

1987 No. 1293

SECURITIES

**The Stock Transfer (Gilt-edged Securities)
(CGO Service) (Amendment) Regulations 1987**

<i>Made - - - -</i>	<i>22nd July 1987</i>
<i>Laid before Parliament</i>	<i>23rd July 1987</i>
<i>Coming into force</i>	<i>13th August 1987</i>

The Treasury, in exercise of the powers conferred on them by section 3(1) of the Stock Transfer Act 1982^(a) and of all other powers enabling them in that behalf, hereby make the following Regulations:-

1. These Regulations may be cited as the Stock Transfer (Gilt-edged Securities) (CGO Service) (Amendment) Regulations 1987 and shall come into force on 13th August 1987.

2. For regulation 6 of the Stock Transfer (Gilt-edged Securities) (CGO Service) Regulations 1985^(b) (which protects the Bank of England in relation to recognition of trusts) there shall be substituted-

“6. The Bank shall not be bound by or compelled to recognise any express, implied or constructive trust in respect of-

(a) securities which are for the time being transferable by means of an exempt transfer, or

(b) any amount of stock held within the CGO Service for the account of a person, being stock in respect of which there is no present entry on the register, but which is of like description to securities that are, or will be, transferable on registration by means of an exempt transfer,

even if it has actual or constructive notice of such trust.”.

Mark Lennox-Boyd
David Lightbown
Two of the Lords Commissioners
of Her Majesty's Treasury

22nd July 1987

^(a) 1982 c.41.
^(b) S.I. 1985 1144.

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

These Regulations amend the Stock Transfer (Gilt-edged Securities) (CGO Service) Regulations 1985, which make provision in connection with the operation of the computer-based system established by the Bank of England and The Stock Exchange to facilitate the transfer of gilt-edged securities ("the CGO Service").

Regulation 6 of the 1985 Regulations (which provides that the Bank of England shall not be bound to recognise any trust affecting securities held within the CGO Service, even if the Bank has actual or constructive notice of the trust) is amended by extending that provision to cover stock held within that Service at a time when it is not in registered form.

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