



National Loans Act 1968

1968 CHAPTER 13

National debt

14 Exchange of securities, etc. **E+W+N.I.**

- (1) The powers conferred by section 12 of this Act shall include power to enter into agreements for varying the terms on which Her Majesty's Government in the United Kingdom have borrowed money or issued securities (whether before or after the passing of this Act), and shall include power to create and issue securities for the purpose of any such agreement.
- (2) The Treasury may in particular, for the purpose of carrying out any arrangement made by them for the exchange (whether on or before maturity, and whether with or without any further payment) of any securities of Her Majesty's Government in the United Kingdom, create and issue such other securities under section 12 of this Act as the Treasury think fit.
- (3) The Treasury may make rules with respect to the surrender, issue or exchange of securities in pursuance of this section, and may by those rules provide, with any necessary modifications, for any of the matters for which provision could be made under section 29 of the^{M1}National Debt (Conversion) Act 1888, and may also by those rules apply, with the necessary modifications, any of the provisions of Part IV of that Act (whether repealed or not) which they think it expedient to apply.
- (4) Rules made under subsection (3) above with respect to the exchange of securities in pursuance of an arrangement which includes an offer of securities in exchange for securities which are to be redeemed may include provision—
 - (a) for requiring holders of the securities which are to be redeemed desiring to receive repayment in cash in respect of their holdings on the date fixed for the redemption thereof to make an application in that behalf in accordance with the rules, and
 - (b) for securing that, if no such application is made with respect to any such securities within such period as may be provided in the rules, the holder thereof shall be deemed, subject to the provisions of the rules, to have accepted the offer.

Status: There are multiple versions of this provision on screen. These apply to different geographical extents. Skip to: E+W+N.I. - England, Wales and Northern Ireland extent S - Scotland extent

Changes to legislation: There are currently no known outstanding effects for the National Loans Act 1968, Section 14. (See end of Document for details)

- (5) Rules under subsection (3) above may specify the persons by whom an application accepting an offer of exchange of securities, or an application required under subsection (4) above, may be made in cases where—
- (a) any holder of securities which may be exchanged has died, or is outside the United Kingdom, or is of unsound mind, or is an infant, pupil or minor, or is otherwise under a disability, or
 - (b) a stop notice is in force with respect to a holding.
- (6) The Treasury may cancel any securities surrendered to them under this section, and may also undertake to make payments, upon such terms and conditions as they think fit, to holders of securities so surrendered, or otherwise as part of the arrangement or agreement.
- (7) A warrant given by the [^{F1}Registrar of Government Stock]^{F2} . . . for making any such payment shall be deemed to be a cheque within the meaning of the ^{M2}Bills of Exchange Act 1882 and shall be exempt from stamp duty.
- (8) Any money required by the Treasury for the purpose of carrying out any such arrangement shall be charged on and paid out of the National Loans Fund with recourse to the Consolidated Fund.
- (9) Any money received by the Treasury under this section shall be paid into the National Loans Fund.
- (10) Section 2 of the ^{M3}National Loans Act 1939 (exchange of securities) and section 9 of the ^{M4}National Debt Act 1958 (exchange of savings certificates) shall cease to have effect, but—
- (a) any rules in force under either of those sections on 31st March 1968 shall continue in force as if made under this section, and may be varied or revoked accordingly, and
 - (b) any arrangements pending under either of those sections on 31st March 1968 shall be carried out and concluded under this section.
- (11) Rules under this section shall be made by statutory instrument which, if the rules consist of or include any provision made in pursuance of subsection (4) above, shall be subject to annulment in pursuance of a resolution of the Commons House of Parliament.

Extent Information

- E1** This version of this provision extends to England and Wales and Northern Ireland only; a separate version has been created for Scotland only.

Subordinate Legislation Made

- P1** S. 14: power previously exercised by [S.I. 1969/1325](#), [S.I. 1979/1678](#), [S.I. 1985/1147](#).

Textual Amendments

- F1** Words in s. 14(7) substituted (1.7.2004) by [The Government Stock \(Consequential and Transitional Provision\) \(No. 2\) Order 2004 \(S.I. 2004/1662\)](#), art. 1, Sch. paras. 1, **15(2)** (with art. 3)
- F2** Words in s. 14(7) repealed (28.10.2002) by [The Irish Registers of Government Stock \(Closure and Transfer\) Order 2002 \(S.I. 2002/2521\)](#), [arts. 1\(1\), 2, 10\(2\)](#), {Sch. 2, Pt. 1}

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Marginal Citations

- M1 1888 c. 2.
- M2 1882 c. 61.
- M3 1939 c. 117.
- M4 1958 c. 6 (7 & 8 Eliz. 2).

