
STATUTORY INSTRUMENTS

2015 No. 624

The National Savings (No. 2) Regulations 2015

PART 6

Common provisions

CHAPTER 1

Protections

Notice of trust not receivable by Director of Savings

71.—(1) For the purposes of these Regulations—

- (a) no notice of a trust can be received by the Director of Savings in relation to a bond;
- (b) no notice of a charge, trust or other equitable interest can be received by the Director of Savings in relation to—
 - (i) a certificate; or
 - (ii) a children's certificate;
- (c) the Director of Savings, or a person acquiring an interest in a certificate, shall not be affected with notice of—
 - (i) a trust;
 - (ii) the fiduciary character of a holder; or
 - (iii) a fiduciary obligation attaching to the holding of the certificate,

by reason that the certificate is held in the name of a person as trustee, whether jointly with another person or solely.

(2) As to stock, see regulation 35.

Powers of attorney

72.—(1) Where, under a power of attorney, the donee of the power makes, or joins in making, an application for the transfer or repayment of stock standing in the name of the donor (or in the donor's name jointly with any other person),

the Director of Savings may act according to the application for the purposes of these Regulations.

(2) Despite it appearing—

- (a) from the power of attorney;
- (b) from any evidence required for the purposes of the power of attorney;
- (c) from the description of the donor, or
- (d) otherwise,

that stock is held on trust, the Director of Savings in making a transfer or payment under paragraph (1) shall not be affected with any notice of the trust.

(3) When a donee, in making an application for the transfer or repayment of stock in accordance with these Regulations, purports to act under a power of attorney, that shall be conclusive evidence for the Director of Savings that the donee is authorised by the power of attorney, unless the Director of Savings has notice otherwise at the time.

Indemnity of the Treasury, Director of Savings and officers

73.—(1) The Treasury, the Commissioners, the Director of Savings, and any person acting under the Director of Savings' authority shall not be liable in relation to any payment made or act done in accordance with these Regulations and any such payment shall be deemed to have been a valid payment.

(2) Subject to paragraph (3), where a payment of an amount is made—

- (a) in relation to new stock, a rolled-over certificate or a certificate purchased after 19th September 2012, by warrant or electronic transfer;
- (b) in relation to a deposit, a bond, or any other stock or certificate, by warrant;
- (c) (i) in relation to a Children's Bond, by crossed warrant or electronic transfer;
- (ii) in relation to a Children's Bonus Bond, by crossed warrant,

to a person who is not entitled under these Regulations to receive it, the payment is deemed to have been made to a person entitled to receive it.

(3) Paragraph (2) is subject to the payment having been made—

- (a) in good faith and without negligence; and
- (b) in consequence of some act or omission on the part of the holder of the bond, stock, certificate, or children's certificate, or the person entitled to payment.

(4) The Treasury and the Director of Savings shall not be responsible for the misapplication of any amount payable on a warrant by—

- (a) a friendly society, charitable society or other society (including an unincorporated body of persons), body corporate, or corporation sole, or by a trustee, director, officer or representative of any such society, body or corporation;
- (b) an officer or representative of a government department or public authority; or
- (c) by a person referred to in regulations 18 to 20 of the National Savings Regulations 2015(1),

or anyone authorised by those persons to receive payment.

(5) Where a payment is made under these Regulations by electronic transfer, neither the Treasury nor the Director of Savings are liable for—

- (a) any delay in the completion of the payment; or
- (b) any failure in the operation of the system through which the electronic transfer is made,

if it is outside the direct control of the Director of Savings.

(6) This regulation is subject to regulation 76 (saving for rights of third parties).

Receipts to be a full discharge

74.—(1) The receipt of a person to whom an amount is paid in accordance with these Regulations shall be a full discharge to the Treasury and the Director of Savings for that amount.

(2) Where a payment is made by the Director of Savings in accordance with these Regulations to a body of persons, whether incorporated or not, a receipt for the payment given by any person

purporting to act as an agent or officer of that body and to be authorised to receive the payment shall be a full discharge to the Treasury and to the Director of Savings for the amount.

Posting to be regarded as delivery

75. The posting of a letter containing a warrant or cash payment advice issued under these Regulations to a person at the last address given by that person to the Director of Savings shall, as regards the liability of the Treasury or the Director of Savings, be equivalent to the delivery of the warrant or cash payment advice to that person.

Saving for rights of third parties

76.—(1) Nothing in these Regulations (or in any regulations they revoke, or previously revoked regulations) that operates for the protection of the Treasury, the Commissioners, the Director of Savings or the Postmaster General in relation to any payment made or act done shall operate—

- (a) to prevent the recovery by a person (or that person's representatives), to whom an amount is due by law, of that amount from a person to whom it was paid (or from the representatives of that person) by or under the direction of the Director of Savings or the Postmaster General; or
- (b) to affect the rights of a person (or that person's representatives) in relation to a bond, stock, certificate or children's certificate against a third party.

