EXPLANATORY NOTE

(This Note does not form part of the Rules, but is intended to indicate their general purport.)

These Rules prescribe the procedure with respect to the acceptance of the offer to exchange 2½ per cent. Defence Bonds for 5 per cent. Defence Bonds (Conversion Issue).

1959 No. 1396

The Exchange of Securities (No. 2) Rules, 1959

Made - - - -	*7th August*, 1959
Coming into Operation	*7th August*, 1959

The Lords Commissioners of Her Majesty's Treasury, in exercise of the powers conferred upon them by subsection (2) of section 2 of the National Loans Act, 1939(a), and of all other powers enabling them in that behalf, hereby make the following Rules:—

Interpretation

1.—(1) In these Rules, unless the context otherwise requires, the following expressions have the meanings hereby respectively assigned to them, that is to say:—

"appropriate authority" means, in relation to an acceptance of an offer of exchange, the person with whom the acceptance is required by these Rules to be lodged;

"the Bank" means the Bank of England or the Bank of Ireland, as the case may require;

"the Commissioners" means the National Debt Commissioners;

"committee", in relation to a holder, includes a person authorised under section 1 of the Lunacy Act, 1908(b), to exercise in relation to the holder any of the powers of a committee, and, in the application of these Rules to Scotland, means a curator bonis or other person appointed by the Court to manage the affairs of the holder;

"curator", in relation to a minor, includes an administrator at law, a curator nominate, a curator chosen by the minor with the sanction of the Court or appointed by the Court, and a person assumed to act as curator by virtue of an Act of Parliament;

"holder" means the holder of any old securities;

"infant", in relation to Scotland, means any pupil or any minor;

"minor" means a female who has attained the age of twelve years, but has not attained the age of twenty-one years, or a male who has attained the age of fourteen years, but has not attained the age of twenty-one years;

"new securities" means 4½ per cent. Conversion Stock, 1964, and 5 per cent. Treasury Stock, 1986-1989, offered to holders of 3 per cent. War Loan, 1955-1959, in the terms of the notice dated the 7th day of August, 1959;

(a) 2 & 3 Geo. 6. c. 117. (b) 8 Edw. 7. c. 47.

"old securities" means any securities which under the terms of the notice dated the 7th day of August, 1959, may be exchanged for new securities;

"pupil" means a female who has not attained the age of twelve years, or a male who has not attained the age of fourteen years;

"tutor" includes an administrator at law, a tutor by virtue of, or appointed under, an Act of Parliament, a tutor dative, a tutor nominate, a person assumed to act as tutor by virtue of an Act of Parliament and a factor loco tutoris.

(2) The Interpretation Act, 1889(a), shall apply for the purpose of the interpretation of these Rules as it applies for the purpose of the interpretation of an Act of Parliament.

Holdings in the Post Office Register

2. Within one month beginning on the twenty-sixth day of August, nineteen hundred and fifty-nine, the Postmaster-General and the trustees of every trustee savings bank shall furnish the Commissioners with a statement, in a form approved by the Commissioners, of the aggregate amount of the holdings of old securities registered in the Post Office Register in respect of which acceptances of the offer of exchange have been duly made, and the Commissioners, as soon as practicable after the expiration of the said month, shall make to the Bank of England a request for the exchange of the appropriate amounts of old securities held by them on account of the Post Office Register.

Persons to whom acceptances are to be made

3. Acceptances of the offer of exchange of securities of the descriptions specified in the first column of the following table shall be lodged with the persons respectively specified in the second column of that table:—

Description of holding	*Person with whom acceptance form is to be lodged*
Securities registered at the Bank of England.	The Bank of England.
Securities registered at the Bank of Ireland at Belfast.	The Bank of Ireland at Belfast.
Securities registered in a part of the Post Office Register kept by the trustees of a trustee savings bank.	The trustees of the savings bank in question.
Securities registered in any other part of the Post Office Register.	The Postmaster-General.

Manner of making acceptance

4.—(1) An acceptance of the offer of exchange of securities registered at the Bank or in the Post Office Register shall—

(*a*) be made on a form to be supplied for the purpose by the appropriate authority or a form to the like effect;

(*b*) give particulars of the amount of the holding to which the acceptance relates and of the full name, address and description of every person in whose name the holding is entered in the registers of the Bank or in the Post Office Register, as the case may be;

(a) 52 & 53 Vict. c. 63.

(*c*) be accompanied by the certificate or certificates of title; and

(*d*) be signed by every person accepting the offer, or, in the case of an acceptance made by a corporation, sealed with the common seal of the corporation, or, in the case of a corporation not having a common seal, executed in accordance with the rules of law and the provisions of any Act or instrument regulating the constitution of the corporation with respect to the execution of instruments by the corporation:

Provided that, where the securities are registered in the Post Office Register, an acceptance made by a corporation may, instead of being so sealed or executed, be signed by the secretary or treasurer or two of the directors for the time being of the corporation or, in the case of a corporation sole, by the person representing the corporation for the time being.

(2) An acceptance may be sent by post.

