranteed by Her Majesty's Government in the United Kingdom, or Her Majesty's Government in Northern Ireland, being securities within one year of the final redemption date.
9. Assets of such other classes as may from time to time be designated by the Treasury for the purposes of this Part of this Schedule.

PART II

CLASSES OF ASSETS TO BE HELD TO MATCH THE RESIDUE  
OF SUMS DUE TO DEPOSITORS

10. Cash.
11. Deposits in the Fund for the Banks for Savings.
12. Money held as mentioned in paragraph 3 above.
13. Deposits in accounts with other bankers (including the Central Trustee Savings Bank Limited).
14. Sterling Certificates of Deposit.
15. Treasury Bills; bills issued by Her Majesty's Government in Northern Ireland.

- SCH. 3 16. Marketable fixed interest securities, issued by Her Majesty's Government in the United Kingdom, Her Majesty's Government in Northern Ireland or the Government of the Isle of Man.
17. Marketable fixed interest securities the payment of interest on which is guaranteed by Her Majesty's Government in the United Kingdom, Her Majesty's Government in Northern Ireland or the Government of the Isle of Man.
- 1961 c. 62. 18. Loans of either of the kinds mentioned in paragraph 9 of Part II of Schedule 1 to the Trustee Investments Act 1961.
19. Fixed interest securities of the kinds mentioned in paragraphs 3, 5 and 9 of Part II of Schedule 1 to the Trustee Investments Act 1961.
20. Debentures of the kind mentioned in paragraph 8 of Part II of Schedule 1 to the Trustee Investments Act 1961.
- 1969 c. 50. 21. Capital assets acquired under the provisions of section 11 of the Trustee Savings Banks Act 1969 as amended by section 10 of this Act.
22. Assets of such other classes (including loans to a depositor or customer of the trustee savings bank) as may, from time to time, be designated by the Treasury for the purposes of Part I of this Schedule or for the purposes of this Part of this Schedule.

Section 34.

**SCHEDULE 4****SCHEDULE TO BE INSERTED AFTER SCHEDULE 1 TO THE  
TRUSTEE SAVINGS BANKS ACT 1969****“SCHEDULE 1A****EXECUTION OF DOCUMENTS BY CUSTODIAN TRUSTEES**

1.—(1) The custodian trustees of every trustee savings bank shall have an official seal which shall be officially and judicially noticed.

(2) The seal shall be authenticated by the signatures of one of the custodian trustees and of an officer of the trustee savings bank authorised by the custodian trustees to act on their behalf.

2. Every document purporting to be a document executed by the custodian trustees and to be sealed with the seal of the custodian trustees and authenticated in the manner provided by paragraph 1(2) above shall be received in evidence and be deemed to be such a document without further proof, unless the contrary is proved.”

SCHEDULE 5

Section 36(1)

CONSEQUENTIAL AND MINOR AMENDMENTS

*The Mineral Workings Act 1951 c. 60*

1. In section 2(3) of the Mineral Workings Act 1951 for the words “for savings banks funds” there shall be substituted the words “for ordinary deposits with the National Savings Bank”.

*The Companies Act (Northern Ireland) 1960 c. 22*

2. In section 348 of the Companies Act (Northern Ireland) 1960 for the words “or the Trustee Savings Banks Act, 1954”, there shall be substituted the words “the Trustee Savings Banks Act 1954 or the Trustee Savings Banks Act 1969”.

*The Crown Estate Act 1961 c. 55*

3. In section 3(4) of the Crown Estate Act 1961 in paragraph (b) for the words from “for the investment” to “Savings” there shall be substituted the words “as investments for ordinary deposits with the National Savings Bank”.

*The Protection of Depositors Act 1963 c. 16*

4. In section 2(2) of the Protection of Depositors Act 1963 at the end there shall be inserted the words “or trustee savings bank”.

5. In section 27(1) of that Act there shall be inserted at the appropriate place—

““trustee savings bank” means a trustee savings bank within the meaning of section 95(1) of the Trustee Savings Banks Act 1969;”.

*The Protection of Depositors Act (Northern Ireland) 1964 c. 22*

6. In section 2(2) of the Protection of Depositors Act (Northern Ireland) 1964 at the end there shall be inserted the words “or trustee savings bank”.

7. In section 27(1) of that Act, there shall be inserted at the appropriate place—

““trustee savings bank” means a trustee savings bank within the meaning of section 95(1) of the Trustee Savings Banks Act 1969;”.

