



Aircraft and Shipbuilding Industries Act 1977

1977 CHAPTER 3

PART II

VESTING OF SECURITIES AND OTHER ASSETS IN THE CORPORATIONS AND ACQUIRED COMPANIES

Compensation

40 General provisions as to compensation stock

- (1) Compensation stock shall bear such rate of interest and be subject to such conditions as to repayment, redemption and other matters as the Treasury may determine.
- (2) The Treasury may by regulations made by statutory instrument make provision as to the issue of compensation stock by the Bank of England.
- (3) Regulations under subsection (2) above may contain such incidental or supplementary provisions as the Treasury consider appropriate.
- (4) The Corporation in which any securities become vested shall be liable to indemnify the Bank of England against any loss suffered by them arising out of, or in connection with, the issue of compensation stock in respect of the vesting of those securities.
- (5) Any expenses incurred in connection with the issue or repayment of compensation stock shall be charged on and issued out of the National Loans Fund.
- (6) References in the preceding provisions of this section to compensation stock include references to stock issued by way of compensation in accordance with paragraph 5 of Schedule 4 to this Act.