

This is a reprinted version of the prospectus dated 22nd January 1982, as amended by the supplement to the prospectus dated 9th March 1982.

TENDERS MUST BE LODGED AT THE BANK OF ENGLAND, NEW ISSUES (Y), WATLING STREET, LONDON, EC4M 9AA NOT LATER THAN 11.00 A.M. ON THURSDAY, 28TH JANUARY 1982, OR AT ANY OF THE BRANCHES OF THE BANK OF ENGLAND OR AT THE GLASGOW AGENCY OF THE BANK OF ENGLAND NOT LATER THAN 3.30 P.M. ON WEDNESDAY, 27TH JANUARY 1982. ENVELOPES CONTAINING TENDERS SHOULD BE MARKED "INDEX-LINKED TREASURY TENDER".

ISSUE BY TENDER OF £750,000,000

$2\frac{1}{2}$ per cent INDEX-LINKED TREASURY STOCK, 2011

PAYABLE AS FOLLOWS:

Deposit with tender	£35.00 per cent
On Tuesday, 16th March 1982	Balance of purchase money

INTEREST PAYABLE HALF-YEARLY ON 23RD FEBRUARY AND 23RD AUGUST

1. The Stock is an investment falling within Part II of the First Schedule to the Trustee Investments Act 1961. Application has been made to the Council of The Stock Exchange for the Stock to be admitted to the Official List.
2. THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND are authorised to receive tenders for the above Stock.
3. The principal of and interest on the Stock will be a charge on the National Loans Fund, with recourse to the Consolidated Fund of the United Kingdom.
4. The Stock will be registered at the Bank of England and will be transferable, in multiples of one new penny, by instrument in writing in accordance with the Stock Transfer Act 1963. Transfers will be free of stamp duty.

[In accordance with the right reserved to Her Majesty's Treasury by paragraph 13 of the prospectus, all restrictions contained in the prospectus relating to eligibility to hold the Stock have been removed, as promulgated by means of a supplement to the prospectus dated 9th March 1982. Accordingly, the provisions of paragraphs 5 to 13 of the prospectus have ceased to have effect.]

14. If not previously redeemed under the provisions of paragraph 23, the Stock will be repaid on 23rd August 2011. The value of the principal on repayment will be related, subject to the terms of this prospectus, to the movement, during the life of the Stock, of the United Kingdom General Index of Retail Prices maintained by the Department of Employment, or any Index replacing that Index, such movement being indicated by the Index figure issued monthly and subsequently published in the London, Edinburgh and Belfast Gazettes.

15. For the purposes of this prospectus, the Index figure applicable to any month will be the Index figure issued seven months prior to the relevant month and relating to the month before that prior month; "month" means calendar month; and the Index ratio applicable to any month will be equal to the Index figure applicable to that month divided by the Index figure applicable to January 1982.

16. The amount due on repayment, per £100 nominal of Stock, will be £100 multiplied by the Index ratio applicable to the month in which repayment takes place. This amount, expressed in pounds sterling to two places of decimals rounded to the nearest figure below, will be announced by the Bank of England not later than the business day immediately preceding the date of the penultimate interest payment.

17. Interest will be payable half-yearly on 23rd February and 23rd August. Income tax will be deducted from payments of more than £5 per annum. Interest warrants will be transmitted by post.

18. The first interest payment will be made on 23rd August 1982 at the rate of £1.26 per £100 nominal of Stock.

19. Each subsequent half-yearly interest payment will be at a rate, per £100 nominal of Stock, of £1.25 multiplied by the Index ratio applicable to the month in which the payment falls due.

20. The rate of interest for each interest payment other than the first, expressed as a percentage in pounds sterling to two places of decimals rounded to the nearest figure below, will be announced by the Bank of England not later than the business day immediately preceding the date of the previous interest payment.

21. If the Index is revised to a new base after the Stock is issued, it will be necessary, for the purposes of the preceding paragraphs, to calculate and use a notional Index figure in substitution for the Index figure applicable to the month in which repayment takes place and/or an interest payment falls due ("the month of payment"). This notional Index figure will be calculated by multiplying the actual Index figure applicable to the month of payment by the Index figure on the old base for the month on which the revised Index is based and dividing the product by the new base figure for the same month. This procedure will be used for each occasion on which a revision is made during the life of the Stock.

22. If the Index is not published for a month for which it is relevant for the purposes of this prospectus, the Bank of England, after appropriate consultation with the relevant Government Department, will publish a substitute Index figure which shall be an estimate of the Index figure which would have been applicable to the month of payment, and such substitute Index figure shall be used for all purposes for which the actual Index figure would have been relevant. The calculation by the Bank of England of the amounts of principal and/or interest payable on the basis of a substitute Index figure shall be conclusive and binding upon all stockholders. No subsequent adjustment to such amounts will be made in the event of subsequent publication of the Index figure which would have been applicable to the month of payment.

