



LAWS OF MALAYSIA

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BANK SIMPANAN NASIONAL ACT 1974

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BANK SIMPANAN NASIONAL ACT 1974

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LAWS OF MALAYSIA**Act 146****BANK SIMPANAN NASIONAL ACT 1974**

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LAWS OF MALAYSIA**Act 146*****BANK SIMPANAN NASIONAL ACT 1974**

An Act to repeal the Post Office Savings Bank Act 1948 and to incorporate the Bank Simpanan Nasional to promote and mobilize savings, particularly from small savers, to encourage thrift, to provide means for savings by the general public, to provide for the transfer to and for vesting in the Bank of the functions, assets and liabilities of the Post Office Savings Bank and to make provisions for other matters connected therewith.

[1 December 1974, P.U. (B) 611-A/1974]

BE IT ENACTED by the Seri Paduka Baginda Yang di-Pertuan Agong with the advice and consent of the Dewan Negara and Dewan Rakyat in Parliament assembled, and by the authority of the same, as follows:

PART I**PRELIMINARY****Short title**

1. This Act may be cited as the Bank Simpanan Nasional Act 1974.

Interpretation

2. In this Act, unless the context otherwise requires—

“appointed date” means the date on which this Act comes into force;

“Bank” means the Bank Simpanan Nasional established under section 3;

**NOTE*—This Act will be repealed by Bank Simpanan Nasional Berhad Act 1997 [Act 571] when Act 571 comes into force.

“Board” means the Board of Directors referred to in section 6;

“Chairman” means the Chairman of the Board;

“Chief Executive” means the Chief Executive appointed under section 9 and includes any person appointed to act as the Chief Executive;

“director” means a member of the Board appointed under section 6 and includes the Chairman and alternate director;

“giro service” means a current account service which permits account holders to issue payment instructions to the Bank and which permits the Bank to accept payments into the account of an account holder from any party;

“interest” includes bonus and such other pecuniary benefits (by whatever name called) payable on deposits and other accounts with the Bank;

“officer” includes the Chief Executive;

“Post Office Savings Bank” means the Post Office Savings Bank established under the Post Office Savings Bank Act 1948 [*Act 113*];

“premium savings certificate” means a numbered savings certificate issued by the Bank for a deposit account on which no interest will be payable but which may or may not participate in periodical draws held by the Bank for the award of bonus payments by way of cash or otherwise; and

“security” means debenture, stock and share in a public company or corporation, or bond of any government or of any body, corporate or unincorporate, and includes any right or option in respect thereof and any interest as defined in section 84 of the Companies Act 1965 [*Act 125*].

PART II

ESTABLISHMENT, OBJECTS AND POWERS

Establishment and incorporation

3. There is hereby established a savings bank by the name of “Bank Simpanan Nasional”, or in English, the “National Savings Bank”, which

shall be a body corporate with perpetual succession and with power to enter into contracts, to acquire, hold, dispose of or otherwise deal in movable and immovable property and to sue and be sued in its own name.

Objects of the Bank

4. The principal objects of the Bank shall be—
- (a) to promote and mobilize savings, particularly from small savers, and to encourage thrift and the saving habit;
 - (b) to provide means for savings by the general public;
 - (c) to utilize the funds of the Bank for investments, including financing for the economic development of the nation;
 - (d) to assume the functions and responsibilities of the Post Office Savings Bank; and
 - (e) to promote the interests of its depositors and other customers.