Saving for rights of joint holders, etc.

77.—(1) Nothing in these Regulations relating to joint holders of stock or certificates shall affect the mutual rights of joint holders.

(2) Nothing in these Regulations relating to a trustee shall, as between trustees or as between a trustee and a beneficiary under a trust, be deemed to authorise a trustee to act otherwise than in accordance with legal requirements applying to the trust and the terms of the instrument (if any) constituting the trust.

CHAPTER 2

Identity, etc.

Evidence of identity

78.—(1) The Director of Savings may require satisfactory evidence of the following—

- (a) the identity of a person;
- (b) the title of a person to money;
- (c) the title of a person to—
 - (i) a bond;
 - (ii) stock;
 - (iii) a certificate;
 - (iv) a children's certificate; or
 - (v) any other document;
- (d) that anything purporting to have been done under these Regulations has been done; or
- (e) anything else on which the exercise of the Director of Savings's powers or performance of duties under these Regulations depends,

and the Director of Savings may for the purpose of obtaining the evidence require a statutory declaration to be made.

(2) The Director of Savings may accept as conclusive proof of the death of the holder of a bond, stock, a certificate or children's certificate any evidence which establishes to the Director of Savings' satisfaction that the holder has not been heard of for a period of seven years or more (and, for the purposes of this paragraph, "holder of a bond, stock, a certificate or children's certificate" includes any person beneficially interested at any time, whether absolutely or contingently, in the personal estate of the deceased).

Persons unable to write

79. Where a document is required by the Director of Savings or by these Regulations to be signed by a person and that person is unable to write, it is sufficient for the document to be marked by that person in the presence of a witness in a manner required by the Director of Savings.

Persons under disability

- 80.** If a person who—
- (a) holds a bond or holds stock;
 - (b) holds, or has an interest in, a certificate; or
 - (c) holds a children's certificate,

is a person who lacks capacity or is under legal disability for any reason other than age, anything which under these Regulations is required or authorised to be done by or to that person is to be done by or to a deputy or other person having power in law to administer the estate.

Fees for birth, death, marriage and civil partnership certificates

81. Sections 10, 10A, 10B and 10C of the Savings Banks Act 1887⁽²⁾ (which relate to the price of a certificate of birth, death, marriage, civil partnership or a certified copy of an entry in the Civil Partnership Register required for the purpose of the Acts relating to the National Savings Bank), as amended by any Order in force under section 5 of the Public Expenditure and Receipts Act 1968⁽³⁾, apply for the purposes of these Regulations as they apply for the purposes of those Acts, and for the purposes of these Regulations those sections have effect as if the holder of—

- (a) a bond;
- (b) stock;
- (c) a certificate; or
- (d) a children's certificate,

or a person having an interest in any of those, were a depositor in the National Savings Bank.

Obligation of secrecy

82.—(1) Subject to paragraphs (2) and (3), a person employed in connection with activity arising under these Regulations may not disclose to any person, other than the Director of Savings or a person employed in putting these Regulations into effect—

- (a) in relation to bonds and certificates—

(2) 1887 c. 40.
(3) 1968 c. 14.

- (i) the name of the purchaser or holder of a bond, a certificate, or a children’s certificate;
or
 - (ii) the number of those purchased or held by a person;
 - (b) in relation to stock—
 - (i) the name of the holder of any stock; or
 - (ii) the amount or description of stock subscribed for or purchased by a person; or
 - (c) the amount paid in relation to a bond, stock, a certificate or children’s certificate.
- (2) The Director of Savings (or a person authorised by the Director of Savings for this purpose)—
- (a) may disclose information to a person in connection with an offence committed in relation to a bond, stock, a certificate, or children’s certificate, or for the purpose of ascertaining whether or not an offence has been committed;
 - (b) is not prevented from complying with a notice served under Schedule 36 to the Finance Act 2008⁽⁴⁾ (powers of officers of Revenue and Customs to obtain information and documents and inspect business premises) or section 18 of the Taxes Management Act 1970⁽⁵⁾ (which relates to the obtaining of information as to interest paid without deduction of income tax); or
 - (c) in relation to children’s certificates, may issue a children’s certificate in documentary form with the name of the purchaser on it, unless the purchaser at the time of purchase requests that their name not appear.
- (3) Information within paragraph (1) may be disclosed to a person under arrangements made and conditions imposed by the Director of Savings to enable that person to provide, or assist in connection with the provision of, relevant information to—
- (a) a purchaser or holder of a bond, certificate or children’s certificate; or
 - (b) the holder of any stock,
- and that person, for those purposes, is subject to the prohibition in paragraph (1) as if a person employed in putting these Regulations into effect.
- (4) In paragraph (3) “relevant information” means information about investment opportunities, services or facilities available from or through the Director of Savings, including information about—
- (a) the National Savings Bank;
 - (b) the National Savings Stock Register; or
 - (c) any means by which the Treasury raise money under the auspices of the Director of Savings.

