STATUTORY INSTRUMENTS

1967 No. 914

BORROWING AND SECURITIES

The Iron and Steel Industry (Compensation Stock) (Transitional Provisions) Regulations 1967

Laid before Parliament in draft

Made - - -	15*th June* 1967
Coming into Operation	28*th July* 1967

The Treasury, in exercise of the powers conferred on them by section 47 of the Finance Act 1942(a) as extended by section 26(9) of the Iron and Steel Act 1967(b) and of all other powers enabling them in that behalf, hereby make the following Regulations:—

Application

1. Where, by virtue of the provisions of Schedule 4 to the 1949 Act, any person, being the holder of any securities to which the said Schedule applies, becomes instead the holder of any stock, then until the name of that person is duly entered in the stock register with respect to that stock, the provisions of these Regulations shall apply in relation to that stock notwithstanding anything contained in the Government Stock Regulations 1965(c).

Record of holdings to be kept by the Corporation

2. The National Steel Corporation (referred to in these Regulations as "the Corporation") shall cause a record to be kept of the amount of stock attributable to the said securities of which the said person becomes the holder as aforesaid, and such record shall be prima facie evidence of the title of the holder to that amount of stock.

Certificates of securities

3. As from the date of transfer or the conversion date, as the case may be, the stock or share certificate or other similar document relating to any securities to which Part I or Part II, as the case may be, of Schedule 4 to the 1949 Act applies and in force immediately before that date shall be treated as applicable to so much of the stock as is attributable to the securities to which the said certificate or other document relates until a stock certificate is issued with respect to that stock.

Execution of dividend mandates in Scotland

4. Regulation 16(2) and (3) of the Government Stock Regulations 1965 shall, in their application to dividend mandates, be construed as if any reference therein to the Bank of England were a reference to the Corporation.

Payment of interest on stock

5.—(1) Interest on stock shall be paid by the Corporation by means of warrants sent through the post to the person entered in the record kept under

(a) 1942 c. 21. (b) 1967 c. 17. (c) S.I. 1965/1420 (1965 II, p. 4199).

Regulation 2 of these Regulations as holder of the stock (or in the case of joint holders of stock to that one of them whose name stands first on the record) at the address entered in the record, or to such person and to such address as the holder (or in the case of joint holders all the holders) may direct in writing addressed to the Corporation.

(2) The posting of any such warrant as aforesaid in a prepaid letter directed to such address as aforesaid shall be a good discharge to the Corporation for such interest.

(3) Every warrant as aforesaid so sent by post shall be deemed to be a cheque and the Corporation in relation thereto shall be deemed to be a banker within the meaning of the Bills of Exchange Act 1882(a).

(4) For the purposes of this paragraph the personal representative or personal representatives of a deceased holder shall be deemed to be the holder or joint holders (as the case may require) of the amount of stock held by that holder immediately before the date of his death.

(5) Where two or more joint registered holders of any stock have given a direction as to the payment of interest thereon and one of them becomes of unsound mind, such direction shall not thereby become void.

(6) Before paying any interest on stock, the Corporation may, if the circumstances of the case appear to them to make it expedient, require the production of such evidence of the title of any person claiming the right to receive payment thereof (which evidence may include the making of a statutory declaration by one or more competent persons) as they see fit.

(7) Nothing in the preceding provisions of this Regulation shall be taken to prevent the Corporation and any banker from making special arrangements for the payment of any interest on stock which is receivable by such banker, either on his own behalf, or as nominee of the holder of stock, or otherwise.

Unclaimed interest

6.—(1) Subject to the provisions of this Regulation, if a warrant for the payment of interest has not been encashed and has become defaced, lost, or destroyed, or if no such warrant has been issued and the interest has not otherwise been paid, the Corporation shall, on the application of a person who proves to their satisfaction that he is entitled to receive the payment, and furnishes to the Corporation such indemnity as they may require and produces and surrenders to them the unencashed warrant (if any) concerned or proves to their satisfaction its loss or destruction, issue to that person a fresh warrant or a warrant, as the case may be.

(2) No interest shall be payable on any sum due in respect of interest on stock after the date on which the interest became payable.

Striking the balance for payment of interest on stock

7. The Corporation may strike the balance for a payment of interest on any stock on any day not being more than 37 days before the day on which the interest on that stock is payable; and any person who is on the day on which the balance is so struck entered in the record kept under Regulation 2 of these Regulations as a holder of that stock shall as between himself and any transferee of that stock be entitled to the then current payment in respect thereof.