23. If any change should be made to the coverage or the basic calculation of the Index which, in the opinion of the Bank of England, constitutes a fundamental change in the Index which would be materially detrimental to the interests of stockholders, Her Majesty's Treasury will publish a notice in the London, Edinburgh and Belfast Gazettes immediately following the announcement by the relevant Government Department of the change, informing stockholders and offering them the right to require Her Majesty's Treasury to redeem their stock in advance of the revised Index becoming effective for the purposes of this prospectus. Repayment to stockholders who exercise this right will be effected, on a date to be chosen by Her Majesty's Treasury, not later than six months from the month of publication of the revised Index. The amount of principal due on repayment and of any interest which has accrued will be calculated on the basis of the Index ratio applicable to the month in which repayment takes place. A notice setting out the administrative arrangements will be sent to stockholders at their registered address by the Bank of England at the appropriate time.

24. Tenders must be lodged at the Bank of England, New Issues (Y), Watling Street, London, EC4M 9AA not later than 11.00 A.M. ON THURSDAY, 28TH JANUARY 1982, or at any of the Branches of the Bank of England or at the Glasgow Agency of the Bank of England not later than 3.30 P.M. ON WEDNESDAY, 27TH JANUARY 1982. Each tender must be for one amount and at one price which is a multiple of 25p. TENDERS LODGED WITHOUT A PRICE BEING STATED WILL BE REJECTED.

25. A separate cheque representing a deposit at the rate of £35.00 for every £100 of the *nominal* amount of Stock tendered for must accompany each tender; cheques must be drawn on a bank in, and be payable in, the United Kingdom, the Channel Islands or the Isle of Man. Envelopes containing tenders should be marked "Index-Linked Treasury Tender".

26. Tenders must be for a minimum of £5,000 nominal of Stock and for multiples of Stock as follows:-

<i>Amount of Stock tendered for</i>	<i>Multiple</i>
£5,000 — £50,000	£5,000
£50,000 or greater	£25,000

27. Her Majesty's Treasury reserve the right to reject any tender or to allot a less amount of Stock than that tendered for. Valid tenders will be ranked in descending order of price and allotments will be made to tenderers whose tenders are at or above the lowest price at which Her Majesty's Treasury decide that any tender should be accepted (the allotment price). All allotments will be made at the allotment price and tenders which are accepted and which are made at prices above the allotment price will be allotted in full. Any balance of Stock not allotted to tenderers will be allotted at the allotment price to the Governor and Company of the Bank of England, Issue Department.

28. Letters of allotment in respect of Stock allotted, being the only form in which the Stock may be transferred prior to registration, will be despatched by post at the risk of the tenderer, but the despatch of any letter of allotment, and any refund of the balance of the amount paid as deposit, may at the discretion of the Bank of England be withheld until the tenderer's cheque has been paid. In the event of such withholding, the tenderer will be notified by letter by the Bank of England of the acceptance of his tender and of the amount of Stock allocated to him, subject in each case to payment of his cheque, but such notification will confer no right on the tenderer to transfer the Stock so allocated.

29. In the event of partial allotment, the balance of the amount paid as deposit will, when refunded, be remitted by cheque despatched by post at the risk of the tenderer; if no allotment is made the amount paid as deposit will be returned likewise. Payment in full may be made at any time after allotment but no discount will be allowed on such payment. Interest may be charged on a day-to-day basis on any overdue amount which may be accepted at a rate equal to the London Inter-Bank Offered Rate for seven day deposits in sterling ("LIBOR") plus 1 per cent per annum. Such rate will be determined by the Bank of England by reference to market quotations, on the due date for the relevant payment, for LIBOR obtained from such source or sources as the Bank of England shall consider appropriate. Default in due payment of any amount in respect of the Stock will render the allotment of such Stock liable to cancellation and any amount previously paid liable to forfeiture.

30. Letters of allotment may be split into denominations of multiples of £1,000 on written request received by the Bank of England, New Issues, Watling Street, London, EC4M 9AA, or by any of the Branches of the Bank of England, on any date not later than 12th March 1982. Such requests must be signed and must be accompanied by the letters of allotment.

31. Letters of allotment must be surrendered for registration, accompanied by a completed registration form and, where required, a statutory declaration, when the balance of the purchase money is paid, unless payment in full has been made before the due date, in which case they must be surrendered for registration not later than 16th March 1982.

32. Tender forms and copies of this prospectus may be obtained at the Bank of England, New Issues, Watling Street, London, EC4M 9AA, or at any of the Branches of the Bank of England, or at the Glasgow Agency of the Bank of England, 4th Floor, 14 St. Vincent Place, Glasgow, G1 2EU; at the Bank of Ireland, Moyne Buildings, 1st Floor, 20 Callender Street, Belfast, BT1 5BN; at Mullens & Co., 15 Moorgate, London, EC2R 6AN; or at any office of The Stock Exchange in the United Kingdom. Forms of statutory declaration will be made available to successful tenderers with their letters of allotment.

**BANK OF ENGLAND
LONDON**

22nd January 1982

(Reprinted 9th March 1982,
as amended by the supplement to
the prospectus of the same date.)