
STATUTORY INSTRUMENTS

2015 No. 624

The National Savings (No. 2) Regulations 2015

PART 4

Savings certificates

CHAPTER 1

Issue and purchase of certificates

Forfeiture of certificates purchased before 20th September 2012

42.—(1) Subject to paragraph (2), where a person—

- (a) purchases or holds a certificate of a unit series in contravention of regulations 39 or 40 (on persons entitled to purchase and hold certificates); or
- (b) purchases or holds a certificate in contravention of regulation 41 (limit on total holding of certificates),

the certificate shall, if the Director of Savings directs, be forfeited.

(2) Having directed the forfeiture of a certificate, the Director of Savings may pay to that person, or credit an account in the name of that person in the National Savings Bank—

- (a) an amount equal to the aggregate amount of the purchase price of the certificates forfeited;
- (b) where a certificate was purchased or held in contravention of regulation 39, interest (not exceeding the interest which had accrued immediately before forfeiture) as the Director of Savings may determine;
- (c) where a certificate was purchased or held in contravention of regulation 40, the bonus or other amount (not exceeding the bonus or other amount which had accrued immediately before forfeiture) as the Director of Savings may determine;
- (d) where a certificate was purchased or held in contravention of regulation 41, interest at a rate determined by the Director of Savings on the amount of the purchase price of the certificate, being interest calculated in a manner the Director of Savings, with the approval of the Treasury, may direct.

(3) For the purposes of this regulation a multiple certificate must be taken to be the number of unit certificates represented by the multiple certificate.

(4) Subject to paragraph (5), where a money value certificate was purchased or held by a person in contravention of regulation 41, the amount (“the excess”) by which the purchase price of the certificate exceeded the amount for which that certificate could have been purchased without contravening that regulation shall, if the Director of Savings directs, be forfeited.

(5) Having directed the forfeiture of an excess, the Director of Savings may pay to that person, or credit an account in the name of that person in the National Savings Bank—

- (a) the excess;

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(b) interest at a rate determined by the Director of Savings on the excess, being interest calculated in a manner the Director of Savings, with the approval of the Treasury, may direct.

(6) For the purposes of—

(a) regulation 23 (investment deposits) of the National Savings Regulations 2015⁽¹⁾ (to the extent it applies); or

(b) an Order under section 4 of the 1971 Act⁽²⁾ (limiting the amount of deposits in the National Savings Bank),

an amount credited to an account under this regulation is not to be counted if directed by the Director of Savings.

(7) Notice of any forfeiture must be sent to the person concerned as soon possible, and the Director of Savings may require the certificates affected to be provided for the purpose of giving effect to this regulation.

(8) This regulation does not apply to a rolled-over certificate or a certificate purchased on or after 20th September 2012.

Commencement Information

II Reg. 42 in force at 6.4.2015, see [reg. 1\(1\)](#)

⁽¹⁾ [S.I. 2015/623](#).

⁽²⁾ Section 4 was amended by the Finance Act [1982 \(c. 39\)](#), section 151, Schedule 20, paragraph 3 and section 152(1).

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Changes and effects yet to be applied to the whole Instrument associated Parts and Chapters:

Whole provisions yet to be inserted into this Instrument (including any effects on those provisions):

- reg. 38(2A)(2B) inserted by [S.I. 2023/605 reg. 2\(2\)\(a\)](#)
- reg. 38(4) inserted by [S.I. 2023/605 reg. 2\(2\)\(b\)](#)
- reg. 46(6A)-(6C) inserted by [S.I. 2023/605 reg. 2\(3\)\(b\)](#)