
STATUTORY INSTRUMENTS

2015 No. 624

The National Savings (No. 2) Regulations 2015

PART 2

Premium savings bonds

CHAPTER 1

Issue and purchase of bonds

Issue, purchase and registration of bonds

3.—(1) Bonds may be issued at the places determined, and by the persons authorised, by the Director of Savings.

(2) An application to purchase a bond must be made in the approved form, and the applicant must provide any documents or other information required by the Director of Savings.

(3) The Director of Savings must keep a register showing the names of the holders of bonds.

(4) Despite any requirement in the terms and conditions applicable to bonds, the Director of Savings need not issue certificates evidencing title to bonds.

(5) Where an applicant purchases a bond, or a holder receives payment in relation to a bond, the Director of Savings must make available to that person a record of the entries on the register relating to that purchase or payment.

(6) A bond shall not be transferable.

Commencement Information

II Reg. 3 in force at 6.4.2015, see [reg. 1\(1\)](#)

Persons entitled to purchase and hold bonds

4.—(1) A bond may be purchased and held by a person who has attained the age of sixteen years, being a person who is not under a legal disability otherwise than by reason of age.

(2) A bond may not be purchased or held by more than one person or by a body of persons, whether incorporated or not.

(3) Subject to paragraph (4), a bond may not be purchased or held by a person on behalf of another person.

(4) A bond may be purchased—

(a) on behalf of and in the name of a minor under the age of sixteen years by a parent or guardian or grandparent, or by a person who the Director of Savings is satisfied is a proper person to act on behalf of the minor;

(b) on behalf of and in the name of a person who lacks capacity by that person's deputy; or

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- (c) subject to the approval of the Director of Savings, on behalf of and in the name of an eligible person by another person acting under a power of attorney granted by that eligible person,

and any bond purchased in this way shall be deemed to be held by the person on whose behalf it was purchased.

(5) Where a bond has been purchased on behalf of a person who was, at the date of purchase, under the age of sixteen years, the Director of Savings may, at any time after that person has attained the age of sixteen years, require a specimen signature.

- (6) In paragraph (4) “eligible person” means a person who—
 - (a) may purchase a bond under paragraph (1); or
 - (b) lacks capacity.

Commencement Information

I2 Reg. 4 in force at 6.4.2015, see [reg. 1\(1\)](#)

Maximum holding of bonds

5.—(1) A person may not purchase a bond (or hold a bond purchased on that person’s behalf) if the total number of bond units which would be held in that event would—

- (a) on or before 31st May 2015, exceed 40,000; or
- (b) on or after 1st June 2015, exceed 50,000.

(2) In calculating the total number of bond units which a person holds, a multiple bond must be counted as the number of units represented by the multiple bond.

Commencement Information

I3 Reg. 5 in force at 6.4.2015, see [reg. 1\(1\)](#)

CHAPTER 2

Payments in relation to bonds

Applications for payment

6.—(1) An application for payment of the amount repayable, or any other amount payable, in relation to a bond must be made by the holder of the bond in the approved form (subject to the provisions of these Regulations relating to payment in the case of special classes of persons).

(2) In the case of a multiple bond, an application for payment may be made in relation to any number of the bond units represented by the multiple bond.

(3) A holder of a bond, having attained the age of sixteen years, may, subject to the approval of the Director of Savings, authorise a person to apply for or receive on the holder’s behalf the amount repayable, or any other amount payable, in relation to the bond.

Commencement Information

I4 Reg. 6 in force at 6.4.2015, see [reg. 1\(1\)](#)

Making payments

7.—(1) Each payment in relation to a bond must be made by crossed warrant except to the extent that—

- (a) payment is made by other means in accordance with the terms and conditions under which the bond is held;
- (b) the Director of Savings directs otherwise; or
- (c) the applicant requests that all or part of the amount be used to—
 - (i) purchase another bond or another description of security issued by the Treasury for the purpose of raising money under the auspices of the Director of Savings; or
 - (ii) make a deposit in the National Savings Bank,and the Director of Savings consents.

(2) In the absence of a direction or request otherwise under paragraph (1), each application for payment must be treated as authority for the Director of Savings—

- (a) to issue a crossed warrant for the amount and pay it in accordance with the terms of the warrant; or
- (b) to make payment by other means as provided for in those terms and conditions.

(3) The death of a person who has made an application for payment shall not of itself terminate the authority (in paragraph (2)), but if the Director of Savings receives notice that the applicant has terminated the authority or has died, the Director of Savings must—

- (a) not issue a warrant or initiate payment by other means; or
- (b) if a warrant has already been issued, or if payment by other means has already been initiated, take reasonable steps to prevent payment being made.

(4) Where payment is made in relation to a bond the payment of the amount is deemed to happen on the date on the warrant, for the purpose of determining whether any other amount is payable in relation to that bond.

(5) A payment by electronic transfer which is made—

- (a) in accordance with the terms and conditions applicable to a bond; and
- (b) to the bank or building society account specified in the application for payment,

is deemed to be a payment made to a person entitled to receive payment in relation to that bond.

Commencement Information

I5 Reg. 7 in force at 6.4.2015, see [reg. 1\(1\)](#)

Payments to minors under sixteen years of age

8.—(1) Where a bond is held by a minor under the age of sixteen years, no payment may be made to the minor in relation to the bond.

