



British Telecommunications Act 1981

1981 CHAPTER 38

PART I

NEW CORPORATION FOR THE PROVISION OF TELECOMMUNICATION AND DATA PROCESSING SERVICES

Finance

27 Limitation of indebtedness

- (1) The Corporation shall not have power to borrow money except in accordance with section 26.
- (2) The aggregate amount outstanding, otherwise than by way of interest, in respect of—
 - (a) money borrowed by the Corporation or any of its wholly owned subsidiaries, other than money borrowed on excluded loans; and
 - (b) sums issued by the Treasury in fulfilment of guarantees under section 29,shall not at any time exceed £5,000 million or such greater sum, not exceeding £6,500 million, as the Secretary of State may from time to time by order specify.
- (3) A loan is an excluded loan for the purposes of subsection (2) if it consists of money borrowed—
 - (a) by the Corporation from one of its wholly owned subsidiaries ; or
 - (b) by one of its wholly owned subsidiaries from another such subsidiary or from the Corporation.
- (4) An order under subsection (2) shall be made by statutory instrument, and no such order shall be made unless a draft thereof has been approved by a resolution of the Commons House of Parliament.