CHAPTER 3

Nominations

Nominations made before 1st May 1981

83.—(1) For the purposes of these Regulations a nomination made after 30th April 1981 has no effect.

- (2) A “nomination” means a nomination—

(4) 2008 c. 9; Schedule 36 was amended by the Finance Act 2009 (c. 10) section 95, Schedule 47, paragraphs 1 to 4, the Finance Act 2011 (c. 11) section 86(2), Schedule 24, paragraphs 1 and 2, the Finance Act 2012 (c. 14) section 224(7) and S.I. 2009/56.

(5) 1970 c. 9; repealed by the Finance Act 2011 (c.11) section 86(1), Schedule 23, Part 6, paragraphs 51(1) and (2)(h).

- (a) by a holder of stock or a certificate (the “nominator”) who at the time of the nomination had attained the age of sixteen years;
 - (b) that was made before 1st May 1981; and
 - (c) that was accepted and recorded or registered by the Director of Savings,
- directing that, on death, the nominator’s interest devolve on one or more persons (the “nominee” or “nominees”) according to the manner specified in the nomination.
- (3) A person who attested the signature of a nominator of a nomination may not benefit under the nomination.

Particulars to be furnished by nominator to Director of savings

- 84.**—(1) For the purpose of these Regulations, when a change occurs in relation to an interest to which a nomination relates, the nominator must—
- (a) make the necessary corrections to the particulars in the nomination; and
 - (b) forward the amended nomination to the Director of Savings immediately.
- (2) Where, because of the failure of a nominator to comply with paragraph (1), an amount payable under a nomination is paid, or any transfer is made, to a person other than the nominee or a person claiming through the nominee, that payment or transfer shall, subject to regulation 76, be as valid as if the nomination had not been made.

Revocation of nominations

- 85.**—(1) For the purposes of these Regulations, a nomination is revoked—
- (a) on the death of the nominee, or where there is more than one nominee, of all the nominees, in the lifetime of the nominator;
 - (b) so far as it relates to the interest of a nominee where there are two or more nominees, on the death of that nominee in the lifetime of the nominator (unless the interest of that nominee is disposed of by the nomination);
 - (c) on the marriage of or formation of a civil partnership by the nominator;
 - (d) by written notice of revocation given in accordance with this regulation;
 - (e) if a subsequent nomination was made before 1st May 1981 by the same nominator, to the extent that subsequent nomination disposes of either the whole or part of the nominator’s interests that were disposed of by the earlier nomination,
- but a nomination cannot be revoked by any other act, event or means.
- (2) A notice of revocation of a nomination must—
- (a) be signed by the nominator in the presence of a witness, who must attest the signature of the nominator; and
 - (b) be sent to the Director of Savings during the lifetime of the nominator,
- without which it shall be of no effect.
- (3) Despite a nomination having been revoked by the marriage of, or formation of a civil partnership by, the nominator, any payment or transfer which—
- (a) is made or registered by the Director of Savings before the marriage or civil partnership is notified to the Director of Savings; and
 - (b) would otherwise have been lawful had the nomination not been revoked,
- shall, subject to regulation 76 (saving for rights of third parties), be as valid as if the nomination had not been revoked.

Nominations which also apply to stock held in the books of the Bank of England

86.—(1) This regulation applies to a nomination which, under article 18 of the National Savings Stock Register (Closure of Register to Gilts) Order 1998⁽⁶⁾, extends to any stock transferred from that register to the books of the Bank of England by article 4 of that Order⁽⁷⁾.

(2) A notice of revocation of a nomination under regulation 85, in relation to stock, shall be of no effect unless sent to the Director of Savings or the Registrar of Government Stock during the lifetime of the nominator.

(3) Where the Director of Savings or the Registrar of Government Stock receives a notice of revocation of the nomination, that person must notify and provide a copy of the notice (and reasonable access to the original) to the other.

(4) On receiving a notice (or a copy of a notice) under paragraph (3), the Director of Savings and the Registrar of Government Stock must record the revocation.

(5) Where the Director of Savings or the Registrar of Government Stock is notified of the death of a nominator, that person must notify the other.

CHAPTER 4

Death of depositors and holders

Law applicable on the death of a holder of a bond, stock or certificate

87. On the death of a holder of—

- (a) a bond;
- (b) stock;
- (c) a certificate; or
- (d) a children's certificate,

the Director of Savings may make a payment for the purposes of these Regulations in accordance with the law of the place where the depositor or holder resided at the date of death, unless the Director of Savings has received notice in writing that the depositor or holder was at the date of death domiciled elsewhere.

Payments under grant of representation in relation to bonds and certificates

88.—(1) In the event of the death of the holder of a bond, a certificate, or a children's certificate, the production of probate or letters of administration (or of a certified copy) granted, or having effect as if granted, in relation to personal estate including those things by a court in the United Kingdom, the Isle of Man or the Channel Islands, is sufficient authority for the Director of Savings to pay the amount repayable (or any other amount payable), or make a transfer (if applicable) for the purposes of these Regulations, to the person to whom the grant was made, or as directed by that person.

