

1975 No. 133

ULSTER SAVINGS CERTIFICATES

Ulster Savings Certificates (Amendment) Regulations 1975

Made 1st May 1975

Coming into operation 2nd June 1975

The Department of Finance(a) in exercise of the powers conferred upon it by section 15(1) of the Exchequer and Financial Provisions Act (Northern Ireland) 1950(b) and of all other powers enabling it in that behalf, hereby makes the following regulations:

Citation and commencement

1.—(1) These regulations may be cited as the Ulster Savings Certificates (Amendment) Regulations 1975 and shall be construed as one with the Ulster Savings Certificates Regulations 1962 to 1975(c) and those regulations, the Ulster Savings Certificates (11th issue) Regulations 1975(d) and these regulations may be cited together as the Ulster Savings Certificates Regulations 1962 to 1975.

(2) These regulations shall come into operation on 2nd June 1975.

Interpretation

2. In these regulations the expression “the principal Regulations” means the Ulster Savings Certificates Regulations 1962(e).

Amendment of principal regulations

3. The principal Regulations shall have effect subject to the amendments specified in the following provisions of these regulations.

4. In Regulation 5 of the principal Regulations—

(a) in the definition of “amount repayable”, after the word “interest” there shall be inserted the words “or bonus or other sum”;

(b) after the definition of “friendly society” there shall be inserted the following definitions:

“index linked certificate” means a certificate issued under the name of an Ulster Savings Certificate Index Linked Retirement Issue;

“Retail Price Index” is the United Kingdom General Index of Retail Prices maintained by the Department of Employment indicating the movement of retail prices every calendar month or any index replacing that index.”

(a) Formerly Ministry: see 1973 c. 36 Sch. 5 para. 8

(b) 1950 c. 3 (N.I.)

(c) S.R. & O. (N.I.) 1962 Nos. 36, 135; 1963 Nos. 63, 83, 174; 1964 Nos. 58, 59, 113, 210; 1965 Nos. 192, 195; 1966 Nos. 25, 46, 100; 1967 Nos. 33, 74, 227, 271; 1968 Nos. 55, 62; 1969 Nos. 92, 111, 184, 331; 1970 Nos. 234, 236, 275, 292, 315; 1971 No. 111; 1972 Nos. 204, 205; 1973 No. 65; S.R. 1974 Nos. 55, 230, 253; 1975 No. 114

(d) S.R. 1975 No. 32.

(e) S.R. & O. (N.I.) 1962 No. 36

5. At the end of Regulation 8 of the principal Regulations (persons entitled to hold certificates) there shall be added the following paragraph:

“(6) In this regulation “certificate” does not include an index linked certificate.”.

6. After Regulation 8 of the principal Regulations there shall be inserted the following regulation:

“Persons entitled to purchase and hold index linked certificates

8A.—(1) An index linked certificate may be purchased and held only by any person who—

(a) has attained in the case of a man, the age of 65 years or, in the case of a woman, the age of 60 years, and

(b) is not under any legal disability,

or by any two or more such persons jointly.

(2) Subject to the provisions of these regulations, an index linked certificate may be purchased on behalf of and in the name of a person of unsound mind who has attained, in the case of a man, the age of 65 years or, in the case of a woman, the age of 60 years by his or her committee, and any certificate so purchased shall be deemed to be held by the person on whose behalf it is purchased.”.

7. In Regulation 38(1) of the principal Regulations (provisions as to forfeiture)—

(a) after the words “Regulation 8” there shall be inserted “8A”;

(b) in the proviso, for the words from “if the Ministry” to “that person” there shall be substituted the words “in any case in which the Department has directed the forfeiture of any certificates, it may, if it thinks fit, pay to the person concerned”;

(c) in the proviso, after sub-paragraph (b) there shall be inserted the following sub-paragraph:

“(bb) in the case of any certificates which the person concerned has purchased or held when he was not entitled to do so under Regulation 8A of these Regulations such sum by way of bonus or otherwise, not exceeding the amount of the bonus or other sum which has accrued due in respect of those certificates immediately before the forfeiture thereof, as the Department may determine;”.

