
STATUTORY INSTRUMENTS

1998 No. 1446

**The National Savings Stock Register
(Closure of Register to Gilts) Order 1998**

APPLICATIONS AND PROCEEDINGS

Applications to exchange gilts in the Register for gilts in the books of the Bank

6.—(1) The Director of Savings may, in the circumstances described in paragraph (2) below, decline to process, in accordance with the National Savings Regulations, any qualifying application for the exchange of any gilts in the Register for gilts of a corresponding amount and description in the books of the Bank which is received before the specified day.

(2) The circumstances are that it appears to the Director of Savings that, if the application is processed in the normal manner, the exchange would not be likely to be carried into effect before the gilts are to be transferred to the Bank's register by virtue of article 4 above.

Applications to exchange gilts in the books of the Bank for gilts in the Register

7.—(1) Subject to paragraph (2) below, where any application to the Bank, in accordance with regulation 17 of the National Savings Regulations, for the exchange of any gilts in the books of the Bank for gilts of a corresponding amount and description in the Register, is received before the specified day, the Bank shall not be required to process that application, save to inform the applicant that it is not processing the application in view of the pending closure and transfer to be effected by articles 3 and 4 above.

(2) If an applicant requests that the application should be proceeded with notwithstanding such impending closure and transfer, the Bank may, if it thinks fit having regard to any representations made by the applicant, proceed with the application insofar as it may be given effect before the specified day.

Applications for the sale of gilts pending on the specified day

8.—(1) Any qualifying application under regulation 11 of the National Savings Regulations for the sale of any transitional gilts which is received before the specified day but not executed before that day shall, on and after that day, be treated as an application for the sale of those gilts through the Bank in accordance with regulations made under section 47(1ZA) of the Finance Act 1942⁽¹⁾.

(2) Any qualifying application under regulation 11A of the National Savings Regulations⁽²⁾ (which, where the Bank of England has given notice that it is prepared to purchase gilts of any description, makes provision for the Director of Savings, at the request of the holder, to offer such gilts for sale, through the Commissioners, to the Bank) requesting the Director of Savings to offer any gilts for sale through the Commissioners to the Bank which is received before the specified day but which has not resulted in the making or determination of such an offer before that day shall, on and after that day, be treated as an offer to sell those gilts to the Bank in accordance with the notice by which the Bank indicated its willingness to purchase gilts of that description.

(1) 1942 c. 21; subsection (1ZA) was inserted by the Bank of England Act 1998 (c. 11), section 34.

(2) Regulation 11A was inserted by S.I. 1989/652.

Applications to purchase gilts pending on the specified day

9. Any qualifying application for the purchase of any gilts in the Register which is received before the specified day but not executed before that day shall, on and after that day, be treated as an application for the purchase, through the Bank, of like gilts in the books of the Bank in accordance with regulations made under section 47(1ZA) of the Finance Act 1942.

Applications to subscribe for gilts pending on the specified day

10.—(1) Any qualifying application to subscribe for any gilts which is received before the specified day but not determined before that day shall, on and after that day, be treated as if it had been made to the Bank in accordance with any applicable Bank legislation and the terms of the prospectus for those gilts.

(2) Any qualifying application to register in the Register gilts which had been subscribed for which is received before the specified day but not executed before that day shall, on and after that day, be treated as an application to the Bank to register those gilts in its books.

(3) Any application made to the Bank under regulation 5(3) of the National Savings Regulations (which enables applications to subscribe for gilts to be registered in the Register to be made to the Bank in accordance with the terms of the prospectus for those gilts) which is received before the specified day but not determined before that day shall, on and after that day, be treated as if it were an application, made in accordance with the terms of the prospectus, to subscribe for gilts to be registered in the books of the Bank.

Applications to transfer gilts pending on the specified day

11.—(1) Any qualifying application to make a transfer in the Register of any gilts which is received before the specified day but not carried into effect before that day shall, on and after that day, be carried into effect by the Bank in its books in accordance with applicable Bank legislation as if—

- (a) the application were an instrument falling within regulation 4(1) of the Government Stock Regulations 1965(3), and
- (b) the conditions required to be fulfilled by regulation 8 of those Regulations were fulfilled.

(2) For the purposes of paragraph (1), regulation 10 of the Government Stock Regulations 1965 (which provides that the Bank shall not be required to give effect to a transfer until the expiration of ten clear days after the day on which the Bank receives the instrument of transfer) shall, subject to paragraph (3) below, apply as if the Bank had received the application on the specified day.

(3) Where the Director of Savings receives the application during the transitional weekend and forwards it to the Bank in accordance with article 28(4) to (6) below, the Bank shall not be treated (whether by virtue of article 25(2)(a) below or otherwise) as receiving it earlier than the day on which the Bank did in fact receive it.