(2) Where a payment or transfer is made under this Regulation, the payment or transfer shall, despite the invalidity of, or any defect in, the probate or letters of administration, be deemed to have been lawfully made.

Payment without a grant of representation

89.—(1) Where, on the death of a person—

⁽⁶⁾ S.I. 1998/1446; article 18 was amended by S.I. 2004/1662.

⁽⁷⁾ There have been no relevant amendments to article 4.

- (a) the amount repayable, or any other amount payable, to a holder of a bond does not exceed £5,000;
- (b) the value of stock held solely by a person does not exceed in the aggregate £5,000 (or if death occurred before 12th August 1975, £500);
- (c) the amount repayable in relation to certificates held solely by a person does not exceed in the aggregate £5,000; or
- (d) the amount repayable to a holder of a children's certificate does not exceed in the aggregate £5,000,

and no probate of the will or letters of administration to the estate are produced to the Director of Savings within what is considered by the Director of Savings to be a reasonable period, the Director of Savings may for the purposes of these Regulations pay the amount (or any part of it) in accordance with paragraph (2).

(2) The Director of Savings may pay the amount—

- (a) to a person appearing to the Director of Savings to be entitled to take out probate of the will or letters of administration to the estate;
- (b) where the deceased has left a will in relation to which the Director of Savings is satisfied that probate or letters of administration would be granted, to a person to whom the amount (or any part of it) would be payable under the will (as appears to the Director of Savings), if probate or letters of administration were granted;
- (c) to a person who satisfies the Director of Savings of their entitlement to receive the amount (or any part of it), being—
 - (i) a person who has paid the funeral expenses of the deceased;
 - (ii) a creditor of the deceased; or
 - (iii) a person who has a beneficial interest in the estate of the deceased;
- (d) if the deceased was a British citizen and the next of kin appears to the Director of Savings to reside outside the United Kingdom, the Isle of Man and the Channel Islands, to any officer or authority who, as appears to the Director of Savings, may be entrusted with distributing the amount properly;
- (e) if the deceased was a seaman of a foreign country, being a country with which a treaty has been made in relation to the payment of money due to seamen, to the consular authority of that country;
- (f) if the deceased was a foreign subject, not being a seaman to whom sub-paragraph (e) applies, to the consular authority of the country to which the deceased belonged, or to any authority who, as appears to the Director of Savings, may be entrusted with distributing the amount properly;
- (g) in a case where the estate of the deceased appears to the Director of Savings to have devolved upon the Crown, the Duchy of Lancaster or the Duchy of Cornwall, to the Treasury Solicitor, the Solicitor for the affairs of the Duchy of Lancaster, or the Solicitor for the affairs of the Duchy of Cornwall respectively,

but where a person to whom an amount may be paid under subparagraph (b) or (c) has died before payment, the amount (or any part of it) may be paid to a person to whom it would be paid as if the first mentioned person was, immediately before death, a person in paragraph (1).

(3) Despite any legal requirement to the contrary, a person to whom an amount may be paid under paragraph (2)(b) or (c) (or under the proviso to paragraph (2)) may, if having attained the age of sixteen years, give a receipt for the payment in an approved manner and the receipt shall be valid without the signature of another person; but if that person by reason of age or for any other reason

may not accept payment, the Director of Savings may pay the amount to a person who the Director of Savings is satisfied will apply it for the maintenance or otherwise for the benefit of that person.

(4) Subject to paragraph (3), the Director of Savings in making a payment under paragraph (2) (b) or (c) (or under the proviso to paragraph (2)) must have regard to legal requirements relating to the distribution of the estates of deceased persons, but the Director of Savings may depart from those requirements to the extent it is considered by the Director of Savings that they would cause hardship or inconvenience.

(5) In relation to stock, where a payment may be made to a person under paragraphs (1) or (2), the Director of Savings may, instead of making a payment, register the person (or another person as directed by that person), as the holder of the stock or a part of it.

(6) In relation to stock, the value of stock shall be—

- (a) in the case of stock which is of a description corresponding to stock or securities transferable in the registers kept by the Registrar of Government Stock in accordance with regulations under section 47 of the Finance Act 1942⁽⁸⁾ (see regulation 7 (registers of stock and stockholders) of the Government Stock Regulations 2004⁽⁹⁾), the market value; and
- (b) in all other cases, the capital value.

(7) In this regulation “will” includes a codicil.

(8) Nothing in this regulation affects the operation of a nomination made under these Regulations.

Death duties or inheritance tax chargeable on death of holders of stock or certificates

90.—(1) This regulation applies on the death of a holder of stock or certificates (not being stock or certificates in relation to which the Director of Savings is satisfied that the deceased holder had no interest otherwise than as a trustee), where the aggregate value of the specified assets exceeds £50,000.