(2) A payment of the amount repayable, or any other amount payable, in relation to a bond held by a minor under the age of sixteen years must be made to, and on the application of—

- (a) the person who purchased the bond on behalf of the minor, unless the purchaser was a grandparent;
- (b) the parent or guardian of the minor designated for this purpose by the purchaser in the application to purchase the bond, if the purchaser was a grandparent; or

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(c) any other person who the Director of Savings is satisfied is a proper person to receive payment,
as the Director of Savings considers appropriate.

Commencement Information

I6 Reg. 8 in force at 6.4.2015, see [reg. 1\(1\)](#)

Payments to persons who lack capacity

9.—(1) An application for payment of the amount repayable, or any other amount payable, in relation to a bond held by a person who lacks capacity must be made by that person's deputy.

(2) Where a holder of a bond is a person who lacks capacity for whom no deputy has been appointed, the Director of Savings may, upon it being shown that it is expedient to do so, pay the whole or any part of the amount repayable (or any other amount payable) to a person who the Director of Savings is satisfied will apply it for the maintenance or otherwise for the benefit of that holder.

Commencement Information

I7 Reg. 9 in force at 6.4.2015, see [reg. 1\(1\)](#)

Payments in the case of bankrupts

10. Where it appears to the Director of Savings that—

- (a) a bankruptcy order has been made against a holder of a bond;
- (b) a trustee has been appointed in the bankruptcy of a holder; or
- (c) an order for the administration in bankruptcy of the estate of a deceased holder has been made,

the Director of Savings may pay to the Official Receiver or trustee (on their application) the amount repayable, or any other amount payable, in relation to the bond.

Commencement Information

I8 Reg. 10 in force at 6.4.2015, see [reg. 1\(1\)](#)

CHAPTER 3

Other administrative provisions in relation to bonds

Terminating investment in bonds

11.—(1) The Director of Savings may terminate a holder's investment in a bond, including where—

- (a) the holder purchases or holds the bond in contravention of regulation 4 (persons entitled to hold bonds) or 5 (maximum holding of bonds); or
- (b) the Director of Savings reasonably suspects that the holder—
 - (i) has provided false information; or
 - (ii) holds the bond in connection with an illegal purpose.

- (2) Where the Director of Savings terminates a holder's investment in a bond under paragraph (1)
- (a) the purchase price of the bond must be repaid to the holder; and
 - (b) any other amount payable in relation to the bond may be paid to the holder as the Director of Savings considers appropriate.
- (3) An amount referred to in paragraph (2) may be paid by any means, including crediting it to an account in the name of the holder in the National Savings Bank.
- (4) For the purposes of—
- (a) regulation 23 (investment deposits) of the National Savings Regulations 2015⁽¹⁾ (to the extent it applies); or
 - (b) an Order under section 4 of the 1971 Act⁽²⁾ (limiting the amount of deposits in the National Savings Bank),
- an amount credited to an account under this regulation is not to be counted if directed by the Director of Savings.
- (5) The Director of Savings may require the delivery of any document relating to a bond in order to give effect to this regulation.

Commencement Information

I9 Reg. 11 in force at 6.4.2015, see [reg. 1\(1\)](#)

Prize fund interest rate changes and changes in the scale of prizes

- 12.**—(1) Despite any requirement in the terms and conditions applicable to bonds to give notice of a change in the prize fund interest rate, the Treasury may change that rate at any time without notice.
- (2) Despite any requirement in the terms and conditions applicable to bonds to give notice of a change in the scale of prizes for a draw, the Treasury may change the scale of prizes for a draw without notice.
- (3) For the purposes of paragraph (1), the prize fund interest rate is the rate of interest which is applicable to each bond unit eligible for entry into the prize draw for a given month and which, together with the number of units, determines the prize fund for that month.
- (4) For the purposes of paragraph (2), a change in the scale of prizes for a draw is a change in the way the number of prizes for that draw is calculated or a change in the way the prize fund for that draw is shared amongst the different prize values, or both.
- (5) Where notice of a change in the prize fund interest rate or of a change in the scale of prizes for a draw has been given before the date on which these Regulations come into force but the period of notice ends after that date, the effective date of the change may be brought forward, and a decision to do so must be published in the London, Edinburgh and Belfast Gazettes.

Commencement Information

I10 Reg. 12 in force at 6.4.2015, see [reg. 1\(1\)](#)

(1) [S.I. 2015/623](#).

(2) Section 4 was amended by the Finance Act 1982 (c. 39) section 151, Schedule 20, paragraph 3 and section 152(1).

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Change in the publication of the serial numbers of winning bonds

13. Despite any requirement in the terms and conditions applicable to bonds to publish the serial numbers of winning bonds in the London Gazette, the Director of Savings may instead publish the numbers on the National Savings and Investments website.

Commencement Information

I11 Reg. 13 in force at 6.4.2015, see [reg. 1\(1\)](#)

Notification of winners

14. The holders of winning bonds must be notified—

- (a) by post at the last address given to the Director of Savings; or
- (b) by any other means of communication as are provided for in the terms and conditions applicable to their bonds, or as the Director of Savings may direct.

Commencement Information

I12 Reg. 14 in force at 6.4.2015, see [reg. 1\(1\)](#)

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Changes and effects yet to be applied to the whole Instrument associated Parts and Chapters:

Whole provisions yet to be inserted into this Instrument (including any effects on those provisions):

- reg. 38(2A)(2B) inserted by [S.I. 2023/605 reg. 2\(2\)\(a\)](#)
- reg. 38(4) inserted by [S.I. 2023/605 reg. 2\(2\)\(b\)](#)
- reg. 46(6A)-(6C) inserted by [S.I. 2023/605 reg. 2\(3\)\(b\)](#)