

1976 No. 181

ULSTER DEVELOPMENT BONDS

8½% Ulster Development Bonds (Second Conversion Issue) Order
(Northern Ireland) 1976

Made 15th June 1976

Coming into operation 2nd August 1976

The Department(a) of Finance in exercise of the powers conferred upon it by Section 11(1) of the Exchequer and Financial Provisions Act (Northern Ireland) 1950(b) and of all other powers enabling it in that behalf, hereby makes the following Order:

Citation and commencement

1.—(1) This order may be cited as the 8½% Ulster Development Bonds (Second Conversion Issue) Order (Northern Ireland) 1976.

(2) This Order shall come into operation on 2nd August 1976.

Interpretation

2. In this Order “holder” in relation to any bond means a person in whose name the bond is registered.

Creation of new security

3. There shall be created a Northern Ireland Consolidated Fund security to be known as 8½% Ulster Development Bonds (Second Conversion Issue) (hereinafter referred to as “Second Conversion Issue Bonds”).

Persons entitled to exchange

4. Unless the Department shall by Order hereafter determine otherwise, holders of bonds which will mature after the 2nd August 1976 and which were created under the following Orders namely:—

7 per cent Ulster Development Bonds Order (Northern Ireland) 1969(c)

7 per cent Ulster Development Bonds (First Conversion Issue) Order (Northern Ireland) 1969(d)

7 per cent Ulster Development Bonds (Second Issue) Order (Northern Ireland) 1971(e)

7 per cent Ulster Development Bonds (Second Conversion Issue) Order (Northern Ireland) 1971(f)

8½ per cent Ulster Development Bonds Order (Northern Ireland) 1973(g)

8½ per cent Ulster Development Bonds (First Conversion Issue) Order (Northern Ireland) 1973(h)

(a) Formerly Ministry see 1973 c. 36 Sch. 5 para. 8(1)

(b) 1950 c. 3 (N.I.)

(c) S.R. & O. (N.I.) 1969 No. 70 (p. 299)

(d) S.R. & O. (N.I.) 1969 No. 71 (p. 303)

(e) S.R. & O. (N.I.) 1971 No. 120 (p. 595)

(f) S.R. & O. (N.I.) 1971 No. 121 (p. 602)

(g) S.R. & O. (N.I.) 1973 No. 58 (I, p. 294)

(h) S.R. & O. (N.I.) 1973 No. 66 (I, p. 323)

- 9½ per cent Ulster Development Bonds Order (Northern Ireland) 1974(i)
9½ per cent Ulster Development Bonds (First Conversion Issue) Order
(Northern Ireland) 1974(j)

may instead of applying for repayment in manner prescribed by each of the said Orders, exchange their holdings in whole or in part into Second Conversion Issue Bonds on the respective prescribed maturity dates specified in each of the said Orders at the rate of £5.00 of such Second Conversion Issue Bonds for each £5.00 of Bonds tendered in exchange.

Applications for exchange

- 5.—(1) Applications for exchange in accordance with Article 4 shall
- (a) be lodged with the Department of Finance, Ulster Development Bonds Branch, Crown Buildings, Coleraine, County Londonderry at least 3 calendar months before the maturity date;
 - (b) be made on a form to be supplied for the purpose by the Department or a form to the like effect;
 - (c) give particulars of the holding to which the application relates and of the full name and address of every person in whose name the holding is entered in the registers of the Department;
 - (d) be accompanied by the Bond Book relating to the holding; and
 - (e) be signed by every person making application for exchange, or in the case of a limited Company or other body by the person or persons authorised to sign on behalf thereof.
- (2) Applications for exchange may be sent by post.

(3) Where holdings are registered in the name of a deceased person who was the sole holder or the last surviving holder of a joint account, an application for exchange may be made by his personal representative or representatives or, if there are more than two personal representatives, a majority of them.

(4) Where a holding is held jointly by more than two holders an application for exchange in respect of the holding may be made by a majority of the holders.

Validity of applications

6.—(1) The Department may accept as evidence of any fact on which the validity of an application for exchange depends, a Statutory Declaration of that fact made by one or more competent persons.

(2) Nothing in this Article shall be taken as imposing any obligation upon the Department to require proof by such Statutory Declaration as aforesaid of any fact whereof it has other evidence which it is entitled to accept and act upon.

Terms of exchange

7. Where any exchange is made in accordance with Article 4, the Second Conversion Issue Bonds and the interest thereon shall be subject to the same trusts, charges, rights and restraints as affect the bonds exchanged and the interest thereon respectively and all powers of attorney, requests as to interest and other documents relating to the bonds exchanged and the interest thereon or either of them, shall apply to the Second Conversion Issue Bonds and the interest thereon respectively.

Register of holders

8. A register of holders of Second Conversion Issue Bonds shall be maintained by the Department and each holder shall be issued with a certificate recording the amount of such bonds and of any subsequent encashments.

Interest

9.—(1) No interest will be payable on Second Conversion Issue Bonds encashed within six months from the date of exchange.

(2) Subject to paragraph (1) interest will accrue from the date of exchange at the rate of eight and one-half per cent per annum and will be payable half-yearly on the first day of May and the first day of November, until the maturity date specified in Article 10 or until the date of earlier encashment. No deduction will be made by the Department for income tax when payment of interest is made.

(3) No interest will accrue on Second Conversion Issue Bonds after the maturity date specified in Article 10.

Maturity date

10. Bonds of the Second Conversion Issue shall reach maturity on the interest date which next follows the fifth anniversary of the date of exchange, or, in the case of bonds exchanged on an interest date, the fifth anniversary of the date of exchange.

Repayment

11.—(1) Subject to application by the holder, made in such manner as the Department may require, Second Conversion Issue Bonds will be repayable at the rate of one hundred pounds for each one hundred pounds of such bonds, together with a capital bonus at the rate of four pounds for each one hundred pounds, on the maturity date as specified in Article 10.

(2) The procedure for application for repayment will be published in the Belfast Gazette and such newspapers as the Department may consider necessary.

(3) Second Conversion Issue Bonds for £5.00, or a multiple of £5.00, may be encashed before the maturity date at par, together with any interest earned but unpaid, upon application received by the Department at least one month before the date on which encashment is required.

Transfer on death

12. Any person not under a legal disability who has a beneficial interest in second Conversion Issue Bonds under the Will of a deceased holder or by virtue of the death of such holder intestate may instead of applying for repayment of the value of the bonds apply to the Department for the transfer of such bonds into his own name provided always that the bonds shall not be transferred into the name of a legal personal representative as such. The Department may at its absolute discretion refuse to accept any application made under this Article.

13. The Department may act on any evidence authorised by this Order.

Sealed with the Official Seal of the Department of Finance for Northern Ireland on 15th day of June 1976.

(L.S.)

F. G. Dougall

Assistant Secretary

EXPLANATORY NOTE

(This note is not part of the Order, but is intended to indicate its general purport.)

This Order provides for the creation of a new Conversion Issue of Ulster Development Bonds and provides for the exchange of matured issues of existing Bonds for the new Bonds.