(2) The Director of Savings must, before—

- (a) making a payment in relation to the stock or registering it in the name of another person; or
- (b) making a payment in relation to, or transferring, a certificate,

for the purposes of these Regulations, seek a statement from the Commissioners of Her Majesty’s Revenue and Customs confirming that death duties, or inheritance or capital transfer tax (being inheritance or capital transfer tax chargeable on the death of the depositor or holder) either are not payable, or have been paid.

(3) A statement under paragraph (2) is not required—

- (a) where the payment or transfer is made to or on the direction of, or the stock is registered in the name of any person on the direction of—
 - (i) the deceased’s legal personal representative acting under probate or letters of administration granted by a court in the United Kingdom; or
 - (ii) the Public Trustee, the Official Receiver, or the trustee in bankruptcy of the estate of the deceased;
- (b) (i) in relation to a deceased holder of a certificate, where the deceased was at the time of death domiciled in the Isle of Man or the Channel Islands;
- (ii) in relation to a deceased holder of stock, where—
 - (aa) the stock is not of a description corresponding to stock or securities transferable in the registers kept by the Registrar of Government Stock in

⁽⁸⁾ 1942 c. 21; Section 47 was amended by section 3 of the Stock Transfer Act 1982 (c. 41

⁽⁹⁾ S.I. 2004/1611

accordance with regulations under section 47 of the Finance Act 1942⁽¹⁰⁾ (see regulation 7 (registers of stock and stockholders) of the Government Stock Regulations 2004⁽¹¹⁾); and

- (bb) the deceased was at the time of death domiciled in, and any certificates or subscription books relating to the stock were situated in, the Isle of Man or the Channel Islands; or
 - (c) where the beneficial interest in the stock or certificate has passed to the spouse or civil partner of the deceased in circumstances in which death duties or inheritance or capital transfer tax are not payable.
- (4) In this regulation “the specified assets” means the following assets (not being assets in relation to which the deceased was a trustee) at the date of death—
- (a) the total amount (including interest) held in all accounts in the deceased’s name alone, or jointly with another person, in the National Savings Bank;
 - (b) the total amount which would have been repayable (had repayment been demanded) in relation to all certificates recorded in the deceased’s name alone, or jointly with another person;
 - (c) the total amount repayable and any other amount payable in relation to all bonds recorded in the deceased’s name;
 - (d) the total amount (including any bonus or interest) which would have been repayable (had repayment been demanded) in relation to all savings contracts entered into by the deceased and registered by the Director of Savings under a contractual savings scheme certified by the Treasury in accordance with section 326(2) of the Income and Corporation Taxes Act 1988⁽¹²⁾;
 - (e)
 - (i) in relation to a deceased depositor or holder of a certificate, all stock and securities registered in the National Savings Stock Register in the sole name of the depositor or holder, or in the depositor or holder’s name jointly with any other person;
 - (ii) in relation to a deceased holder of stock, all stock registered in the register in the deceased’s name alone or jointly with any other person; and
 - (f) in relation to a deceased holder of a certificate, the total amount (including interest) which would have been repayable (had repayment been demanded) in relation to all agreements entered into or certificates held by the deceased in accordance with the Savings Certificates (Yearly Plan) Regulations 1984⁽¹³⁾.
- (5) The value of stock or securities referred to in paragraph (4)(e) shall be—
- (a) in the case of stock which is of a description corresponding to stock or securities transferable in the registers kept by the Registrar of Government Stock in accordance with regulations under section 47 of the Finance Act 1942⁽¹⁴⁾ (see regulation 7 (registers of stock and stockholders) of the Government Stock Regulations 2004⁽¹⁵⁾), the market value; or
 - (b) in all other cases, the capital value.

⁽¹⁰⁾ 1942 c. 21; Section 47 was amended by section 3 of the Stock Transfer Act 1982 (c. 41)

⁽¹¹⁾ S.I. 2004/1611.

⁽¹²⁾ 1988 c. 1.

⁽¹³⁾ S.I. 1984/779.

⁽¹⁴⁾ 1942 c. 21; Section 47 was amended by section 3 of the Stock Transfer Act 1982 (c. 41).

⁽¹⁵⁾ S.I. 2004/1611.

CHAPTER 5

Payments into and from the National Savings Bank, and unclaimed money

Payments into and from the National Savings Bank

91.—(1) Subject to paragraph (2), where the Director of Savings is unable for any reason to obtain a valid discharge for a payment to be made to a person in relation to—

- (a) a bond;
- (b) stock;
- (c) a certificate; or
- (d) a children's certificate,

the Director of Savings may, unless other provision for dealing with the payment has been made by an enactment, open an account in the National Savings Bank in the name of that person, and may, until payment can be made to that person, retain the amount in that account.