Powers of the Bank

5. For the purpose of carrying out the objects set out in section 4, the Bank may—
- (a) receive as deposits from its customers or collect on their behalf moneys which are repayable either on demand or otherwise;
 - (b) grant loans and advances to, or give guarantees for the benefit of, its depositors and other customers for housing and such other purposes as may be approved by the Minister and enter into agreements for these purposes;
 - (c) invest in securities of the Government or of the Government of any State or of any public authority or other securities for purposes consistent with its objects;
 - (d) promote the formation of an incorporated company or participate in the promotion of such a company or acquire an undertaking or part thereof;

- (e) acquire land and property for or in connection with the exercise of its powers, and develop such land and property;
- (f) dispose of or lease or otherwise deal with the whole or any part of its undertaking or property;
- (g) provide and operate giro services;
- (h) accept from customers for safe custody securities and other articles of value;
- (i) levy a charge for any service rendered by it;
- (j) maintain accounts with the Government, the Government of any State, banks and other financial institutions;
- (k) open branches and appoint agents or correspondents;
- (l) operate schemes for the issue and promotion of premium savings certificates which are redeemable either on demand or otherwise and, notwithstanding any other written law to the contrary, hold, promote, organize and administer draws for the awarding of bonus payments to holders of issued premium savings certificates; and
- (la) provide, operate and manage any other products or services as may be necessary for the purpose of attaining the objects of the Bank and impose charges for such products and services; and
- (m) carry on the general business of a savings bank and do all such other things as are incidental or conducive to the attainment of its objects.

PART III

CONSTITUTION OF THE BANK

Board of Directors

6. (1) There shall be a Board of Directors constituted under subsection (2), which shall be responsible for the policy and overall administration of the affairs and business of the Bank.

(2) Members of the Board of Directors shall be appointed by name by the Minister and shall comprise of—

- (a) a Chairman;
- (b) a representative of the Ministry of Finance, who shall be the Deputy Chairman;
- (c) *(Deleted by Act A1389)*;
- (d) *(Deleted by Act A1389)*;
- (e) not less than four other directors, who shall be persons of standing and experience in matters relating to banking, business or industry; and
- (f) the Chief Executive.

Alternate director

7. (1) The Minister may in respect of each of the directors appointed under paragraph 6(2)(b) appoint by name a person to be an alternate director to attend meetings of the Board in place of the director when the director is for any reason unable to attend.

(2) When attending meetings of the Board in place of a director, an alternate director shall for all purposes be deemed to be a member of the Board.

(3) An alternate director shall cease to be an alternate director when the director in respect of whom he is an alternate director ceases to be a member of the Board.

Terms of appointment of Chairman and directors

8. (1) Subject to the provisions of this Act—

- (a) the Chairman shall be appointed for a term not exceeding five years and shall be eligible for reappointment; and

(b) any other director (other than the Chief Executive) shall hold office for a term not exceeding three years and shall be eligible for reappointment.

(2) Directors shall be paid by the Bank such salaries, fees or allowances as may be determined by the Minister.

(3) During the temporary incapacity owing to illness or during the temporary absence from Malaysia of the Chairman, the Deputy Chairman may act as temporary Chairman, and if both the Chairman and the Deputy Chairman are absent, the Minister may appoint one of the other directors to be temporary Chairman.

(4) The Minister may at any time terminate the appointment of the Chairman or any director who—

(a) is guilty of serious misconduct in relation to his office;

(b) is absent, except on leave or with the approval of the Minister, from more than three consecutive meetings of the Board;

(c) fails to comply with his obligations under section 12; or

(d) is, in the opinion of the Minister, unfit to remain as Chairman or director.

(5) No person shall be appointed or remain as Chairman or director of the Bank if he—

(a) is convicted by a court of law of an offence and sentenced to imprisonment for a term of not less than one year, or of any offences involving fraud or dishonesty and has not received a free pardon;

(b) becomes of unsound mind or otherwise incapable of carrying out his duties; or

(c) becomes a bankrupt or makes any arrangement or composition with his creditors.

(d) (*Deleted by Act A397*).

Appointment and duties of Chief Executive

9. (1) The Minister shall, after consulting the Chairman of the Board, appoint a Chief Executive on such terms and conditions as the Minister may think fit.

(2) The Chief Executive—

- (a) *(Deleted by Act A1389)*;
- (b) shall be responsible to the Board for the proper administration and management of the Bank in accordance with the policy laid down by the Board;
- (c) may, subject to the provisions of this Act, give decisions and exercise all powers, and do all acts which may be exercised or done by the Bank; and
- (d) shall be answerable to the Board for his acts and decisions.