14 Exchange of securities, etc. **S**

- (1) The powers conferred by section 12 of this Act shall include power to enter into agreements for varying the terms on which Her Majesty's Government in the United Kingdom have borrowed money or issued securities (whether before or after the passing of this Act), and shall include power to create and issue securities for the purpose of any such agreement.
- (2) The Treasury may in particular, for the purpose of carrying out any arrangement made by them for the exchange (whether on or before maturity, and whether with or without any further payment) of any securities of Her Majesty's Government in the United Kingdom, create and issue such other securities under section 12 of this Act as the Treasury think fit.
- (3) The Treasury may make rules with respect to the surrender, issue or exchange of securities in pursuance of this section, and may by those rules provide, with any necessary modifications, for any of the matters for which provision could be made under section 29 of the ^{M5}National Debt (Conversion) Act 1888, and may also by those rules apply, with the necessary modifications, any of the provisions of Part IV of that Act (whether repealed or not) which they think it expedient to apply.
- (4) Rules made under subsection (3) above with respect to the exchange of securities in pursuance of an arrangement which includes an offer of securities in exchange for securities which are to be redeemed may include provision—
 - (a) for requiring holders of the securities which are to be redeemed desiring to receive repayment in cash in respect of their holdings on the date fixed for the redemption thereof to make an application in that behalf in accordance with the rules, and
 - (b) for securing that, if no such application is made with respect to any such securities within such period as may be provided in the rules, the holder thereof shall be deemed, subject to the provisions of the rules, to have accepted the offer.
- (5) Rules under subsection (3) above may specify the persons by whom an application accepting an offer of exchange of securities, or an application required under subsection (4) above, may be made in cases where—
 - (a) any holder of securities which may be exchanged has died, or is outside the United Kingdom, or is [^{F3}under legal disability by reason of nonage or otherwise] , or
 - (b) a stop notice is in force with respect to a holding.
- (6) The Treasury may cancel any securities surrendered to them under this section, and may also undertake to make payments, upon such terms and conditions as they think fit, to holders of securities so surrendered, or otherwise as part of the arrangement or agreement.

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Changes to legislation: There are currently no known outstanding effects for the National Loans Act 1968, Section 14. (See end of Document for details)

- (7) A warrant given by the [^{F1}Registrar of Government Stock]^{F4} . . . for making any such payment shall be deemed to be a cheque within the meaning of the ^{M6}Bills of Exchange Act 1882 and shall be exempt from stamp duty.
- (8) Any money required by the Treasury for the purpose of carrying out any such arrangement shall be charged on and paid out of the National Loans Fund with recourse to the Consolidated Fund.
- (9) Any money received by the Treasury under this section shall be paid into the National Loans Fund.
- (10) Section 2 of the ^{M7}National Loans Act 1939 (exchange of securities) and section 9 of the ^{M8}National Debt Act 1958 (exchange of savings certificates) shall cease to have effect, but—
- (a) any rules in force under either of those sections on 31st March 1968 shall continue in force as if made under this section, and may be varied or revoked accordingly, and
 - (b) any arrangements pending under either of those sections on 31st March 1968 shall be carried out and concluded under this section.
- (11) Rules under this section shall be made by statutory instrument which, if the rules consist of or include any provision made in pursuance of subsection (4) above, shall be subject to annulment in pursuance of a resolution of the Commons House of Parliament.

Extent Information

- E2** This version of this provision extends to Scotland only; a separate version has been created for England and Wales and Northern Ireland.

Subordinate Legislation Made

- P2** S. 14: power previously exercised by [S.I. 1969/1325](#), [S.I. 1979/1678](#), [S.I. 1985/1147](#).

Textual Amendments

- F1** Words in s. 14(7) substituted (1.7.2004) by [The Government Stock \(Consequential and Transitional Provision\) \(No. 2\) Order 2004 \(S.I. 2004/1662\)](#), art. 1, Sch. paras. 1, **15(2)** (with art. 3)
- F3** Words in s. 14(5)(a) substituted (S.) (25.09.1991) by [Age of Legal Capacity \(Scotland\) Act 1991 \(c. 50, SIF 49:8\)](#), ss. 10(1), 11(2), **Sch. 1**, para. 30 (with s. 1(3)).
- F4** Words in s. 14(7) repealed (28.10.2002) by [The Irish Registers of Government Stock \(Closure and Transfer\) Order 2002 \(S.I. 2002/2521\)](#), **arts. 1, 2, 10(2)**, {Sch. 2, Pt. 1}

Marginal Citations

- M5** 1888 c. 2.
M6 1882 c. 61.
M7 1939 c. 117.
M8 1958 c. 6 (7 & 8 Eliz. 2).

Status:

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Changes to legislation:

There are currently no known outstanding effects for the National Loans Act 1968, Section 14.