(2) Paragraph (1) is subject to the following—

- (a) if the person to whom the payment is to be made has an account in the National Savings Bank, the Director of Savings may instead of opening a new account credit the amount to the existing account; and
- (b) in the case of an account opened by the Director of Savings—
 - (i) no amount may be deposited to the credit of the account except under these Regulations; and
 - (ii) the provisions in these Regulations requiring a declaration to be made by a depositor shall not apply.

(3) For the purposes of—

- (a) Regulation 23 (investment deposits) of the National Savings Regulations 2015 (to the extent it applies); or
- (b) an Order under section 4 of the 1971 Act (limiting the amount of deposits in the National Savings Bank),

an amount credited to an account under this regulation is not to be counted.

(4) In relation to stock—

- (a) where a payment is to be made by or to a person who is a depositor in the National Savings Bank, the Director of Savings may arrange for the payment to be made from or to that person's account, and a depositor may for these purposes authorise the Director of Savings in the approved form to withdraw an amount from the depositor's account;
- (b) if payment of subscription money or purchase money is effected by a withdrawal under this regulation from a National Savings Bank account in the name of a person who is a trustee, the Director of Savings may register the stock in the names of the trustee and the beneficiary as joint holders.

Transfer of unclaimed money to the National Savings Bank

92.—(1) This regulation applies where an amount due in relation to a bond or stock, which has been entrusted to the Director of Savings for payment, remains unclaimed.

(2) The Director of Savings—

- (a) in relation to a bond, must transfer the amount to an investment account in the National Savings Bank in the name of the holder of the bond;

- (b) in relation to stock, may transfer the amount to an investment account in the National Savings Bank in the name of the holder of the stock.
- (3) Where the Director of Savings is unable to transfer an amount in accordance with paragraph (2)—
 - (a) in relation to a bond, the Director of Savings must transfer the amount to a special Director's account in the National Savings Bank and the amount must be held on behalf of any person entitled to it;
 - (b) in relation to stock, the Director of Savings may transfer the amount to a special Director's account and the amount must be held on behalf any person entitled to it.
- (4) An amount in paragraph (1) is deemed to be unclaimed if a period of five years, or in the case of redemption money, two years, has elapsed since the due date, but the Director of Savings may treat any amount as unclaimed before the expiration of that period.

CHAPTER 6

Other administrative provisions

Defective applications

93. The Director of Savings may refuse to accept an application required by these Regulations to be made in the approved form if—

- (a) it does not include the full particulars required for the purposes of the application; or
- (b) it is not signed by the person making the application.

Loss of documents, etc.

94.—(1) The loss or destruction of—

- (a) a document relating to a bond or stock;
- (b) a certificate; or
- (c) a children's certificate,

issued by the Director of Savings under these Regulations, or by the Postmaster General or the Director of Savings under previous regulations since revoked, must be notified in the approved form to the Director of Savings as soon as practicable by the person entitled to possession of the document.

(2) If it appears to the Director of Savings that a document referred to in paragraph (1) has been lost or destroyed, issued in error, tampered with, or is in a condition such that it is desirable that it be replaced, the Director of Savings may issue a new document in lieu of the old document to a person entitled to possession of the document.

(3) The Director of Savings may attach to the issue of a new document conditions as to indemnity or otherwise as considered appropriate.

Rectification of mistakes

95.—(1) A mistake in a document received from the Director of Savings under these Regulations, or from the Postmaster General or the Director of Savings under previous regulations since revoked, must be notified in the approved form as soon as practicable to the Director of Savings by the person receiving the document.

(2) If the Director of Savings is satisfied that a transaction or thing done (or purported to have been done) under these Regulations (or any regulations since revoked) was done in error, the Director of Savings may cancel that transaction or thing done and take the steps considered necessary to rectify the error, and may for that purpose require the surrender of any document.

CHAPTER 7

Application, revocation and savings

Law applicable to crossed warrants

96. Section 76(1), (3), (4) and (5) (so far as it relates to crossed cheques) and sections 77(6) and 78 to 81 of the Bills of Exchange Act 1882⁽¹⁶⁾ (which relate to crossed cheques), and sections 3 and 4 of the Cheques Act 1957⁽¹⁷⁾ (which relate to unendorsed cheques as evidence of payment and to the protection of collecting bankers), apply to a crossed warrant issued under these Regulations as if it were a cheque drawn on the Director of Savings by the officer issuing the crossed warrant, but nothing in these Regulations makes a crossed warrant negotiable.

Application to Scotland

97. In the application of these Regulations to Scotland—

- (a) a reference to a person who lacks capacity must be construed as a reference to a person who is incapable by reason of mental disorder within the meaning of the Mental Health (Care and Treatment) (Scotland) Act 2003⁽¹⁸⁾ of managing and administering that person's property and affairs;
- (b) a reference to a deputy in relation to a person who lacks capacity must be construed as a reference to a curator bonis, guardian, or tutor;
- (c) a reference to a receiving order must be construed as a reference to an award of sequestration;
- (d) a reference to the Official Receiver must be construed as a reference to the trustee or judicial factor in bankruptcy;
- (e) a reference to probate, letters of administration or letters of administration with the will annexed must be construed as a reference to confirmation of an executor;
- (f) a reference to the Treasury Solicitor must be construed as a reference to the Queen's and Lord's Treasurer's Remembrancer;
- (g) a reference to the Chief Registrar of Friendly Societies must be construed as a reference to the Assistant Registrar of Friendly Societies for Scotland.