(3) The Chief Executive shall devote the whole of his professional time to the service of the Bank:

Provided that he may, if so appointed and with the approval of the Minister, become—

- (a) a director, governor or member of the board (by whatever name called) of any international savings bank or similar institution of international character;
- (b) a director of any corporation or institution in Malaysia in which the Bank may have an interest; or
- (c) a director or member of the board of management (by whatever name called) of any public authority or body.

Directions by the Minister

10. (1) The Minister may from time to time give general directions not inconsistent with the provisions of this Act to the Board regarding the policy to be pursued by the Bank and any such direction shall become binding on

the Board, which shall forthwith take all steps necessary or expedient to give effect thereto.

(2) The Bank shall furnish the Minister with such information with respect to its financial position and activities as the Minister may from time to time require.

Meetings of the Board

11. (1) The Chairman shall summon Board meetings as often as required but not less frequently than once a month.

(2) The Chairman, or in his absence, the Deputy Chairman, shall preside at every meeting of the Board. In the absence of both the Chairman and the Deputy Chairman, members of the Board shall elect a person from among themselves to act as Chairman.

(3) Any three members may requisition a meeting of the Board.

(4) Four members of the Board present at a meeting of the Board shall form a quorum.

(5) All decisions at a meeting of the Board shall be by a simple majority of the votes of the directors present and voting:

Provided that if upon any question the votes are equally divided, the Chairman or the person presiding shall have a casting vote.

Committees of the Board

11A. (1) The Board may establish any committee as it considers necessary or expedient to assist it in the performance of its objects and powers under this Act.

(2) The Board may elect a member of the Board to be the chairman of a committee.

(3) The Board may appoint any person to be a member of a committee established under subsection (1).

(4) A member of a committee shall hold office for such term as may be specified in his letter of appointment and is eligible for reappointment.

(5) The Board may revoke the appointment of a member of a committee without assigning any reason for the revocation.

(6) A member of a committee may, at any time, resign by giving a one month notice in writing to the Chairman of the Board.

(7) The Board may, at any time, discontinue or alter the constitution of a committee.

(8) A committee may regulate its own procedure.

Disclosure of director's interest in contract, etc.

12. (1) A director having, directly or indirectly, by himself or his partner, any interest in any company or undertaking with which the Bank proposes to make any contract or having any interest in such contract or matter under discussion by the Bank, shall disclose the nature of his interest at the first meeting of the Board at which he is present after the relevant facts have come to his knowledge.

(2) A disclosure under subsection (1) shall be recorded in the minutes of the Board and, after disclosure, the director shall—

- (a) not take part in any deliberation or decision of the Board with respect to that contract or matter; and
- (b) be disregarded for the purpose of constituting a quorum of the Board for such deliberation or decision.

(3) No act or proceeding of the Board shall be questioned on the ground that a director has contravened the provisions of this section.

Common seal

13. (1) The Bank shall have a common seal which shall bear such device as the Board may approve and such seal may from time to time be broken, changed, altered and made anew as the Board deems fit.

(2) Until a seal is provided under this section, a stamp bearing the inscription “Bank Simpanan Nasional” or “National Savings Bank” may be used as the common seal.

(3) All deeds, documents and other instruments requiring the seal of the Bank shall be sealed with the seal of the Bank in the presence of the Chairman and the Chief Executive or some other person authorized by the Board to act in that behalf, who shall sign every such deed, document or other instrument to which the seal is affixed and the signing shall be sufficient evidence that the seal was duly and properly affixed and that the same is the lawful seal of the Bank.

(4) Any document or instrument which if executed by a person not being a body corporate would not be required to be under seal may in like manner be executed by the Bank; and any such document or instrument may be executed on behalf of the Bank by any officer or employee of the Bank generally or specially authorized by the Board in that behalf.

PART IV

OFFICERS AND EMPLOYEES OF THE BANK

Officers and employees

14. (1) The Bank may appoint such officers and employees as it may consider necessary for the efficient conduct of the business of the Bank.

