STATUTORY INSTRUMENTS

1975 No. 714

NATIONAL DEBT

The Savings Certificates (Amendment) Regulations 1975

Made - - - -	28*th April* 1975
Laid before Parliament	7*th May* 1975
Coming into Operation	2*nd June* 1975

The Treasury, in exercise of the powers conferred on them by section 11 of the National Debt Act 1972(**a**) and of all other powers enabling them in that behalf, hereby make the following Regulations:—

1. These Regulations may be cited as the Savings Certificates (Amendment) Regulations 1975, and shall come into operation on 2nd June 1975.

2.—(1) In these Regulations "the principal Regulations" means the Savings Certificates Regulations 1972(**b**), as amended(**c**).

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

3. The principal Regulations shall have effect subject to the amendments specified in the following provisions of these Regulations.

4. In Regulation 2(1) of the principal Regulations (interpretation)—

(*a*) in the definition of "amount repayable", after the word "interest" there shall be inserted the words "or bonus or other sum";

(*b*) after the definition of "friendly society" there shall be inserted the following definition:—

" 'index-linked certificate' means a certificate issued under the name of an index-linked national savings certificate;".

5. In Regulation 4 of the principal Regulations (persons entitled to purchase and hold certificates) there shall be added at the end the following paragraph:—

"(6) In this Regulation "certificate" does not include an index-linked certificate".

6. After Regulation 4 of the principal Regulations there shall be inserted the following Regulation:—

(**a**) 1972 c. 65.
(**b**) S.I. 1972/641 (1972 I, p. 2084).
(**c**) S.I. 1974/552 (1974 I, p. 2274).
(**d**) 1889 c. 63.

"*Persons entitled to purchase and hold index-linked certificates*

4A.—(1) An index-linked certificate may be purchased and held by any person who—

(*a*) has attained, in the case of a man, the age of 65 years or, in the case of a woman, the age of 60 years, and

(*b*) is not under any legal disability,

or by any two or more of such persons jointly.

(2) Subject to the provisions of these Regulations, an index-linked certificate may be purchased on behalf of and in the name of a mentally disordered person who has attained, in the case of a man, the age of 65 years or, in the case of a woman, the age of 60 years by his or her receiver, and any certificate so purchased shall be deemed to be held by the person on whose behalf it is purchased."

7. In Regulation 5(1) of the principal Regulations (maximum holding of certificates)—

(*a*) after the words "Regulation 4(2)" there shall be inserted the words "or 4A(2)";

(*b*) for sub-paragraphs (*h*) and (*i*) there shall be substituted the following sub-paragraphs:—

"(*h*) 1,500, in the case of certificates issued after 4th October 1970 but not later than 16th June 1974, and

(*i*) 1,000, in the case of certificates issued after 16th June 1974 the price of issue of which is £1 per unit certificate, and

(*j*) 50, in the case of certificates issued after 1st June 1975 the price of issue of which is £10 per unit certificate."

8. In Regulation 18(1) of the principal Regulations (operation of nomination), in proviso (*a*), after the words "Regulation 4" there shall be inserted the words "or paragraph (1) or (2) of Regulation 4A".

9. In Regulation 26(1) of the principal Regulations (forfeiture of certificates)—

(*a*) in sub-paragraph (*a*), after the words "Regulation 4" there shall be inserted the words "or 4A";

(*b*) in the proviso, for the words from "if in any case" to "that person", there shall be substituted the words "in any case in which the Director of Savings has directed the forfeiture of any certificates, he may, if he thinks fit, pay to the person concerned";

(*c*) in the proviso, after sub-paragraph (ii) there shall be inserted the following sub-paragraph:—

"(iiA) (in the case of any certificate which the person concerned has purchased or held when he was not entitled so to do under Regulation 4A of these Regulations) such sum by way of bonus or otherwise, not exceeding the amount of the bonus or other sum

which had accrued due in respect of those certificates immediately before the forfeiture thereof, as the Director of Savings may determine;".

10. The Savings Certificates (Amendment) Regulations 1974(**a**) are hereby revoked.

T. Pendry,

M. Cocks,

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

28th April 1975.

EXPLANATORY NOTE

(*This Note is not part of the Regulations.*)

These Regulations amend the Savings Certificates Regulations 1972 mainly in consequence of the issue of the new Index-Linked National Savings Certificates, which will be on sale from 2nd June 1975 at a purchase price of £10 per unit certificate.

The Regulations provide that index-linked certificates may be held only by men over the age of 65 years or women over the age of 60 years. They also provide for the maximum permitted holding of index-linked certificates to be 50 unit certificates (purchase price £500).

The Regulations amend Regulation 26 of the 1972 Regulations, which provides for the forfeiture of savings certificates in the event of their being held by a person who is not entitled under the Regulations to hold them or of their being held in excess of the maximum limit. The effect of the amendment is that the Director of Savings will not in future be required to satisfy himself as to the inadvertence of the contravention or as to hardship before making any payment in respect of the forfeited certificates. This amendment applies to national savings certificates of the ordinary issues as well as to index-linked certificates.

(**a**) S.I. 1974/552 (1974 I, p. 2274).

SI 1975/714
ISBN 0-11-050714-2