8. After paragraph 2 of Schedule 2 to the principal Regulations (purchase price of a unit certificate and amount repayable in respect thereof) there shall be added the following paragraph:

“3.—(1) The purchase price of an index linked unit certificate shall be ten pounds.

(2) The amount repayable in respect of an index linked unit certificate shall be as follows :

Within one year from the date of purchase the purchase price of the certificate only.

On or after the termination of one year from the date of purchase a sum calculated in accordance with the formula $p \times r$ where—

p is the purchase price of the certificate;

r is the Retail Price Index figure applicable to whichever of the following shall be the earlier month namely the month in which repayment is made or the month in which falls the fifth anniversary of the date of purchase; and

s is the Retail Price Index figure applicable to the month of purchase.

On the fifth anniversary of the date of purchase the repayment value shall be increased by the addition of a fixed bonus of four per cent of the purchase price.

(3) Where a holder has died and repayment is made on or after the first anniversary of the date of purchase the symbol r in the said formula shall be—

(i) where repayment is made within a period of twelve months following the month of death, the Retail Price Index applicable to whichever of the following shall be the earlier month, namely, the month of repayment or the month in which falls the fifth anniversary of the date of purchase;

(ii) where repayment is made after a period of twelve months following the month of death, the Retail Price Index applicable to whichever of the following shall be the earlier month, namely, the twelfth month following the month of death or the month in which falls the fifth anniversary of the date of purchase.

(4) For each occasion on which the Retail Price Index is revised to a new base between the month of purchase and (as the case may be) the month of repayment, the month in which falls the fifth anniversary of the date of purchase or the twelfth month following the month of death then in regard to an index linked certificate purchased before any such revision the symbol r in sub-paragraphs (2) and (3) of this paragraph shall be the Retail Price Index figure applicable (as the case may be) to the month of repayment, the month in which falls the fifth anniversary of the date of purchase or the twelfth month following the month of death multiplied by the Retail Price Index figure applicable to the month in which the said revision took place and divided by the new base figure used for the said revision.

(5) For the purposes of this paragraph the Retail Price Index figure applicable to any month shall be the Retail Price Index figure issued during the month immediately preceding that month.

(6) The amount due on the repayment of any Index linked certificate exclusive of any fixed bonus shall never be less than the purchase price.

(7) Certificates to which this paragraph applies shall be inscribed with the words "Index Linked Retirement Issue".

9. After paragraph (i) of Schedule 3 to the principal regulations (maximum number of unit certificates a person may hold) there shall be added the following paragraph:

"(j) Fifty, in the case of certificates issued on or after the second day of June 1975 under the name of Ulster Savings Certificates Index Linked Retirement Issue."

Sealed with the Official Seal of the Department of Finance for Northern Ireland on 1st May 1975 in the presence of

(L.S.)

F. G. Dougall
Assistant Secretary

EXPLANATORY NOTE

(This note is not part of the regulations but is intended to indicate their general purport.)

These regulations amend the Ulster Savings Certificates Regulations 1962 mainly in consequence of the issue of the new Index Linked Ulster Savings Certificates which will be on sale from the second day of June 1975 at a purchase price of £10 per unit certificate. | |

The regulations provide that Index linked certificates may be held only by men over the age of 65 years or women over the age of 60 years. They also provide for the maximum permitted holding of index linked certificates to be 50 unit certificates (purchase price £500).

The regulations amend Regulation 38 of the 1962 Regulations, which provides for the forfeiture of Savings certificates in the event of their being held by a person who is not entitled under the regulations to hold them or of their being held in excess of the maximum limit. The effect of the amendment is that the Department will not in future be required to satisfy itself as to the inadvertance of the contravention or as to hardship before making a repayment in respect of the forfeited certificates. This amendment applies to Ulster Savings Certificates of the ordinary issues as well as to index linked certificates.