(2) Officers and employees of the Bank shall hold office for such period, receive such salaries and allowances and be subject to such terms and conditions of service as may be determined by the Board and approved by the Minister.

Discipline

14A. (1) The Bank shall have disciplinary authority over all of its officers and employees and shall exercise disciplinary control in respect of all such persons.

(2) The Bank may, with the approval of the Minister, make regulations to provide for the discipline of its officers and employees.

(3) The disciplinary regulations made under this section—

(a) may create disciplinary offences;

(b) may provide for such disciplinary punishments as the Bank may deem appropriate and the punishments may extend to—

(i) a reminder;

(ii) a warning;

(iii) a deferment of salary movement;

(v) a reduction of salary;

(vi) a reduction in rank; and

(vii) dismissal;

(c) shall provide for an opportunity to an officer or employee against whom disciplinary proceedings are taken to make representations against the disciplinary charge laid against him before a decision is arrived at by the disciplinary committee;

(d) may provide for the interaction with reduced salary of an officer or employee during the pendency of a criminal proceeding or disciplinary proceeding against him with the view to his dismissal or reduction in rank;

(e) may provide for the suspension without salary of an officer or employee—

(i) where the officer or employee has been convicted by a criminal court; or

(ii) where an order of detention or restriction has been imposed on the officer or employee; and

- (f) may provide for the procedure for the hearing of an appeal by the Disciplinary Appeal Board established under section 14C.

Disciplinary committees

14B. (1) The Bank may establish different disciplinary committees for different categories of its officers and employees.

(2) The following provisions shall apply to a disciplinary committee:

- (a) a disciplinary committee shall consist of any number of members of the Board of Directors other than the Chairman, or any number of officers, or any combination of members of the Board of Directors and officers; and
- (b) an officer who is a member of a disciplinary committee shall not be lower in rank than an officer over whom the disciplinary committee of which he is a member has disciplinary authority.

(3) A disciplinary committee shall exercise its powers in all matters relating to the discipline of the officers or employees placed under its jurisdiction.

(4) In the exercise of its disciplinary functions and powers, a disciplinary committee shall have the power to take disciplinary action and impose any disciplinary punishment or any combination of two or more disciplinary punishments as may be provided for under any disciplinary regulations made under section 14A.

Disciplinary Appeal Board

14C. (1) A decision of the disciplinary committee shall be appealable to the Disciplinary Appeal Board which shall consist of the following members:

- (a) the Chairman, who shall be the chairman of the Disciplinary Appeal Board and shall have the casting vote; and
- (b) two other members who may consist of the members of the Board of Director, officers or any combination of the members of the Board of Directors and officers who shall be appointed

by the chairman of the Disciplinary Appeal Board for the purpose of the appeal provided that—

- (i) the members of the Board of Directors or officers are not members of the disciplinary committee whose decision is the subject matter of the appeal; and
- (ii) the officers shall not be lower in rank than the officer who made the appeal.

(2) When the Disciplinary Appeal Board considers an appeal, a member of the disciplinary committee against whose decision the appeal is made shall not be present or in any way participate in any proceedings relating to that appeal.

(3) The Disciplinary Appeal Board may confirm, reverse or vary the decision of the disciplinary committee.

Surcharge

14D. (1) A person who is or was in the employment of the Bank may be surcharged if it appears to the Bank that the person—

- (a) did not or has failed to collect any moneys owing to the bank for the collection of which he is or was responsible;
- (b) is or was responsible for any payment of money from the Bank which ought not to have been made or for any payment of moneys which is not duly approved;
- (c) is or was responsible, directly or indirectly, for any deficiency in, loss or the destruction of, any moneys, stamps, securities, stores or other property of the Bank;
- (d) being or having been an accounting officer, fails or has failed to keep proper accounts or records; or
- (e) has failed to make any payment, or is or was responsible for any delay in the payment of money from the Bank to any person to whom such payment is due under any contract, agreement or arrangement entered into between that person and the Bank.

(2) The Bank shall, before the person is surcharged, serve on him a written notice calling on him to show cause why he should not be surcharged.