Application to Northern Ireland

98. In the application of these Regulations to Northern Ireland—

- (a) a reference to a friendly society must be construed as a reference to a friendly society (or a branch of that society) registered or deemed to be registered under the Friendly Societies Act (Northern Ireland) 1970⁽¹⁹⁾;
- (b) a reference to a person who lacks capacity must be construed as a reference to a person who, by reason of unsoundness of mind, or of mental disorder within the meaning of the Mental Health (Northern Ireland) Order 1986⁽²⁰⁾, is or is considered incapable of managing that person's affairs;
- (c) a reference to a deputy in relation to a person who lacks capacity must be construed as a reference to a controller or other person appointed under the Mental Health (Northern

⁽¹⁶⁾ 1882 c. 61; section 80 was amended by the Cheques Act 1992 (c. 32), section 2.

⁽¹⁷⁾ 1957 c. 36.

⁽¹⁸⁾ 2003 asp 13.

⁽¹⁹⁾ 1970 c. 31 (N.I.).

⁽²⁰⁾ S.I. 1986/595 (N.I. 4).

- Ireland) Order 1986 (and orders made under that Order) to exercise with respect to the estate of that person powers similar to those of a committee;
- (d) a reference to a bankruptcy order must be construed as a reference to an order of adjudication of bankruptcy, or to an order in any arrangement operating by virtue of section 349 of the Irish Bankrupt and Insolvent Act 1857(21) to vest a deposit in the Official Assignee alone or jointly with any person;
 - (e) a reference to the Official Receiver must be construed as a reference to the Official Assignee in Bankruptcy;
 - (f) a reference to the Treasury Solicitor must be construed as a reference to the Crown Solicitor for Northern Ireland.

Application to the Isle of Man

99. In the application of these Regulations to the Isle of Man—

- (a) a reference to a person who lacks capacity must be construed as a reference to a person who is incapable by reason of mental disorder within the meaning of the Mental Health Act 1998(22) (an Act of Tynwald) of managing and administering that person’s property and affairs;
- (b) a reference to a deputy in relation to a person who lacks capacity must be construed as a reference to a deputy or other person authorised in that capacity under Part VII of that Act;
- (c) a reference to the Building Societies Act 1962(23) must be construed as a reference to the Industrial and Building Societies Acts 1892 to 1986 of the Isle of Man(24);
- (d) a reference to a bankruptcy order must be construed as a reference to a receiving order or an order of adjudication of bankruptcy;
- (e) a reference to the Treasury Solicitor must be construed as a reference to Her Majesty’s Attorney General of the Isle of Man.

Application to the Channel Islands

100.—(1) In the application of these Regulations to Jersey—

- (a) a reference to a person who lacks capacity must be construed as a reference to a person suffering from mental disorder within the meaning of the Mental Health (Jersey) Law 1969(25);
- (b) a reference to a deputy in relation to a person who lacks capacity must be construed as a reference to a curator;
- (c) the reference in regulation 96 to sections 3 and 4 of the Cheques Act 1957 must be construed as references to articles 3 and 4 of the Cheques (Jersey) Law 1957(26);
- (d) a reference to a bankruptcy order must be construed as a reference to a declaration of “desastre”;
- (e) a reference to the Official Receiver must be construed as a reference to Her Majesty’s Viscount for Jersey or to an “attourne” appointed in a bankruptcy, as the case may be;
- (f) a reference to the Treasury Solicitor must be construed as a reference to Her Majesty’s Receiver General for Jersey;

(21) SR (N.I.) 1991/364.

(22) AT 8 of 1998.

(23) 1962 c. 37.

(24) AT 6 of 1892, AT 4 of 1928, AT 3 of 1953, AT 6 of 1955, AT 16 of 1979 and AT 7 of 1986.

(25) Law 18 of 1969.

(26) Law 2 of 1958.