Persons by whom acceptances may be made in special cases

5.—(1) In the cases specified in the first column of the following table, being cases in which the holder is the sole holder or the last surviving holder on a joint account, an acceptance may be made by the persons respectively specified in the second column of that table:—

Case	*Person by whom acceptance may be made*
1. Where the holder is an infant who is not domiciled in Scotland and the holding is not registered in the Post Office Register.	1. The holder's parent or other guardian.
2. Where the holder is a pupil domiciled in Scotland, and the holding is not registered in the Post Office Register.	2. The holder's tutor.
3. Where the holder is a minor domiciled in Scotland, and the holding is not registered in the Post Office Register.	3. The holder and his curator.
4. Where the holder is an infant who has not attained the age of seven years, and the holding is registered in the Post Office Register.	4. The holder's parent or other guardian.
5. Where the holder is an infant who has attained the age of seven years, and the holding is registered in the Post Office Register.	5. The holder.
6. Where the holder is of unsound mind.	6. The holder's committee.
7. Where the holder is under any disability other than those specified in the cases aforesaid.	7. Any person entitled in law to administer the holder's property.

(2) Where a holder is under any of the disabilities mentioned in the first column of the last foregoing table, and the holding is held jointly by him and one or more other holders, acceptance may (without prejudice to the provisions of the next following Rule in a case in which that Rule applies) be made by the other holder or holders together with any person who, under the foregoing provisions of this Rule, would have been entitled to make the acceptance if the first-mentioned holder had been the sole holder or the last surviving holder on a joint account.

(3) Where securities are registered in the name of a deceased person who was a sole holder or the last surviving holder on a joint account, an acceptance may be made by his personal representative or representatives, or, if there are more than two personal representatives, a majority of them.

(4) Where under the provisions of this Rule an acceptance may be made by the holder's tutor, or by the holder and his curator, and the holder has three or more tutors or curators, as the case may be, the provisions of this Rule shall have effect as if for any reference therein to a tutor or curator there were substituted a reference to a quorum of his tutors or curators, being a quorum entitled to act by virtue of an Act of Parliament, a deed or an order of the Court.

(5) For the purposes of this Rule a holder who is an infant shall be deemed not to be domiciled in Scotland unless there has been furnished to the Bank, in accordance with paragraph (4) of Regulation 14 of the Government Stock Regulations, 1943(a), a statutory declaration that the holder is a pupil or a minor and is domiciled in Scotland.

Acceptances in case of joint accounts

6. Where a holding is held jointly by more than two holders, whether or not the holders are trustees within the meaning of section 4 of the National Loans Act, 1939, an acceptance in respect of the holding may be made by a majority of the holders.

Acceptances where distringas is in force

7. Where a notice in lieu of distringas is in force in respect of a holding, an acceptance may be made by any person who would be entitled to make the acceptance if the notice were not in force.

Evidence as to facts on which validity of acceptance depends

8.—(1) The appropriate authority may accept, as evidence of any fact on which the validity of an acceptance depends, a statutory declaration of that fact made by one or more competent persons.

(2) Nothing in this Rule shall be taken as imposing any obligation upon the appropriate authority to require proof by such statutory declaration as aforesaid of any fact whereof they have other evidence which they are entitled to accept and act upon.

Application to new securities of trusts, powers, &c., affecting old securities

9.—(1) Where any old securities are exchanged for new securities, the new securities, and the interest thereon, shall be subject to the same trusts,

(a) S.R. & O. 1943/1 (Rev. XV, p. 360: 1943 I, p. 625).

charges, rights, notices in lieu of distringas and restraints as affect the old securities exchanged and the interest thereon respectively, and all powers of attorney, requests as to interest, and other documents relating to the old securities exchanged and the interest thereon, or either of them, shall apply to the new securities and the interest thereon respectively.

(2) In any Act passed or instrument executed before the day following the seventh day of August, nineteen hundred and fifty-nine, references to any old securities may, if the securities are exchanged for new securities, be construed as references to the new securities received in exchange therefor, and in the case of any testamentary instrument executed before that day, any disposition which would have operated as a specific bequest of any old securities shall, if they are exchanged for new securities, be construed as a specific bequest of the new securities.

Protection for the Bank, &c.

10.—(1) The Bank, the Postmaster-General and the trustees and officers of trustee savings banks may act on any evidence authorised by these Rules and are hereby indemnified for so doing.

(2) Nothing in these Rules shall affect the Bank, the Postmaster-General or any trustee or officer of a trustee savings bank with notice of any trust.

Citation and commencement

11. These Rules may be cited as the Exchange of Securities (No. 2) Rules, 1959, and shall come into operation on the seventh day of August, nineteen hundred and fifty-nine.

Dated this seventh day of August, nineteen hundred and fifty-nine.

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

EXPLANATORY NOTE

(This Note does not form part of the Rules, but is intended to indicate their general purport.)

These Rules prescribe the procedure with respect to the acceptance of the offer to exchange 3 per cent. War Loan, 1955-1959, into 4½ per cent. Conversion Stock, 1964, and 5 per cent. Treasury Stock, 1986-1989.