

1970 No. 708

BORROWING AND SECURITIES**The Control of Borrowing (Amendment) Order 1970**

<i>Made</i>	-	-	<i>8th May 1970</i>
<i>Laid before Parliament</i>			<i>14th May 1970</i>
<i>Coming into Operation</i>			<i>15th May 1970</i>

The Treasury, in exercise of the powers conferred upon them by sections 1 and 3(4) of the Borrowing (Control and Guarantees) Act 1946(a) and of all other powers enabling them in that behalf, hereby make the following Order :—

1. This Order may be cited as the Control of Borrowing (Amendment) Order 1970, and shall come into operation on 15th May 1970.

2. The Interpretation Act 1889(b) shall apply for the interpretation of this Order as it applies for the interpretation of an Act of Parliament.

3. The Control of Borrowing Order 1958(c), as amended by the Control of Borrowing (Amendment) Order 1967(d), shall be further amended by the substitution, for article 8A thereof, of the following article :—

“8A.—(1) Subject to the provisions of this article, nothing in Part I of this Order applies to any transaction unless—

- (a) the transaction is effected by or on behalf of a person resident outside the United Kingdom, and is not a transaction consisting of or including the issue of non-sterling securities, or
- (b) the transaction is effected by or on behalf of an investment trust company which is resident in the scheduled territories but outside the United Kingdom, or
- (c) the transaction is effected by a local authority.

(2) The exemption contained in the foregoing paragraph shall not apply to—

- (a) the issue of any of the securities mentioned in paragraphs 1 to 4 of Part II of Schedule 1 to the Trustee Investments Act 1961(e) unless the terms on which the securities are to be issued have, before the making of the issue, been approved by the Bank of England on behalf of the Treasury ;
- (b) the issue of any sterling securities where the amount of the money to be raised by the issue is not less than £1 million, unless the time at which the securities are to be issued has, before the making of the issue, been approved by the Bank of England on behalf of the Treasury.

(a) 1946 c. 58.

(c) S.I. 1958/1208 (1958 I, p. 203).

(e) 1961 c. 62.

(b) 1889 c. 63.

(d) S.I. 1967/69 (1967 I, p. 150).

(3) In this article—

“investment trust company” means a body corporate whose functions consist wholly or mainly in the holding of investments or other property ;

“non-sterling securities” means securities on which capital moneys, dividends and interest are payable solely in a currency other than sterling, and “sterling securities” means any securities other than non-sterling securities.

(4) For the purposes of this article, a person being a body corporate shall be deemed to be resident where the central management and control of its trade or business is exercised.”

4. The Control of Borrowing (Amendment) Order 1967 is hereby revoked.

Roy Jenkins,

E. G. Perry,

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

8th May 1970.

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order further amends the Control of Borrowing Order 1958. The only change is that this Order removes the exemption from control of the borrowing or raising of money in Great Britain by the issue of non-sterling securities by or on behalf of investment trust companies resident in the scheduled territories but outside the United Kingdom.

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