- (g) a reference to a statutory declaration must be construed as a reference to a declaration on oath before the Bailiff, a Jurat, the Magistrate or a notary public;
 - (h) a nomination made by a depositor or holder of stock domiciled in Jersey of any person to receive an amount due to the depositor, or any interest in stock held by the holder, at death, shall take effect only as to that portion of the personal estate over which that person had power of testamentary disposition according to the law of Jersey, but a payment made to a nominee without notice of the depositor's or holder's incapacity to dispose of the whole or any portion of the estate nominated shall be a valid payment.
- (2) In the application of these Regulations to Guernsey, Alderney and Sark—
- (a) a reference to a person who lacks capacity must be construed as a reference to a person who under any law for the time being in force in any of the Islands of the Bailiwick of Guernsey is a person of unsound mind;
 - (b) a reference to a deputy in relation to a person who lacks capacity must be construed as a reference to a guardian appointed by the Royal Court of Guernsey, the Court of Alderney or the Court of the Seneschal of Sark, as the case may be;
 - (c) a reference to the Treasury Solicitor must be construed as a reference to Her Majesty's Receiver-General;
 - (d) a reference to a statutory declaration must be construed as a reference to a declaration on oath before a notary public or—
 - (i) in Guernsey, before the Bailiff or Deputy Bailiff, a Jurat of the Royal Court or the Magistrate;
 - (ii) in Alderney, before a Jurat of the Court of Alderney;
 - (iii) in Sark, before the Seneschal;
 - (e) the reference in regulation 96 to section 76(1), (3), (4) and (5) (so far as it relates to crossed cheques) and sections 77(6) and 78 to 81 of the Bills of Exchange Act 1882 must be construed likewise as references to section 75(1), (3), (4) and (5) and sections 76(6) and 77 to 80 of the Bills of Exchange (Guernsey) Law 1958(27), and the reference to sections 3 and 4 of the Cheques Act 1957 must be construed as a reference to sections 83 and 84 of the Bills of Exchange (Guernsey) Law 1958;
 - (f) (i) in relation to bonds, for regulation 10 (payments in the case of bankrupts) substitute—

“**10.** Where it appears to the Director of Savings that a holder of a bond is insolvent, the Director of Savings may pay the amount repayable or any other amount payable in relation to the bond to a person the Director of Savings is satisfied is a proper person to receive payment, on application by that person.”;
 - (ii) in relation to stock, for regulation 31 (payments in the case of bankrupts) substitute—

“**31.** Where it appears to the Director of Savings that a sole holder of stock is insolvent, the Director of Savings may pay the amount repayable or any other amount payable in relation to the stock to a person the Director of Savings is satisfied is a proper person to receive payment, on application by that person.”;
 - (iii) in relation to certificates, for regulation 52 (payments in the case of bankrupts) substitute—

“**52.** Where it appears to the Director of Savings that a sole holder of a certificate is insolvent, the Director of Savings may pay the amount repayable

in relation to the certificate to a person the Director of Savings is satisfied is a proper person to receive payment, on application by that person.”;

- (iv) in relation to children’s certificates, for regulation 68 (payments in the case of bankrupts) substitute—

“68. Where it appears to the Director of Savings that a holder of a certificate is insolvent, the Director of Savings may pay the amount repayable in relation to the certificate to a person the Director of Savings is satisfied is a proper person to receive payment, on application by that person.”;

- (g) a nomination made by a depositor or holder of stock domiciled in the Bailiwick of Guernsey of any person to receive an amount due to the depositor, or any interest in stock held by the holder, at death, shall take effect only as to that portion of the personal estate over which that person had power of testamentary disposition according to the law of the Bailiwick of Guernsey, but a payment made to a nominee without notice of the depositor’s or holder’s incapacity to dispose of the whole or any portion of the estate nominated shall be a valid payment.

Revocations and savings

101.—(1) The instruments listed in Schedule 2 are revoked.

(2) Anything done under a revoked provision that could have been done under a corresponding provision in these Regulations shall not be invalidated by the revocation, but shall have effect as if done under these Regulations.

(3) These Regulations do not affect the validity of anything done by or in relation to the Postmaster General before 1st October 1969 under previously revoked provisions, and anything which at that date was in process of being done under those provisions by or in relation to the Postmaster General may be continued by or in relation to the Director of Savings.

Modifications

102. In Schedule 1 of the Contracting Out (Functions Relating to National Savings) Order 1998(28)—

- (a) in paragraph 4, the references to regulations 3(2), 7(1), 8(1), 19 and 30(2) and (3) of the Premium Savings Bond Regulations 1972 should be read as, respectively, references to regulations 3(2), 6(1), 7(1), 11 and 82(2) and (3) of these Regulations;
- (b) in paragraph 5, the references to regulations 5(1), 8(5), 9, 22(1) and 57(2) and (4) of the National Savings Stock Register Regulations 1976 should be read as, respectively, references to regulations 16(1), 17(7), 18, 30(1), 82(2) and (3) of these Regulations;
- (c) in paragraph 7, the references to regulations 3(2), 4(1)(c), (2) and (3), 6(1), 7(1) and 21 of the Savings Certificates Regulations 1991 should be read as, respectively, references to regulations 38(2), 39(1)(c), (2) and (3), 45(1), 47(1), 42 and 82(2) and (3) of these Regulations; and
- (d) in paragraph 8, the references to regulations 3(2), 6(1), 7(1), 18 and 28(2)(b) and (3) of the Savings Certificates (Children’s Bonus Bonds) Regulations 1991 should be read as, respectively, references to regulations 56(2), 63(1), 64(1), 59 and 60, and 82(2) and (3) of these Regulations.