Directions given before date of transfer or conversion date

8. Where before the date of transfer or the conversion date, as the case may be, there has been furnished to the body or person responsible for making

(a) 1882 c. 61.

payment of any interest or dividends due in respect of any securities to which Part I or Part II, as the case may be, of Schedule 4 to the 1949 Act applies, a direction in writing that any interest or dividends accruing due in respect of any such securities shall be paid to any person, that direction shall be taken to extend to the payment of interest on the stock attributable to those securities, and paragraph (1) of Regulation 5 of these Regulations shall apply to the payment of interest on such stock as it applies to the payment of interest on stock in respect of which a direction has been given to the Corporation under the said paragraph (1).

Declarations relating to Scottish trusts before date of transfer or conversion date

9.—(1) Where, before the date of transfer or the conversion date, as the case may be, there has been furnished to the body or person responsible for making payment of any interest or dividends due in respect of any securities to which Part I or Part II, as the case may be, of Schedule 4 to the 1949 Act applies, a declaration (whether statutory or not) that any such securities form part of a trust the execution of which is governed by the law of Scotland, that declaration shall be taken to extend to the stock attributable to those securities.

(2) The Corporation may give effect to written directions with respect to the payment of interest on such stock, if the instrument containing the directions is executed by a quorum of the persons who are for the time being trustees of the said trust.

(3) In this regulation, the expressions "trust" and "trustee" have the same meanings as in the Trusts (Scotland) Act 1921(a).

Surrender of certificates, etc.

10. Every person who on the date of transfer or the conversion date, as the case may be, becomes the holder of stock instead of securities to which Part I of Schedule 4 to the 1949 Act applies or, as the case may be, instead of rights in respect of securities to which Part II of that Schedule applies, or the successor in title of any such holder, shall, before the issue of the stock certificate in respect of the stock to which he is entitled, surrender to the Corporation the stock or share certificate or other similar document in force immediately before that date in relation to those securities or, as the case may be, those rights:

Provided that in a case where any such certificate or document cannot be surrendered the Corporation may dispense with its surrender on such terms as to evidence and indemnity as they may require.

Application of Bankers' Books Evidence Act 1879

11. The Corporation, so far as their functions under these Regulations are concerned, shall be deemed to be a banker within the meaning of the Bankers' Books Evidence Act 1879(b).

Interpretation

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

"the 1949 Act" means the Iron and Steel Act 1949(c);

"the 1967 Act" means the Iron and Steel Act 1967;

"conversion date" has the meaning assigned to it in paragraph 1(2) of Part II of Schedule 4 to the 1949 Act;

"date of transfer" has the meaning assigned to it in section 47(3) (*a*) of the 1967 Act;

(a) 1921 c. 58. (b) 1879 c. 11. (c) 1949 c. 72.

"stock" means government stock issued pursuant to section 10 of the 1967 Act;

"stock register" means the register kept in respect of stock under Regulation 1 of the Government Stock Regulations 1965.

(2) Any reference in these Regulations to the provisions of the 1949 Act shall be construed as a reference to the provisions of that Act in the form in which it has effect by virtue of section 49 of the 1967 Act.

(3) Any reference in these Regulations to the provisions of any enactment or instrument shall be construed, unless the context otherwise requires, as a reference to those provisions as amended, re-enacted or replaced by any subsequent enactment or instrument.

(4) The Interpretation Act 1889(a) shall apply for the interpretation of these Regulations as it applies for the interpretation of an Act of Parliament.

Short title and commencement

13. These Regulations may be cited as the Iron and Steel Industry (Compensation Stock) (Transitional Provisions) Regulations 1967, and shall come into operation on 28th July 1967.

B. K. O'Malley,

Harry Gourlay,

Two of the Lords Commissioners of Her Majesty's Treasury.

15th June 1967.

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

These Regulations contain transitional provisions relating to Government stock issued by way of compensation to holders of the securities of iron and steel companies acquired by the National Steel Corporation under section 9 of the Iron and Steel Act 1967. The Regulations cover the period from the vesting date to the time when the compensation stock is registered in the stock register kept by the Bank of England. The Regulations provide for a record of holdings to be kept by the Corporation, for stock and share certificates relating to the acquired securities to apply to the holdings of the compensation stock, and for the payment of interest by the Corporation, during that period. They also provide for surrender to the Corporation of the stock and share certificates relating to the acquired securities before the issue of stock certificates relating to the compensation stock, and for the application to holdings of compensation stock of interest on dividend mandates given in respect of holdings of the acquired securities.

(a) 1889 c. 63.