*The Trustee Savings Banks Act 1969 c. 50*

8.—(1) In section 1 of the Trustee Savings Banks Act 1969—

(a) in subsection (1) after the words “this Act”, where first occurring, there shall be inserted the words “and of the Trustee Savings Banks Act 1976”, and the words in brackets shall be omitted;

(b) in subsection (2) after the words “this Act” there shall be inserted the words “nor of the Trustee Savings Banks Act 1976”;

- SCH. 5
- (c) in subsection (2) for the words from “by the National Debt Commissioners” to “Office” there shall be substituted the words “by the Registrar”;
- (d) after subsection (3) there shall be inserted the following subsection—
- “ (4) The provisions of subsection (3)(c) above shall not be construed as requiring the return to a depositor of the produce of any deposit standing to the credit of an account in his name on which no interest is paid.”
- (2) The amendment to subsection (2) set out in sub-paragraph (1)(c) above shall not apply to any savings bank formed before the commencement of section 24(1) of this Act.
9. In section 6(4) of that Act, for the words “deposited by the Registrar with the Commissioners” there shall be substituted the words “retained by the Registrar”.
10. In section 7 of that Act—
- (a) in subsection (1) the word “, managers” shall be omitted;
- (b) in subsection (2) for the words “transmitted under this Act to the Commissioners” there shall be substituted the words “certified under this Act by the Registrar”; and for the words “so transmitted” there shall be substituted the words “so certified”.
11. In section 28 of that Act—
- (a) in subsection (1) for the words from “a trustee savings bank” onwards there shall be substituted the words “respect of savings account deposits in a trustee savings bank”;
- (b) in subsection (2) for the word “shall” there shall be substituted the word “may”.
12. In section 58(1) of that Act—
- (a) in subsection (1) after the words “this Act” there shall be inserted the words “and of the Trustee Savings Banks Act 1976”; and the words from “and of the rules” to “unnecessary” shall be omitted; and
- (b) subsections (2) to (10) shall be omitted.
13. In section 59 of that Act—
- (a) in subsection (1), after the word “Commissioners” there shall be inserted the words “or the Central Board”;
- (b) in subsection (5), after the word “depositors”, there shall be inserted the words “or by the Central Board”.
14. In section 69 of that Act—
- (a) in subsection (1)—
- (i) the words “or manager” shall be omitted;
- (ii) in paragraph (b) the words from “the maintenance” to “accounts” shall be omitted;

(iii) for paragraph (c) there shall be substituted—

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“(c) for knowingly authorising or permitting a contravention of a direction under section 25 of the Trustee Savings Banks Act 1976, or

(d) for knowingly authorising or permitting a contravention of any provisions contained in regulations under section 27 of the Trustee Savings Banks Act 1976.”;

(b) subsection (2) shall be omitted.

15. In section 95(1) of that Act—

(a) the definitions of “the Association”, “charges scheme”, “closed banks fund”, “current account”, “current account deposit”, “current account service”, “the Fund”, “Inspection Committee”, “ordinary deposit”, “penny savings bank”, “reserves”, “savings account deposit” and “special investment” shall be omitted;

(b) the following definition shall be inserted at the appropriate place—

“the Central Board” means the Central Board established under section 1 of the Trustee Savings Banks Act 1976;’;

(c) for the definition of “Registrar” there shall be substituted the following—

“Registrar” means, in relation to any trustee savings bank in Scotland, the assistant registrar of Friendly Societies for Scotland; in relation to any trustee savings bank in Northern Ireland, the Chief Registrar of Friendly Societies or a deputy appointed by him; and in relation to any trustee savings bank in England and Wales, the Isle of Man or the Channel Isles, the Central Office of the Registry of Friendly Societies;’.

16. In section 98(1) of that Act for the words “section 16 of this Act or any other” there shall be substituted the word “any”.

*The Pensions (Increase) Act 1971 c.56*

17. Section 19(2)(b) of the Pensions (Increase) Act 1971 shall be omitted; but the omission shall not affect any pension which begins (as defined in section 17(1) of that Act) before the commencement of section 30 of this Act.

18. In Part III of Schedule 2 to that Act paragraph 65 shall be omitted; but the omission shall not affect any pension which begins before the commencement of section 30 of this Act.