(3) If a satisfactory explanation is not received within fourteen days from the date of service of the notice under subsection (2), the Bank may surcharge against that person such sum as the Bank deems fit.

(4) The Bank shall cause the Chief Executive to be notified of any surcharge made under subsection (3) and the Chief Executive shall thereupon notify the person surcharged.

(5) The Bank may at any time withdraw any surcharge in respect of which a satisfactory explanation has been received or if it otherwise appears that no surcharge should have been made, and the Bank shall immediately cause the Chief Executive to be notified of such withdrawal and the Chief Executive shall inform the person surcharged of the withdrawal.

(6) The amount of any surcharge imposed under subsection (3) and not withdrawn under subsection (5) shall be a debt due to the Bank from the person surcharged and may be sued for and recovered in any court at the suit of the Bank and may also, if the Bank so directs, be recovered by deduction from—

(a) the salary of the person surcharged; or

(b) the pension of the person surcharged,

by equal monthly instalments not exceeding one-fourth of the total monthly salary or pension, as the case may be, of that person.

Transfer of members of the public service to the Bank

15. (1) Subject to the provisions of this Act, any person who immediately before the appointed date was a member of the public service and who in the opinion of the Minister is necessary to the proper operation of the Bank shall as from that date become an officer or employee of the Bank, on terms and conditions of service not less favourable than those which were attached to his service immediately before that date.

(2) Any member of the public service who has by virtue of subsection (1) become an officer or employee of the Bank may not later than twelve

months from the appointed date elect in writing whether to continue in the service of the Bank or to revert to the public service; and if he elects to revert to the public service, shall thereupon revert to that service on terms and conditions not less favourable than those which would have been attached to his service had he not become an officer or employee of the Bank by virtue of subsection (1); and his service with the Bank shall be deemed to be service within the public service.

(3) Any member of the public service who reverts to the public service under subsection (2) may, by reason that no vacancy is immediately available for him in the public service, be required by the Government, and the Bank shall permit him, to continue to serve with the Bank for a period not exceeding five years.

(4) In determining whether the terms and conditions of service are or are not less favourable, as aforesaid, regard shall be had to salary or wages, conditions relating to termination of service, retirement benefits, medical attention, quarters, allowances, leave and overseas passages (if any) for himself and his family and any other benefits whether provided for himself or his widow or dependants.

(5) Any question arising as to whether any terms and conditions of service are less favourable than those attached to the service mentioned in subsection (1) or (2) shall be referred to the Minister whose decision thereon shall be final.

Facilities for staff

16. In pursuance of its objects, the Bank may provide for its staff educational and welfare facilities, including—

- (a) scholarship and other financial assistance for persons employed or likely to be employed by it; and
- (b) provide houses, hostels, clubs and other educational and recreational facilities.

Public servants

17. Any director, officer and employee of the Bank shall be deemed to be a public servant within the meaning of the Penal Code [*Act 574*].

PART V

PROVISIONS RELATING TO THE CARRYING ON OF
BUSINESS OF THE BANK**Transfer of powers, rights and privileges, assets and liabilities**

18. All powers, rights and privileges, movable properties, assets, debts, liabilities and obligations vested in or belonging to, and all other business transacted by the Post Office Savings Bank shall, on the appointed date, be transferred to and vest in the Bank without further conveyance and its business shall be carried on by the Bank.

Receipt and repayment of deposits and interest payable

19. Moneys from depositors and other customers with the Bank shall be received and repaid on such terms and conditions as the Board may decide; provided that the interest payable shall be at such rate as approved by the Minister.

Guarantee of the Government

20. The repayment of all moneys deposited in the Bank together with interest thereon is guaranteed by the Government and accordingly, in the event that the assets of the Bank shall be insufficient to pay the lawful claims of every depositor, such deficiency shall be charged on and paid out of the Consolidated Fund and the Minister shall certify such deficiency to the Dewan Rakyat at the earliest possible opportunity.

