

1974. No. 57

[NC]

CONSOLIDATED FUND BORROWING

9½% Ulster Development Bonds (First Conversion Issue)

ORDER, DATED 4TH APRIL 1974, MADE BY THE DEPARTMENT OF FINANCE UNDER SECTION 11 OF THE EXCHEQUER AND FINANCIAL PROVISIONS ACT (NORTHERN IRELAND) 1950.

WHEREAS it is provided by section 11(1) of the Exchequer and Financial Provisions Act (Northern Ireland) 1950(a) that the Department of Finance (hereinafter referred to as "the Department") may for the purposes therein referred to exercise powers to borrow money by (inter alia) the creation and issue of securities bearing such rate of interest and subject to such conditions as to issue, redemption, repayment, exchange, or otherwise, as the Department may by order determine:

NOW, THEREFORE, the Department in exercise of the powers conferred on it by the said section 11(1) and of every other power enabling it in that behalf, hereby makes the following Order:—

1. This Order may be cited as the 9½% Ulster Development Bonds (First Conversion Issue) Order (Northern Ireland) 1974.

2. There shall be created a Northern Ireland Consolidated Fund security to be known as 9½% Ulster Development Bonds (First Conversion Issue) (hereinafter referred to as "First Conversion Issue Bonds").

3. Unless the Department shall by Order hereafter determine otherwise, holders of bonds which will mature after the 3rd June 1974 and which were created under the 6 per cent. Ulster Development Bonds Order (Northern Ireland) 1968(b), the 7 per cent. Ulster Development Bonds Order (Northern Ireland) 1969(c), the 7 per cent. Ulster Development Bonds (First Conversion Issue) Order (Northern Ireland) 1969(d), the 7 per cent. Ulster Development Bonds (Second Issue) Order (Northern Ireland) 1971(e), the 7 per cent. Ulster Development Bonds (Second Conversion Issue) Order (Northern Ireland) 1971(f), the 8½ per cent. Ulster Development Bonds Order (Northern Ireland) 1973(g) and the 8½ per cent. Ulster Development Bonds (First Conversion Issue) Order (Northern Ireland) 1973(h) may, instead of applying for repayment in manner prescribed by each of the said Orders, exchange their holdings in whole or in part into First Conversion Issue Bonds on the respective prescribed maturity dates specified in each of the said Orders at the rate of £5.00 of such First Conversion Issue Bonds for each £5.00 of bonds tendered in exchange.

4.—(1) Applications for exchange in accordance with Article 3 shall—

(a) be lodged with the Department of Finance, Ulster Development Bonds Branch, Crown Buildings, Coleraine, County Londonderry, at least 3 calendar months before the maturity date;

(a) 1950. c. 3.

(b) S.R. & O. (N.I.) 1968, No. 50.

(c) S.R. & O. (N.I.) 1969, No. 70.

(d) S.R. & O. (N.I.) 1969, No. 71.

(e) S.R. & O. (N.I.) 1971, No. 120.

(f) S.R. & O. (N.I.) 1971, No. 121.

(g) S.R. & O. (N.I.) 1973, No. 58.

(h) S.R. & O. (N.I.) 1973, No. 66.

- (b) be made on a form to be supplied for the purpose by the Department or a form to the like effect;
 - (c) give particulars of the amount of the holding to which the application relates and of the full name and address of every person in whose name the holding is entered in the registers of the Department;
 - (d) be accompanied by the Bond Book relating to the holding; and
 - (e) be signed by every person making application for exchange, or in the case of a limited company or other body by the person or persons authorised to sign on behalf thereof.
- (2) Applications for exchange may be sent by post.

5. Where holdings are registered in the name of a deceased person who was the sole holder or the last surviving holder of a joint account, an application for exchange may be made by his personal representative or representatives or, if there are more than two personal representatives, a majority of them.

6. Where a holding is held jointly by more than two holders an application for exchange in respect of the holding may be made by a majority of the holders.

7.—(1) The Department may accept, as evidence of any fact on which the validity of an application for exchange depends, a statutory declaration of that fact made by one or more competent persons.

(2) Nothing in this Article shall be taken as imposing any obligation upon the Department to require proof by such statutory declaration as aforesaid of any fact whereof it has other evidence which it is entitled to accept and act upon.

8. Where any exchange is made in accordance with Article 3, the First Conversion Issue Bonds and the interest thereon shall be subject to the same trusts, charges, rights and restraints as affect the bonds exchanged and the interest thereon respectively and all powers of attorney, requests as to interest and other documents relating to the bonds exchanged and the interest thereon, or either of them, shall apply to the First Conversion Issue Bonds and the interest thereon respectively.

9. A register of holders of First Conversion Issue Bonds shall be maintained by the Department and each holder shall be issued with a certificate recording the amount of such bonds acquired and of any subsequent encashments.

10.—(1) No interest will be payable on First Conversion Issue Bonds encashed within six months from the date of exchange.

(2) Subject to paragraph (1) interest will accrue from the date of exchange at the rate of nine and one-half per cent. per annum and will be payable half-yearly on the first day of March and the first day of September, until the maturity date specified in Article 11 or until the date of earlier encashment. No deduction will be made by the Department for income tax when payment of interest is made.

(3) No interest will accrue on First Conversion Issue Bonds after the maturity date specified in Article 11.

11.—(1) Subject to application by the holder, made in such manner as the Department may require, First Conversion Issue Bonds will be repayable at the rate of one hundred pounds for each one hundred pounds of such bonds, together with a capital bonus at the rate of three pounds for each one hundred pounds, on the maturity date, which in respect of any such bond shall be the interest date which next follows the fifth anniversary of the date of exchange, or, in the case of bonds exchanged on an interest date, the fifth anniversary of the date of exchange.

(2) The procedure for application for repayment will be published in the Belfast Gazette and such other papers as the Department may consider necessary.

12. First Conversion Issue Bonds for £5.00, or a multiple of £5.00, may be encashed before the maturity date at par, together with any interest earned but unpaid, upon application received by the Department at least one month before the date on which encashment is required.

13. Any person not under a legal disability who has a beneficial interest in First Conversion Issue Bonds under the will of a deceased holder or by virtue of the death of such holder intestate may apply to the Department for the transfer of such bonds into his own name provided always that the bonds shall not be transferred into the name of a legal personal representative as such. The Department may at its absolute discretion refuse to accept any application made under this Article.

14. The Department may act on any evidence authorised by this Order.

15. In this Order "holder" in relation to any bond means a person in whose name the bond is registered.

Sealed with the Official Seal of the Department of Finance for Northern Ireland this 4th day of April 1974 in the presence of

(L.S.)

David Clement,
Assistant Secretary.

EXPLANATORY NOTE

(This note is not part of the Order, but is intended to indicate its general purport.)

This Order prescribes the procedure with respect to the exchange of matured issues of Ulster Development Bonds for 9½ per cent. Ulster Development Bonds (First Conversion Issue).