*The National Debt Act 1972 c.65*

19. In section 3 of the National Debt Act 1972—

(a) in subsection (1)—

(i) for the words “The appropriate authority” there shall be substituted the words “The Treasury”;

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(ii) the words from “and separate regulations” onwards shall be omitted;

(b) subsection (3) shall be omitted.

20. In section 7 of that Act—

(a) in subsection (1)—

(i) the words from “, and” to “Commissioners”, shall be omitted;

(ii) for the words “the appropriate authority” in each place there shall be substituted the words “the Director of Savings”;

(b) in subsection (2) for the words “the appropriate authority and the National Debt Commissioners” there shall be substituted the words “the Director of Savings”;

(c) subsection (3) shall be omitted.

**SCHEDULE 6**  
**REPEALS**

Section 36(2).

Chapter	Short Title	Extent of Repeal
34 & 35 Vict. c. 36.	The Pensions Commutation Act 1871.	In section 6, the words "and the Trustee Savings Banks Act 1863, or either of such Acts".
1961 c. 62.	The Trustee Investments Act 1961.	In Schedule 1, in Part I, in paragraph 2 the words "ordinary deposits in a trustee savings bank", in Part II, paragraph 11, and in Part IV, in paragraph 4 the definitions of "ordinary deposits" and "special investment".
1969 c. 50.	The Trustee Savings Banks Act 1969.	<p>In section 1(1), the words in brackets.</p> <p>In section 2, in subsection (2), the words "and managers", and subsection (5).</p> <p>Section 4.</p> <p>In section 7(1), the word "managers".</p> <p>Section 8.</p> <p>In section 11, in subsection (1) the words "with the consent of the Commissioners", and the words "with the like consent", in subsection (3) the words "or consent of the Commissioners to", and subsection (4).</p> <p>Sections 12 to 26.</p> <p>In section 27(1), the words "and managers".</p> <p>Section 28(1).</p> <p>Section 30.</p> <p>Sections 32 to 54.</p> <p>Sections 56 and 57.</p> <p>In section 58, in subsection (1) the words from "and of the rules" to "unnecessary", and subsections (2) to (10).</p> <p>Section 60.</p> <p>In section 61(1), the words "on the recommendation of the Inspection Committee".</p> <p>Sections 62 and 63.</p> <p>Sections 66 and 67.</p> <p>In section 68(1), the words "and managers".</p> <p>In section 69, in subsection (1) the words "or manager", and in paragraph (b) the words from "the maintenance" to "accounts", and subsection (2).</p>

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Chapter	Short Title	Extent of Repeal
1969 c. 50— <i>cont.</i>	The Trustee Savings Banks Act 1969— <i>cont.</i>	In section 71, the words “and three managers”, and the words “or managers” in every place. Sections 73 to 84. Section 91. Section 93(3). Section 94. In section 95(1), the definitions of “the Association”, “charges scheme”, “closed banks fund”, “current account”, “current account deposit”, “current account service”, “the Fund”, “Inspection Committee”, “ordinary deposit”, “penny savings bank”, “reserves”, “savings account deposit” and “special investment”. Section 96(3), (5) and (6). Schedule 2.
1971 c. 56.	The Pensions (Increase) Act 1971.	Section 19(2)(b), except in relation to any pension beginning before the commencement of section 30 of this Act. In Schedule 2, in Part III, paragraph 65, except in relation to any pension beginning before the commencement of section 30 of this Act.
1972 c. 11.	The Superannuation Act 1972.	In Schedule 6, paragraphs 75 and 76.
1972 c. 65.	The National Debt Act 1972.	In section 2(2), the words from “, except” to “banks,”. In section 3, in subsection (1) the words from “and separate regulations” onwards, and subsection (3). In section 5, in subsection (1) the words “or the trustees of a trustee savings bank” and in subsection (2) the words “or trustees”. In section 7, in subsection (1) the words from “, and” to “Commissioners,”, and subsection (3). In section 11, in subsection (1), in paragraph (b) the words “trustee savings bank or”, and in subsection (2) the words “trustee savings bank and”. Section 14.



Chapter	Short Title	Extent of Repeal
1972 c. 65— <i>cont.</i>	The National Debt Act 1972— <i>cont.</i>	In section 15(3), the words from “and” onwards. In section 16(3), the words “trustee savings bank and”.
1976 c. 4.	The Trustee Savings Banks Act 1976.	Section 12(4). In Schedule 5, paragraph 11(a).

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