Interest on loans and advances

21. The Bank may charge interest on loans and advances made to depositors and other customers at such rate as the Board may determine from time to time with the approval of the Minister.

Power to borrow

22. For the purpose of carrying out its functions under this Act, the Bank may, with the approval of the Minister, borrow from the Government, the Government of any State or from any bank or financial institution such sums

as may be required by the Bank on such terms and subject to such conditions as may be agreed between the lender and the Bank and approved by the Minister.

Borrowing by staff

23. (1) Subject to subsection (2), the Bank shall not lend or advance money to an officer or employee except—

- (a) for the purchase, erection, alteration, and renovation of a house in which he resides or intends to reside under rules approved by the Board;
- (b) to discharge a mortgage or encumbrance on such a house; or
- (c) for the purchase of a vehicle.

(2) When the Bank is satisfied that special or compassionate circumstances exist, it may approve a loan or advance to an officer or employee on such terms and conditions as the Board deems appropriate.

Restriction on loans and advances

24. The Bank shall not grant a loan or advance to any director or person for whom a director is a guarantor.

Investment of funds

25. (1) Subject to the provisions of this Act, the funds of the Bank shall, as far as practicable and except for such sums as may be assigned to be kept in hand for the general purposes of the Bank, be invested in—

- (a) securities of the Government;
- (b) other investments authorized by or under the Trustee Act 1949 [Act 208];
- (c) loans for housing for depositors and other customers in accordance with the general directions of the Minister;

- (d) other loans and advances to depositors and other customers for such purposes as may be approved by the Minister; and
- (e) other securities and investments as the Board may from time to time decide:

Provided that, subject to any variation which the Minister may make under subsection (2), securities held under paragraph (a) shall not be less than 70 per cent, and securities and investments held under paragraph (e) shall not exceed 10 per cent, of the funds available in any one year for investment and not needed for immediate use by the Bank.

(2) The Minister may, after consultation with the Board, vary the percentage specified in the proviso to subsection (1).

(3) No investment shall be made by the Bank outside Malaysia.

PART VI

FINANCIAL PROVISIONS

Financial year

26. The financial year of the Bank shall begin on the first day of January and end on the thirty first day of December of each year:

Provided that if this Act comes into force on a date other than the first day of January, then the first financial year shall be as the Minister may decide on the recommendation of the Board.

Annual estimates

27. The Board shall in the course of each year prepare and adopt annual estimates of income and expenditure of the Bank for the ensuing financial year.

Accounts and audit

28. (1) The Bank shall cause to be kept such accounting and other records as will sufficiently explain the transactions and financial position of the Bank and enable a profit and loss account and a balance sheet to be prepared in each financial year and shall cause these records to be kept in such manner as to enable them to be conveniently and properly audited.

(2) The accounts of the Bank shall be audited by the Auditor General.

General Reserve Fund

29. (1) There shall be a General Reserve Fund of the Bank.

(2) At the end of each financial year, the net profit of the Bank for that year shall be determined after allowing for the expenses of operation and after making provision for bad and doubtful debts, depreciation in assets, contribution to staff provident or pension funds and such other contingencies as are usually provided for by banks.

(3) The net profit determined under subsection (2) shall be dealt with as follows:

(a) such part as the Board may direct shall be placed to the credit of the General Reserve Fund; and

(b) any excess shall be carried in the profit and loss account for the ensuing financial year.

(4) The Board may appropriate such portion of the General Reserve Fund as may be necessary for the purpose of—

(a) meeting losses arising from any revaluation or disposal of assets;

(b) maintaining reasonable rates of interest payments on deposits in the Bank;

(c) carrying out the general business of the Bank; and

- (d) such other purposes as may be approved by the Minister in keeping with the objects of this Act.

