BORROWING AND SECURITIES

CONTROL OF BORROWING

1959 No. 445

The Control of Borrowing (Amendment) Order, 1959

Made - - - -	16*th March*, 1959
Laid before Parliament	18*th March*, 1959
Coming into Operation	19*th March*, 1959

The Lords Commissioners of Her Majesty's Treasury, in exercise of the powers conferred upon them by section 1 and subsection (4) of section 3 of the Borrowing (Control & Guarantees) Act, 1946(a), and of all other powers enabling them in that behalf, hereby make the following Order:—

1. The Control of Borrowing Order, 1958(b), shall be amended by inserting in article 8 thereof after paragraph (2) of that article the following paragraph:—

"(2A) The exemption conferred by this article shall not apply to any issue of redeemable shares or other redeemable securities if the purposes or effects of the transaction consist of or include the capitalisation of profits or reserves."

2. The Interpretation Act, 1889(c), shall apply to the interpretation of this Order as it applies to the interpretation of an Act of Parliament.

3. This Order may be cited as the Control of Borrowing (Amendment) Order, 1959, and shall come into operation on the nineteenth day of March, nineteen hundred and fifty-nine.

Dated this sixteenth day of March, nineteen hundred and fifty-nine.

Martin Redmayne,
Michael Hughes-Young,
Two of the Lords Commissioners of Her Majesty's Treasury.

EXPLANATORY NOTE

(This Note is not part of the Order, but is intended to indicate its general purport.)

This Order amends the Control of Borrowing Order, 1958. Under the principal Order issues of redeemable shares or other redeemable securities might lawfully be made without the consent of the Treasury if the total nominal value of such issues together with the value of all previous transactions carried out by the same person in the previous twelve months did not exceed £50,000. This Order makes it unlawful without the consent of the Treasury to issue any redeemable shares or other redeemable securities of which the purpose or effect is to capitalise profits or reserves.

(a) 9 & 10 Geo. 6. c. 58. (b) S.I. 1958/1208 (1958 I, p. 203)
(c) 52 & 53 Vict. c. 63.