
STATUTORY INSTRUMENTS

1985 No. 1146

NATIONAL DEBT

The Government Stock (Amendment) Regulations 1985

Laid before Parliament in draft

<i>Made - - - -</i>	<i>26th November 1985</i>
<i>Coming into Operation</i>	<i>2nd January 1986</i>

Whereas a draft of these Regulations has been laid before Parliament in accordance with section 6(1) of the Statutory Instruments Act 1946 (a) (which by virtue of section 6(2) of that Act replaces section 47(3) of the Finance Act 1942 (b)) and a period of forty days beginning with the day of laying has expired and neither House has resolved that the Regulations be not made:

And Whereas the securities which are the subject of these Regulations are for the time being specified in the list in Schedule 1 to the Stock Transfer Act 1982 (c);

And Whereas the said securities were issued by Her Majesty's Government in the United Kingdom or liability for the said securities has vested in Her Majesty's Government in the United Kingdom;

Now, therefore, the Treasury, in exercise of all the powers conferred on them by section 47(1) of the Finance Act 1942, and of all other powers enabling them in that behalf, hereby make the following Regulations:—

1. These Regulations may be cited as the Government Stock (Amendment) Regulations 1985 and shall come into operation on 2nd January 1986.

2. In these Regulations “the principal Regulations” means the Government Stock Regulations 1965 (d).

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

4. In Regulation 2 of the principal Regulations (*issue of certificates*)—

(a) in paragraph (1) for the word “Every” there shall be substituted the words “Subject to Regulation 5 of the Stock Transfer (Gilt-edged Securities) (CGO Service) Regulations 1985, every”; and

(a) 1946 c.36.

(b) 1942 c.21; section 47 was amended by the National Debt Act 1958 (7 & 8 Eliz.2 c.6), section 17(1) and the Schedule, by the Finance Act 1964 (c.49), sections 24 and 26, and Schedule 8, paragraphs 1 and 2, and Schedule 9, and by the Post Office Act 1969 (c.48), section 108(1)(d), and extended by the Bank of England Act 1946 (c.27), section 1(5) and Schedule 1, paragraph 6, by the Coal Industry Nationalisation Act 1946 (c.59), section 33(6), by the Iron and Steel Act 1975 (c.64), section 38(1) and Schedule 6, paragraph 14(3) and by the Stock Transfer Act 1982 (c.41), section 3 and Schedule 2, paragraph 2.

(c) 1982 c.41.

(d) S.I. 1965/1420, amended by the Iron and Steel Act 1975 (c.64), section 38(1) and Schedule 6, Part II, paragraph 14(3), by the Family Law Reform Act 1969 (c.46), section 1(3) and Schedule 1, Part II, by the Age of Majority (Scotland) Act 1969 (c.39), section 1(3) and Schedule 1, Part II, by the Decimal Currency Act 1969 (c.19), section 10(1), and by S.I. 1981/1004, 1982/670.

(b) in paragraph (3), after the words "any stock" there shall be inserted the words "represented by a stock certificate".

5. In Regulation 4 of the principal Regulations (*mode of transfer of stock*)—

(a) in paragraph (1), for the words "Stock shall" there shall be substituted the words "Subject to paragraph (3) of this Regulation, stock shall"; and

(b) after paragraph (2) there shall be inserted the following new paragraph:—

"(3) Stock on the English Register, other than stock specified in Schedule 1 to these Regulations, may be transferred by a CGO Service member through the medium of the CGO Service."

6. In Regulation 8(1) of the principal Regulations (*conditions to be fulfilled before completion of transfer*), after the words "transfer of any stock" there shall be inserted the words "by instrument in writing".

7. In Regulation 10 of the principal Regulations (*time for completion of transfer*), for the words from "after the first" to the end there shall be substituted the words "after the day on which the Bank receive the written instrument of transfer or, in the case of an exempt transfer, notification of the transfer is received in the office of the Chief Registrar of the Bank in accordance with Regulation 4(1) of the Stock Transfer (Gilt-edged Securities) (CGO Service) Regulations 1985."

8. In Regulation 23(1) of the principal Regulations (*interpretation*)—

(a) after the definition of "the Bank" there shall be inserted the following definitions:—

" "the CGO" means the Central Gilts Office of the Bank of England;

"the CGO Service" means the computer-based system established by the Bank of England and The Stock Exchange to facilitate the transfer of gilt-edged securities;

"CGO Service member" means a person who is entitled under a contract with the Bank of England to use the CGO Service;";

(b) after the definition of "English Register" there shall be inserted the following definition:—

" "an exempt transfer" means a transfer of stock from a CGO Service member through the medium of the CGO Service;"; and

(c) in the definition of "stock" for the words "the Schedule" there shall be substituted the words "Schedule 2".

9. For the heading "SCHEDULE" there shall be substituted the heading "SCHEDULE 2" and, before the said Schedule 2, there shall be inserted the following new Schedule:—

SCHEDULE 1

Regulation 4(3)

Stock and Bonds not transferable by exempt transfer

Guaranteed 4½% Bonds
2½% Treasury Stock 1986-2016".

Ian B. Lang,
Donald Thompson,
Two of the Lords Commissioners
of Her Majesty's Treasury.

26th November 1985.

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

The Bank of England and The Stock Exchange have established a computer-based system, known as the CGO Service, to facilitate the transfer of gilt-edged securities. Membership of the new system derives from a contract with the Bank. These Regulations, which amend the Government Stock Regulations 1965, allow a member to transfer Government stock through the CGO Service with minor exceptions. Such a transfer will be effective under section 1(2) of the Stock Transfer Act 1982 without the need for an instrument in writing.

The Regulations make other minor amendments to the 1965 Regulations in consequence of this change and of the simultaneous coming into force on 2nd January 1986 of the Stock Transfer (Gilt-edged Securities) (CGO Service) Regulations 1985 (S.I. 1985/1144), which make provision in connection with the operation of the CGO Service.

Other Regulations and Rules, which also come into force on that date, make further provision in respect of gilt-edged securities. They are: the Stock Transfer (Gilt-edged Securities) (Exempt Transfer) Regulations 1985 (S.I. 1985/1145), the Gas (Stock) (Amendment) Regulations 1985 (S.I. 1985/1149), the Local Authority (Stocks and Bonds) (Amendment) Regulations 1985 (S.I. 1985/1148) and the Exchange of Securities (General) (Amendment) Rules 1985 (S.I. 1985/1147).