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STATUTORY INSTRUMENTS

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**1968 No. 414**

**EXCHEQUER**

**The Treasury Bills Regulations 1968**

<i>Made</i>	- - - -	<i>18th March 1968</i>
<i>Laid before Parliament</i>		<i>21st March 1968</i>
<i>Coming into Operation</i>		<i>1st April 1968</i>

The Treasury, in exercise of the powers conferred upon them by section 9 of the Treasury Bills Act 1877 and section 5 of the National Debt Act 1889, and of all other powers enabling them in that behalf, hereby make the following Regulations:—

**Mode of Issue of Treasury bills**

1. Treasury bills may be issued in the following ways:—
  - (a) by inviting tenders and issuing Treasury bills to persons whose tenders are accepted; or
  - (b) by issue at a fixed rate of discount, determined by the Treasury, to the National Debt Commissioners or to such other persons as may be willing to buy them.

**Invitations to tender and tenders**

2.—(1) An invitation to tender for Treasury bills shall be given by notice in the London Gazette not less than two clear days before the date on which tenders are to be delivered, and such notice shall specify—

- (a) the date on which, and the place at which, tenders are to be delivered, and
- (b) the period for which, and the terms and conditions subject to which, the bills are to be issued.

(2) Tenders for Treasury bills shall be in a form approved by the Treasury and shall be opened at the Bank of England in the presence of such person or persons as may from time to time be appointed by the Treasury.

- (3) The Treasury may refuse any tender if they think fit.

**Form of bills**

- 3.—(1) Treasury bills—
  - (a) shall be in the form set out in Schedule 1 to these Regulations, and

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(b) shall have printed on them a facsimile of the signature of one of the Secretaries to the Treasury for the time being.

(2) Treasury bills issued in any financial year shall be numbered consecutively in accordance with their order of issue in that financial year.

#### **Preparation and delivery of bills**

4.—(1) When any tenders for Treasury bills have been accepted by the Treasury, or when the National Debt Commissioners or any other persons have signified their willingness to buy Treasury bills at a fixed rate of discount, the Treasury shall issue a warrant authorising the Bank of England to prepare bills, in denominations of £5,000 or multiples thereof as may be necessary, for such total amount as is specified in the warrant, and the warrant shall be transmitted to the Comptroller and Auditor General for his counter-signature.

(2) The Treasury bills, when ready for issue, shall upon receipt of the sums payable in respect of them, be delivered by the Bank of England, under the authority of the Treasury warrant, to the order of the persons entitled to them.

#### **Issue of amount of discount out of the National Loans Fund**

5. In respect of any Treasury bills issued, the Treasury shall from time to time issue to the Bank of England out of the National Loans Fund a sum equal to the amount of discount on the bills, and such sum shall be paid by the Bank of England into the National Loans Fund, together with the sums actually received in respect of the bills.

#### **Mode of payment and discharge**

6.—(1) The principal sum payable in respect of a Treasury bill shall be paid at the head office of the Bank of England.

(2) Where the Bank of England require a discharge to be given upon the payment of a Treasury bill, it shall be given by means of an acknowledgement of receipt given on the back of the bill or on a schedule showing the number and amount of the bill.

#### **Cancellation of bills**

7.—(1) Where a Treasury bill has been paid off by the Bank of England, it shall be cancelled by perforation of the signature on the bill.

(2) Cancelled Treasury bills shall from time to time be destroyed by the Bank of England, and the Chief Cashier of the Bank of England shall give particulars to the Treasury of the total nominal value of the Treasury bills so destroyed and of the dates between which they were paid off and cancelled.

#### **Defaced, lost and destroyed bills**

8. Where a Treasury bill has been defaced, lost or destroyed, the Bank of England may issue a duplicate bill on such terms as to evidence and indemnity as the Bank of England may require.

#### **Interpretation**

9. The Interpretation Act 1889 shall apply for the interpretation of these Regulations as it applies for the interpretation of an Act of Parliament, and as if these Regulations and the instruments hereby revoked were Acts of Parliament.

## **Revocations**

**10.** The instruments specified in Schedule 2 to these Regulations are hereby revoked.

## **Citation and commencement**

**11.** These Regulations may be cited as the Treasury Bills Regulations 1968, and shall come into operation on 1st April 1968.

18th March 1968

*B. K. O'Malley*  
*E. Alan Fitch*  
Two of the Lords Commissioners of Her  
Majesty's Treasury

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SCHEDULE 1

Regulation 3

FORM OF TREASURY BILL

SCHEDULE 2

Regulation 10

<i>Instruments revoked</i>	<i>References</i>
Treasury Minute dated 31st May 1889 prescribing regulations as to the preparation, issue and cancellation of Treasury bills.	S.R. & O. Rev.XXIII, p. 289.
Treasury Minute dated 24th January 1904 amending the regulations laid down in the Treasury Minute of 31st May 1889.	H. of C. Paper 1 (2nd February 1904).
Treasury Minute dated 13th April 1915 prescribing further regulations.	H. of C. Paper 199 (15th April 1915).

**EXPLANATORY NOTE**

These Regulations, which consolidate with amendments the instruments specified in Schedule 2, provide for the mode of issue of Treasury bills, their form, the mode of their payment, their cancellation, and the replacement of lost bills.

The principal changes are:—

- (a) the minimum period between invitation to tender and date of tender is reduced from three to two clear days; and
- (b) the form of Treasury bills is altered to facilitate their handling.