

NATIONAL DEBT

Made - - - 11th December 1979

Coming into Operation 1st January 1980

Citation and commencement

Revocation

Interpretation

“acceptance of an offer of exchange” means acceptance of an offer of exchange made by the Bank or the Director of Savings under the terms of issue of any old securities or in any notice which may be issued by the Bank or the Director of Savings containing an offer to exchange old securities for new securities and means an application for exchange made to the Bank or the Director of Savings if any such notice contains an invitation to apply to exchange old securities for new securities, and the expressions “acceptance” and “accepting” shall be construed accordingly;

“appropriate authority” means, in relation to an acceptance of an offer of exchange, the person with whom the acceptance is required by these Rules to be lodged;

“the Bank” means the Bank of England or the Bank of Ireland at Belfast,
as the case may require;

“the Commissioners” means the National Debt Commissioners;

“curator”, in relation to a minor, includes an administrator at law, a curator nominate, a curator chosen by the minor with the sanction of the Court or appointed by the Court, and a person assumed to act as curator by virtue of an Act of Parliament:

(a) 1968 c. 13.

(b) 1963/935.

(c) 1965/1289.

(d) 1969/1325.

“exchange” means any exchange of old securities for new securities or conversion of old securities into new securities for which the Treasury do not make separate Rules, and the expression “exchanged” shall be construed accordingly;

“holder” means the holder of any old securities;

“infant”, in relation to Scotland, means any pupil or any minor;

“minor” means a female who has attained the age of twelve years, but has not attained the age of eighteen years, or a male who has attained the age of fourteen years, but has not attained the age of eighteen years;

“new securities” means any securities which may be issued by Her Majesty’s Government in the United Kingdom and for which any old securities may be exchanged under the terms of issue of the old securities or under the terms of any notice which may be issued by the Bank or the Director of Savings;

“old securities” means any securities of Her Majesty’s Government in the United Kingdom (except National Savings Certificates) which may be exchanged either under the terms of issue of old securities or under the terms of any notice which may be issued by the Bank or the Director of Savings;

“pupil” means a female who has not attained the age of twelve years or a male who has not attained the age of fourteen years;

“receiver” in relation to an acceptance in a case where the holder is a person suffering from mental disorder, means:—

- (a) in the application of these Rules to England and Wales, a receiver or other person authorised in that behalf under Part VIII of the Mental Health Act 1959(a);
- (b) in the application of these Rules to Scotland, a curator bonis or other person appointed by the Court to manage the affairs of the holder; and
- (c) in the application of these Rules to Northern Ireland, the holder’s committee;

“tutor” includes an administrator at law, a tutor by virtue of, or appointed under, an Act of Parliament, a tutor dative, a tutor nominate, a person assumed to act as tutor by virtue of an Act of Parliament and a factor loco tutoris.

Holdings in the National Savings Stock Register

4. As soon as practicable before the date when any old securities (not being British Savings Bonds) registered in the National Savings Stock Register may be exchanged for new securities the Director of Savings shall furnish the Commissioners with a statement, in a form approved by the Commissioners, of the aggregate amount of the holdings of the old securities (not being British Savings Bonds) registered in the National Savings Stock Register in respect of which acceptances of the offer of exchange have been duly made, and the Commissioners, as soon as practicable thereafter, shall make to the Bank of England a request for the exchange of the appropriate amounts of old securities (not being British Savings Bonds) held by them on account of the National Savings Stock Register.

Persons to whom acceptances are to be made

5. Acceptances of the offer of exchange of securities of the descriptions specified in the first column of the following table shall be lodged with the persons respectively specified in the second column of that table:—

<i>Description of holding</i>	<i>Person with whom acceptance form is to be lodged</i>
Securities registered at the Bank of England	The Bank of England
Securities registered at the Bank of Ireland at Belfast	The Bank of Ireland at Belfast
Securities registered in the National Savings Stock Register	The Director of Savings
Bearer Bonds	The Bank of England

Manner of making acceptance

6.—(1) An acceptance of the offer of exchange of securities registered at the Bank or in the National Savings Stock Register shall:—

- (a) be made on a form to be supplied for the purpose by the appropriate authority or a form to the like effect;
- (b) give particulars of the amount of the holding to which the acceptance relates and of the full name of every person in whose name the holding is entered in the registers of the Bank or in the National Savings Stock Register as the case may be and also in the case of a holding in the National Savings Stock Register, the address and description of every person in whose name the holding is entered;
- (c) be accompanied by the Bond Book or certificate of title relating to the holding; and
- (d) be signed by every person accepting the offer, or, in the case of an acceptance made by a corporation, sealed with the common seal of the corporation, or, in the case of a corporation not having a common seal, executed in accordance with the rules of law and the provisions of any Act or instrument regulating the constitution of the corporation with respect to the execution of instruments by the corporation.

Provided that, where the securities are registered in the National Savings Stock Register, an acceptance made by a corporation may, instead of being so sealed or executed, be signed by the Secretary or Treasurer or two of the directors for the time being of the corporation, or, in the case of a corporation sole, by the person representing the corporation for the time being.

(2) An acceptance relating to bearer bonds shall:—

- (a) be made on a form to be supplied for the purpose by the Bank of England or a form to the like effect;
- (b) specify the respective denoting numbers (entered in numerical order) and denominations of the bonds to which the acceptance relates;
- (c) specify the full name and address of the person lodging the acceptance; and
- (d) be accompanied by the bonds to which the acceptance relates and such coupons as are specified in the terms under which the old securities may be exchanged for new securities.

