

STATUTORY INSTRUMENTS

1977 No. 754

AIRCRAFT AND SHIPBUILDING INDUSTRIES

The Aircraft and Shipbuilding Industries (Issue of Compensation Stock) Regulations 1977

Made - - - - 28th April 1977

The Treasury, in the exercise of the powers conferred on them by section 40 of the Aircraft and Shipbuilding Industries Act 1977(a) and of all other powers enabling them in that behalf, hereby make the following Regulations:—

PART I

GENERAL

1. These Regulations may be cited as the Aircraft and Shipbuilding Industries (Issue of Compensation Stock) Regulations 1977.

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

(2) In these Regulations—

“computer record” means a record kept in a form which is readable by means of a computer;

“the Act” means the Aircraft and Shipbuilding Industries Act 1977;

“date of transfer” has the meaning assigned to it in section 56(1) of the Act.

PART II

ISSUE OF COMPENSATION STOCK FOR THE VESTING OF SECURITIES

3. This Part of these Regulations shall apply where Government stock falls to be issued to any person in satisfaction of compensation for the vesting in either British Aerospace or British Shipbuilders (referred to in these Regulations as “the relevant Corporations”) of the securities of any company by virtue of Part II of the Act.

4. The relevant Corporations shall, in writing, in a form approved by the Treasury certify the correctness of the following matters to the Bank of England:—

(a) the full name and address of the person recorded by the Corporation as being the holder of any such right as is specified in paragraph 3(1) of Schedule 5 to the Act and such other particulars appearing on the record kept by them pursuant to paragraph 3(2) of the said Schedule as may be required by the Bank of England for the performance of the functions of the Bank under these Regulations and of their functions as the registrar of the compensation stock;

(a) 1977 c. 3.

(b) 1889 c. 63

- (b) the amount of compensation stock due to that person;
- (c) the name and address of the person to whom the certificate of title is to be issued;
- (d) any direction which is capable of having effect in relation to the compensation stock by virtue of the provisions of Regulation 7 hereof.

5. The Bank of England may, where the record kept by the relevant Corporation pursuant to paragraph 3(2) of Schedule 5 to the Act is a computer record, permit the relevant Corporation to transmit such record, being a record containing the particulars specified in paragraphs (a), (b), (c) and (d) of Regulation 4 hereof, to the Bank of England in the form in which the record is kept, and if the record is so transmitted then the relevant Corporation shall be deemed to have complied with the provisions of Regulation 4 hereof:

Provided that every record transmitted under this Regulation shall be certified by the relevant Corporation as being correct.

6. The Bank of England shall enter the person certified under Regulation 4(a) hereof in the stock register as the holder of the amount of compensation stock certified under Regulation 4(b) hereof and shall further make a record in that register of any direction having effect in relation to the compensation stock by virtue of the provisions of Regulation 7 hereof and of any other matters which it is the general practice of the Bank to record or which the Bank is required to record by virtue of any provision of law.

7.—(1) A direction subsisting immediately prior to the date of transfer that any interest or dividends accruing in respect of any security in respect of which compensation stock is to be issued shall be paid to any person shall continue to have effect after such date of transfer as a direction that interest on the compensation stock is to be so paid unless such direction is revoked before the issue of the compensation stock by the transfer of the rights thereto or otherwise.

(2) Where a warrant for interest on compensation stock is despatched by post in accordance with any such direction as is described in paragraph (1) of this Regulation, the posting of the warrant to the address given in the direction shall be a good discharge to the Bank of England for such interest.

8. No certificate for the compensation stock shall be issued to any person entitled thereto in respect of the vesting in either of the relevant Corporations of any security unless the stock or share certificate or other similar document in force immediately prior to such vesting of such security has been surrendered to the relevant Corporation:

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

PART III

ISSUE OF COMPENSATION STOCK FOR THE ACQUISITION OF CERTAIN ASSETS

9. This Part of these Regulations shall apply where compensation stock falls to be issued by way of compensation for the property or rights vested or transferred in pursuance of a Schedule 4 notice served under section 29 of the Act.

10. The relevant Corporation shall, in writing, in a form approved by the Treasury certify the correctness of the following matters to the Bank of England:—

- (a) the full names and address of the person to whom compensation stock is to be issued as being the transferor or encumbrancer of the property or rights referred to in Regulation 9 hereof;
- (b) the amount of compensation stock due to such person;
- (c) the name and address of the person to whom the certificate of title is to be issued.

11. The Bank of England shall enter the person certified under Regulation 10(a) hereof in the stock register as the holder of the amount of compensation stock certified under Regulation 10(b) hereof.

PART IV

SUPPLEMENTARY

12.—(1) For the purposes of Regulations 4, 5 and 10 hereof, the relevant Corporations shall each appoint certifying officers, and every certificate given to the Bank of England under these Regulations shall bear the signature of a certifying officer.

(2) Each of the relevant Corporations shall from time to time furnish to the Bank of England a list of certifying officers together with specimens of their signatures.

13. A certificate of title to any compensation stock issued by the Bank of England in pursuance of these Regulations may be delivered by post or otherwise to the person named and the address certified under Regulations 4(c) and 10(c).

*T. E. Graham,
Donald R. Coleman,*

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

28th April 1977.

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

These Regulations contain provisions as to the procedure for the issuing by the Bank of England of Government stock in satisfaction of compensation payable for securities, property or rights acquired by British Aerospace or British Shipbuilders and their subsidiaries under the Aircraft and Shipbuilding Industries Act 1977.

Part II of the Regulations prescribes the procedure to be followed where compensation stock is to be issued to the holders of securities of aircraft industry or shipbuilding industry companies acquired by the relevant Corporations under sections 19 and 26 of the Act.

Part III of the Regulations prescribes the procedure to be followed where compensation stock is to be issued following the transfer of property or rights pursuant to a Schedule 4 notice issued under section 29 of the Act.

The Regulations provide for the relevant Corporations to certify to the Bank particulars of the persons entitled to compensation stock, the amount they are entitled to, the persons to whom certificates are to be issued and for the registration of these details by the Bank of England.

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