Profit and loss account, balance sheet and annual report

30. (1) The Bank shall after the end of each financial year, as soon as the accounts of the Bank have been audited but, except with the specific approval of the Minister, not later than the 30 April of each year—

- (a) cause a copy of its profit and loss account and balance sheet certified by the Auditor General, together with a copy of any observation made by the Auditor General, to be transmitted to the Minister and such financial statements and observations shall then be published in the *Gazette*;
- (b) transmit to the Minister its annual report dealing with the activities of the Bank during the preceding financial year and containing information relating to the operations and accounts of the Bank, including a statement as to whether any contingent liabilities have been undertaken by the Bank pursuant to paragraph 5(b) in the period covered by the financial statements; and
- (c) publish its annual report together with the financial statements and the Auditor General's observations referred to in paragraph (a).

(2) The Minister shall cause copies of the documents referred to in paragraph (1)(c) to be laid before each House of Parliament.

PART VII

GENERAL

Power to make rules and regulations

31. (1) The Board may make such rules and regulations as may be necessary for the purpose of carrying out or giving effect to any of the provisions of this Act.

(2) In particular, and without prejudice to the generality of the power conferred by subsection (1), such rules and regulations may relate to—

- (a) the operation of schemes for saving with the Bank;
- (b) the provision of loans and advances for housing and other specific purposes;
- (c) the investment of the funds of the Bank;
- (d) the operation of giro services; and
- (e) the issue and promotion of premium savings certificates and the holding, promoting, organizing and administering of draws related thereto:

Provided that such rules and regulations relating to policy shall require the approval of the Minister.

Secrecy

32. (1) The names of depositors and amounts of deposit and withdrawals shall not be disclosed by any officer or employee of the Bank, except to the Auditor General or with the written consent of the Minister:

Provided that nothing in this section shall be deemed to limit the power conferred upon the High Court or a Judge thereof by the Bankers' Books (Evidence) Act 1949 [*Act 33*] to prohibit obedience to an order made under that Act.

(2) Any person contravening this section shall be guilty of an offence and shall on conviction be liable to a fine not exceeding one thousand ringgit.

Power to appoint attorney

33. The Bank may by instrument under its seal appoint a person whether in Malaysia or any place outside Malaysia, to be its attorney and such person so appointed may, subject to the instrument, do any act or execute any power or function which he is authorized by the instrument to do or execute.

The Bank deemed a Malay or native

34. For the purpose of any written law relating to land reserved for alienation to Malays or to natives of the State in which it lies, the Bank shall be deemed to be a Malay or a native, as the case may be.

Attachment of deposits

35. (1) Except as provided under subsection (2), no deposit in the Bank, and no interest on any such deposit, shall be attached, sequestered or levied upon for or in respect of any debt or claim whatsoever.

(2) Upon notice of a claim under a judgment of any court, it shall be lawful for the Chief Executive in his discretion to retain in the account a sum sufficient to answer the claim and to pay into the court on its order the amount of that claim or part thereof; but a court shall only make an order under this section if it is satisfied that the judgment-debtor has an account with the Bank for his own sole benefit.

Power to administer oath

36. (1) For the purpose of obtaining proof of the death of a depositor or of ascertaining the proper person to receive moneys standing in the name of a minor, person of unsound mind, or deceased person, the Chief Executive, or such other officer as the Chief Executive shall appoint for the purpose, may take evidence on oath or affirmation according to law.

(2) Any person who upon such oath or affirmation makes any statement that is false, and which he either knows or believes to be false, or does not know to be true, shall be deemed guilty of an offence under section 193 of the Penal Code.

Public Authorities Protection Act

37. The Public Authorities Protection Act 1948 [*Act 198*] shall apply to any action, suit, prosecution or proceeding against the Bank or against any member, officer, employee, agent or correspondent of the Bank, in respect of any act, neglect or default done or committed by him in such capacity.

Things done in anticipation of this Act

38. All things done by any person or authority on behalf of the Bank in the preparation of and towards the proper implementation of any of the provisions of this Act and any expenditure incurred in relation thereto, in anticipation of the promulgation of this Act, shall be deemed to have been authorized by this Act; and all rights and obligation acquired or imposed on behalf of the Bank from anything so done or any expenditure so incurred shall upon the coming into force of this Act be deemed to be the rights and obligations of the Bank.