(3) An acceptance may be sent by post unless the terms of issue of the old security, or a notice offering exchange or inviting applications for exchange stipulates otherwise.

Persons by whom acceptances may be made in special cases

7.—(1) In the cases specified in the first column of the following table, being cases in which the holder is the sole holder or the last surviving holder on a joint account, an acceptance may be made by the persons respectively specified in the second column of that table:—

<i>Case</i>	<i>Person by whom acceptance may be made</i>
1. Where the holder is an infant who is not domiciled in Scotland, and the holding is not registered in the National Savings Stock Register.	1. The holder's parent or other guardian.
2. Where the holder is a pupil domiciled in Scotland, and the holding is not registered in the National Savings Stock Register.	2. The holder's tutor.
3. Where the holder is a minor domiciled in Scotland, and the holding is not registered in the National Savings Stock Register.	3. In the case of a minor who has a curator, the holder and his curator, and in the case of a minor who has no curator, the holder alone.
4. Where the holder is an infant who has not attained the age of seven years, and the holding is registered in the National Savings Stock Register.	4. The holder's parent or other guardian.
5. Where the holder is an infant who has attained the age of seven years, and the holding is registered in the National Savings Stock Register.	5. The holder.
6. Where the holder is a person suffering from mental disorder.	6. The holder's receiver.
7. Where the holder is under any disability other than those specified in the cases aforesaid.	7. Any person entitled in law to administer the holder's property.

(2) Where a holder is under any of the disabilities mentioned in the first column of the last foregoing table, and the holding is held jointly by him and one or more other holders, acceptance may (without prejudice to the provisions of the next following Rule in a case in which that Rule applies) be made by the other holder or holders together with any person who, under the foregoing provisions of this Rule, would have been entitled to make the acceptance if the first-mentioned holder had been the sole holder or the last surviving holder on a joint account.

(3) Where securities are registered in the name of a deceased person who was the sole holder or the last surviving holder on a joint account, an acceptance may be made by his personal representative or representatives, or, if there are more than two personal representatives, a majority of them.

(4) Where under the provisions of this Rule an acceptance may be made by the holder's tutor, or by the holder and his curator, and the holder has three or more tutors or curators, as the case may be, the provisions of this Rule shall have effect as if for any reference therein to a tutor or curator there were substituted a reference to a quorum of his tutors or curators, being a quorum entitled to act by virtue of an Act of Parliament a deed or an order of the Court.

(5) For the purposes of this Rule a holder who is an infant shall be deemed not to be domiciled in Scotland unless there has been furnished to the Bank, a statutory declaration in such form as the Bank may require that the holder is a pupil or a minor and is domiciled in Scotland.

Acceptances in case of joint accounts

8. Where a holding is held jointly by more than two holders, whether or not the holders are trustees an acceptance in respect of the holding may be made by a majority of the holders.

Acceptances where a stop notice is in force

9. Where a stop notice is in force in respect of a holding of securities an acceptance may be made by any person who would be entitled to make the acceptance if the notice were not in force.

Evidence as to facts on which validity of acceptance depends

10.—(1) The appropriate authority may accept, as evidence of any fact on which the validity of an acceptance depends, a statutory declaration of that fact made by one or more competent persons.

(2) Nothing in this Rule shall be taken as imposing any obligation upon the appropriate authority to require proof by such statutory declaration as aforesaid of any fact whereof they have other evidence which they are entitled to accept and act upon.

Application to new securities of trusts, powers, etc affecting old securities

11.—(1) Where any old securities are exchanged for new securities, the new securities, and the interest thereon, shall be subject to the same trusts, charges, rights, stop notices and restraints as affect the old securities exchanged and the interest thereon respectively and all powers of attorney, requests as to interest, and other documents relating to the old securities exchanged and the interest thereon, or either of them, shall apply to the new securities and the interest thereon respectively.

(2) In any Act passed or instrument executed before the date on which any old securities are exchanged for new securities, references to the old securities may be construed as references to the new securities received in exchange therefor, and in the case of any testamentary instrument executed before that day, any disposition which would have operated as a specific bequest of the old securities shall be construed as a specific bequest of the new securities.

Protection for the Bank, etc

12.—(1) The Bank, and the Director of Savings may act on any evidence authorised by these Rules and are hereby indemnified for so doing.

(2) Nothing in these Rules shall affect the Bank or Director of Savings with notice of any trust.

John MacGregor

David Waddington

Two of the Lords Commissioners
of Her Majesty's Treasury.

11th December 1979.

EXPLANATORY NOTE

(This note is not part of the Rules).

These rules, which are made under section 14(3) of the National Loans Act 1968, prescribe the general procedure to be followed with respect to exchanges and conversions of Government securities except National Savings Certificates. The rules consolidate with amendments the Exchange of Securities (General) Rules 1963, the Exchange of Securities (General) (Amendment) Rules 1965 and the Exchange of Securities (General) (Amendment) Rules 1969. As a result of the amendments to the definitions of "exchange", "new securities", and "old securities" the rules are now applicable not only to an exchange of new securities for old securities in accordance with the terms specified in a notice which may be issued by the Bank of England or the Director of Savings but also to the conversion of old securities in accordance with terms which were specified at the time of the issue of the old securities.

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