
STATUTORY INSTRUMENTS

1985 No. 1147

NATIONAL DEBT

The Exchange of Securities (General) (Amendment) Rules 1985

Made - - - - *24th July 1985*
Coming into Operation *2nd January 1986*

The Treasury in exercise of the powers conferred upon them by section 14(3) of the National Loans Act 1968, and of all other powers enabling them in that behalf, hereby make the following Rules:—

Citation and commencement

1. These Rules may be cited as the Exchange of Securities (General) (Amendment) Rules 1985 and shall come into operation on 2nd January 1986.

Amendment of Rule 3

2. The Exchange of Securities (General) Rules 1979 shall be amended in Rule 3—

(a) by inserting after the definition of “curator” the definitions—

““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; and “CGO Service member” means a person who is entitled under a contract with the Bank to use the CGO Service;”;

and

(b) by inserting after the definition of “exchange” the definition—

““an exempt transfer” means a transfer of gilt-edged securities from a CGO Service member through the medium of the CGO Service;”.

Amendment of Rule 6

3. The Exchange of Securities (General) Rules 1979 shall be amended in Rule 6(1) by substituting for sub-paragraph (c) the following sub-paragraph:—

“(c) except where the acceptance relates to a holding entered in the registers of the Bank of England in the name of a CGO Service member and which at the time of such acceptance is transferable by means of an exempt transfer, be accompanied by the Bond Book or certificate of title relating to the holding; and”

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24th July 1985

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

EXPLANATORY NOTE

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 Rules, which amend the Exchange of Securities (General) Rules 1979, provide that an acceptance of an offer of exchange of securities need not, in the case of a holding of a CGO Service member, be accompanied by the Bond Book or certificate of title, if at the time of acceptance the holding could be transferred by the member through the CGO Service.

As a result of other Regulations coming into force on 2nd January 1986 simultaneously with these Rules, members of the CGO Service will be able to transfer almost all gilt-edged securities managed by the Bank of England through the new system. Those Regulations are: the Stock Transfer (Gilt-edged Securities) (CGO Service) Regulations 1985 (S.I. 1985/1144), the Stock Transfer (Gilt-edged Securities) (Exempt Transfer) Regulations 1985 (S.I. 1985/1145), the Government Stock (Amendment) Regulations 1985 (S.I. 1985/1146), the Gas (Stock) (Amendment) Regulations 1985 (S.I. 1985/1149), and the Local Authority (Stocks and Bonds) (Amendment) Regulations 1985 (S.I. 1985/1148).