
DRAFT STATUTORY INSTRUMENTS

2009 No.

The Saving Gateway Accounts Regulations 2009

PART 2

Other requirements to be satisfied in relation to accounts

General requirements for accounts

10.—(1) A Saving Gateway account must satisfy the requirements that—

- (a) it is the account of a single person (“the account holder”) who is “the applicant” in regulations 6(1) and 13;
- (b) the account holder is or has been an eligible person;
- (c) no person may open more than one Saving Gateway account in their lifetime;
- (d) it is a cash deposit account (including a share account held with a building society within the meaning of the Building Societies Act 1986⁽¹⁾, and a deposit by way of subscription for shares in a credit union);
- (e) the account is denominated in sterling;
- (f) the account is covered by the Financial Services Compensation Scheme⁽²⁾, or another deposit-guarantee scheme introduced and officially recognised in a Member State or EEA State, in accordance with Article 3(1) of Council Directive 94/19/EEC⁽³⁾;
- (g) the account must be in the beneficial ownership of the account holder, and not be held on behalf of any other person; and
- (h) the account must at all times be managed in accordance with the Act and these Regulations by an approved account provider and under terms agreed and recorded in an agreement (the “agreed terms”) made between the account provider and the account holder.

(2) Apart from other requirements of the Act and these Regulations, the agreed terms shall include (or comply with, as the case may be) the conditions that—

- (a) if the account is held by the account holder until the end of the account’s maturity period, the account provider shall pay the account holder a maturity payment (see section 8 of the Act);
- (b) if the account holder dies, while still holding the account, before the end of the account’s maturity period, the account provider shall pay a death payment in accordance with regulation 7(3) and (4);
- (c) there is no restriction on the maximum or minimum amount or on timing (subject to the account provider’s normal business hours) of withdrawals of the credit balance of the account;

⁽¹⁾ 1986 c. 33.

⁽²⁾ Established by the Financial Services Authority pursuant to section 213 of the Financial Services and Markets Act 2000.

⁽³⁾ O.J. 1994, L135/5.

- (d) there is no requirement that a minimum credit balance must be maintained in the account (with the result that an account with a nil balance is not automatically closed);
 - (e) the account provider shall permit payment of sums into the account by cheque, direct debit, standing order, direct credit (other than standing order) or cash (unless, in the case of cash, the provider offers both internet and non-internet accounts, and the non-internet accounts accept cash);
 - (f) no deductions or withdrawals from the account (by way of charges or otherwise) shall be made by the account provider;
 - (g) the account provider shall have no right of charge, lien, set-off, mortgage or other security against the money in the account;
 - (h) the account provider shall satisfy himself that any person to whom he delegates any of his functions or responsibilities under the agreed terms is competent to carry out those functions or responsibilities;
 - (i) where there is a right to transfer the account under regulation 19(1), the whole of the account shall be transferred free of expense to the other approved account provider subject to and in accordance with regulation 19;
 - (j) where the account is transferred to the account provider by a transfer under regulation 19, that no charges or expenses are due in respect of that transfer;
 - (k) the account provider shall notify the account holder if by reason of any failure to satisfy the provisions of these Regulations an account is or will become no longer exempt from tax by virtue of regulation 3 of the Saving Gateway Accounts (No. 2) Regulations 2009⁽⁴⁾.
- (3) In applying paragraph (1)(c), any account opened and cancelled as mentioned in regulation 6(2) shall be ignored.

⁽⁴⁾ S.I. 2009/xxxx.