Applications to exchange gilts in the Register for gilts in the books of the Bank of Ireland pending on the specified day

12. Any qualifying application for the exchange of any gilts in the Register for gilts of a corresponding amount and description in the books of the Bank of Ireland which is received before the specified day but not carried into effect, on the part of the Director of Savings, before that day shall, on and after that day, be carried into effect by the Bank of England as if—

- (a) it were an application for the removal of the gilts from the books of the Bank of England to the books of the Bank of Ireland under regulation 17 of the Government Stock Regulations 1965, and

(3) S.I. 1965/1420; relevant amending instruments are S.I. 1981/1004, 1985/1146, 1990/2253, 1997/1709.

- (b) the conditions required to be fulfilled by regulation 8 of those Regulations (which is applied by regulation 17(3) of those Regulations) were fulfilled.

Application to exchange gilts in the books of the Bank of Ireland for gilts in the Register pending on the specified day

13.—(1) Any application made to the Bank of Ireland in accordance with regulation 17 of the National Savings Regulations for the exchange of any gilts in the books of the Bank of Ireland for gilts of a corresponding amount and description in the Register which is received before the specified day but not carried into effect on the part of the Bank of Ireland before that day shall, on and after that day, be carried into effect by the Bank of Ireland as if—

- (a) it were an application for the removal of the gilts from the books of the Bank of Ireland to the books of the Bank of England under regulation 17 of the Government Stock Regulations 1965, and
- (b) the conditions required to be fulfilled by regulation 8 of those Regulations (which is applied by regulation 17(3) of those Regulations) were fulfilled.

(2) Where any such application is carried into effect on the part of the Bank of Ireland but not on the part of the Director of Savings before the specified day, the Bank of England shall, on or after that day, cause the gilts to be registered in its books.

Old style applications made after the specified day

14.—(1) Articles 8 to 13 above shall apply to any transitional application as they apply to a qualifying application or, as the case may be, to an application to the Bank of England or the Bank of Ireland, pending on the specified day.

- (2) In this article, “transitional application” means an application which—
 - (a) would have been a qualifying application or, as the case may be, an application made to the Bank of England or the Bank of Ireland in accordance with the National Savings Regulations, if received immediately before the specified day, but
 - (b) is received by the Director of Savings or, as the case may be, the Bank of England or the Bank of Ireland—
 - (i) on or after the specified day, and
 - (ii) except in the case of an application for the transfer of gilts in the Register, before 20th July 1999.

(3) This article is without prejudice to the construction of any application, except for the transfer of gilts in the Register, received on or after 20th July 1999.

Adjudications etc pending on the specified day

15.—(1) This article applies to any relevant proceedings which, at the beginning of the specified day, are pending in respect of any gilts.

(2) Notwithstanding article 5 above, the Director of Savings, and not the Bank, shall continue to be a party to such proceedings and, subject to paragraph (3) below, any relief, including costs, awarded in such proceedings shall be satisfied, or as the case may be enjoyed, by the Director of Savings and not the Bank.

(3) The Director of Savings shall give notice to the Bank of any relief which appears to require, or which may require, an amendment to be made in the books of the Bank, and the Bank shall amend its books to such extent as may be necessary to give effect to the relief.

(4) Where the Director of Savings reasonably so requires for the purpose of enabling him to conduct any relevant proceedings, he may—

- (a) retain such records, documents or other papers that he would otherwise have been required by article 28 below to transfer to the Bank, or
- (b) have reasonable access to any such records, documents or papers which he has transferred to the Bank.

(5) Where the Director of Savings has retained any records, documents or papers in accordance with paragraph (4) above, the Bank may have such access to them as it may reasonably require for the purpose of carrying out its own functions in relation to the registration of gilts.

(6) At the conclusion of any relevant proceedings, the Director of Savings shall transfer to the Bank any records, documents or papers which he had retained under paragraph (4) above, or which had been created since the specified day in relation to the proceedings, and which remain in the possession of the Director of Savings, except to such extent and for such time (if any) as the Director considers it appropriate to retain them for any purpose connected with or arising out of those proceedings.

(7) In this article, “relevant proceedings” means any proceedings on a reference under section 5(1) of the National Debt Act 1972⁽⁴⁾ (which makes provision for the settlement of disputes as to holdings in the Register), and any further proceedings (whether by way of appeal or otherwise) arising out of such proceedings.

(8) This article shall apply to any further proceedings (whether by way of appeal or otherwise) arising out of any relevant proceedings as if they were all part of the same relevant proceedings that were pending on the specified day and, accordingly, any such further proceedings shall be taken by or against the Director of Savings and not the Bank.

(4) 1972 c. 65; section 5 was substituted by the Friendly Societies Act 1992 (c. 40), Schedule 21, paragraph 4.