NATIONAL DEBT

The Exchange of Securities Rules, 1950

1950 No. 914

Made - - - -	*5th June*, 1950
Coming into Operation	*6th June*, 1950

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

Definitions

1. In these Rules the following expressions have the meanings hereby assigned to them respectively, that is to say—

"new securities" means 2½ per cent. Funding Loan, 1956-1961, offered to holders of 2½ per cent. National War Bonds, 1949-1951 in the terms of the notice dated the sixth day of June, 1950;

"old securities" means any securities which under the terms of that notice may be exchanged for new securities;

"appropriate authority" means, in relation to an acceptance of the 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;

"the committee" includes, in relation to a holder, a person authorised under section one of the Lunacy Act, 1908(**b**), to exercise in relation to the holder any of the powers of a committee, and a person appointed under section one hundred and thirty-two of the Lunacy Act, 1890(**c**), by a judge of county courts to realise the property of the holder, and, in the application of these Rules to Scotland, means a curator bonis, guardian or tutor;

"minor" means a female between the ages of twelve and twenty-one, or a male between the ages of fourteen and twenty-one;

"holder" means the holder of any old securities.

Provisions as to holding in Post Office Register

2. Within one month from the seventeenth day of June, nineteen hundred and fifty, 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 the 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 the old securities held by them on account of the Post Office Register.

(**a**) 2 & 3 Geo. 6. c. 117. (**b**) 8 Edw. 7. c. 47. (**c**) 53 & 54 Vict. c. 5.

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*
Bonds registered at the Bank of England.	The Bank of England.
Bonds registered at the Bank of Ireland at Belfast.	The Bank of Ireland at Belfast.
Bonds 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.
Bonds 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 Bonds registered at the Bank or in the Post Office Register—

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

(*b*) shall 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;

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

(*d*) shall be signed by every person accepting the offer:

Provided that, in the case of an acceptance made by a corporation, the form shall be sealed with the common seal of the corporation, or, in the case of a corporation not having a common seal, shall be executed in manner provided in paragraph (2) of Regulation 7 of the Government Stock Regulations, 1918(**a**).

(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, 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 (other than a minor who is domiciled in Scotland) and the holding is not registered in the Post Office Register, or 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.	1. The holder's parent or other guardian.

(**a**) S.R. & O. 1918 (No. 482) II, p. 1.

Case	*Person by whom acceptance may be made*
2. Where the holder is an infant who has attained the age of seven years and the holding is registered in the Post Office Register.	2. The holder.
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 parent or other guardian acting jointly.
4. Where the holder is of unsound mind.	4. The holder's committee.
5. Where the holder is under any disability other than those specified in the cases aforesaid.	5. 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 be 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) In a case in which bonds 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.

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 four 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 not less than two 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 trust, 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, 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 interests thereon respectively.

(2) In any Act passed or instrument executed before the day following the sixth day of June, nineteen hundred and fifty, 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.

Short title and interpretation

11.—(1) These Rules may be cited as the Exchange of Securities Rules, 1950.

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

12. These Rules shall come into force on the sixth day of June, 1950.

Dated this 5th day of June, 1950.

H. W. Bowden,
Charles Royle,
Two of the Lords Commissioners of
His 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 acceptances of the offer of exchange of 2½ per cent. National War Bonds, 1949-1951, into 2½ per cent. Funding Loan, 1956-1961.

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