Compulsory acquisition of land

39. (1) When any immovable property, not being State land, is needed to be acquired by the Bank for the purposes of this Act, such property may be acquired in accordance with the provisions of any written law relating to the acquisition of land for a public purpose for the time being in force in the State in which such property is situate, and any declaration required by any such written law that such land is so needed may be made notwithstanding that compensation is to be paid by the Bank; and such declaration shall have effect as if it were a declaration that such land is needed for a public purpose in accordance with such written law.

(2) The expenses and compensation in respect of any immovable property acquired under this section shall be paid by the Bank.

(3) When any immovable property has been acquired under this section, the Bank shall extract the necessary documents of title in respect of such property and shall pay any rent to which such property may be subject.

PART VIII

REPEAL AND TRANSITIONAL

Repeal and saving

40. (1) Subject to subsections (2) and (3), the Post Office Savings Bank Act 1948 (hereinafter referred to as the 1948 Act) is hereby repealed and the Post Office Savings Bank established by or under the 1948 Act is hereby dissolved.

(2) All subsidiary legislations in force immediately before the appointed date made under the 1948 Act shall, with necessary modifications, continue in force and have effect as if they have been made under this Act, and may be amended or repealed by regulations made under this Act.

(3) All deposits made and all entries in depositors' passbooks, and all funds invested in securities remaining unsold on the appointed date and all other business transacted under the 1948 Act shall, so far as may be consistent with this Act, be deemed to be deposits and entries made, funds invested and business transacted under this Act.

Transfer of land and property

41. (1) All land which immediately before the appointed date were vested in, or reserved under any written law relating to land for the purposes of the Post Office Savings Bank, and all land acquired with moneys of the Post Office Savings Bank, shall on that day vest in or be deemed to be reserved for the purposes of the Bank, as the case may be.

(2) All property and assets other than land that immediately before the appointed date were vested in or in any person on behalf of the Post Office Savings Bank shall on that date vest in the Bank.

Transfer of funds

42. All funds of or due to the Post Office Savings Bank shall, on the appointed date, be transferred or become due to the Bank.

Existing contract

43. All deeds, bonds, agreements, instruments and working arrangements subsisting immediately before the appointed date affecting any of the properties transferred under section 41 shall be in full force and effect against or in favour of the Bank and enforceable as fully and effectually as if, instead of the Post Office Savings Bank or any person acting on behalf of the Post Office Savings Bank, the Bank has been named therein or been a party thereto.

Continuance of criminal and civil proceedings

44. Neither the repeal under section 40 nor anything contained in this Act shall affect any person's liability to be prosecuted or punished for offences committed in respect of any act or omission under the 1948 Act.

LAWS OF MALAYSIA**Act 146****BANK SIMPANAN NASIONAL ACT 1974**

LIST OF AMENDMENTS

Amending law	Short Title	In force from
Act 160	Malaysian Currency (Ringgit) Act 1975	29-08-1975
Act A397	Bank Simpanan Nasional (Amendment) Act 1977	10-06-1977
Act A1389	Bank Simpanan Nasional (Amendment) Act 2011	24-02-2011

LAWS OF MALAYSIA

Act 146

BANK SIMPANAN NASIONAL ACT 1974

LIST OF SECTIONS AMENDED

Section	Amending authority	In force from
1	Act 160	29-08-1975
2	Act 160 Act A397 Act A1389	29-08-1975 10-06-1977 24-02-2011
3	Act 160	29-08-1975
5	Act A397 Act A1389	10-06-1977 24-02-2011
6	Act A397 Act A1389	10-06-1977 24-02-2011
8	Act A397 Act A1389	10-06-1977 24-02-2011
9	Act A1389	24-02-2011
11A	Act A1389	24-02-2011
13	Act A1389	24-02-2011
14A	Act A1389	24-02-2011
14B	Act A1389	24-02-2011
14C	Act A1389	24-02-2011
14D	Act A1389	24-02-2011
31	Act A397	10-06-1977
35	Act A1389	24-02-2011
36	Act A1389	24-02-2011
