

The list of applications will be opened and closed on Wednesday, the 8th September, 1971.

## 8 $\frac{1}{4}$ PER CENT. TREASURY LOAN, 1987-1990

ISSUE OF £600,000,000 AT £96 PER CENT.

PAYABLE IN FULL ON APPLICATION

Interest payable half-yearly on the 15th June and the 15th December.

*This Loan is an investment falling within Part II of the First Schedule to the Trustee Investments Act 1961, subject as regards securities payable to bearer to the provisions of Section 7 of the Trustee Act 1925. Application has been made to the Council of The Stock Exchange, London, for permission to deal in and for quotation for the Loan.*

THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND are authorised to receive applications for the above Loan.

The Principal of and interest on the Loan will be a charge on the National Loans Fund, with recourse to the Consolidated Fund of the United Kingdom.

If not previously redeemed, the Loan will be repaid at par on the 15th June, 1990, but Her Majesty's Treasury reserve to themselves the right to redeem the Loan, in whole or in part, by drawings or otherwise, at par on or at any time after the 15th June, 1987, on giving not less than three months' notice in the *London Gazette*.

The Loan will be issued in the form of stock which will be registered at the Bank of England or at the Bank of Ireland, Belfast, 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.

On or after the 31st January, 1972, stock may be exchanged into bonds to bearer which will be available in denominations of £100, £200, £500, £1,000, £5,000, £10,000 and £50,000. Bonds will be free of stamp duty.

Stock will be interchangeable with bonds without payment of any fee.

Interest will be payable half-yearly on the 15th June and the 15th December; the first payment will be made on the 15th December, 1971, at the rate of £2.22 per £100 of the Loan. Warrants for interest on stock will be transmitted by post; income tax will be deducted from payments of more than £5 per annum. Interest on bonds to bearer, less income tax, will be paid by coupon.

Stock and bonds of this issue and the interest payable thereon will be exempt from all United Kingdom taxation, present or future, so long as it is shown that the stock or bonds are in the beneficial ownership of persons who are neither domiciled nor ordinarily resident in the United Kingdom of Great Britain and Northern Ireland.

Further, the interest payable on stock or bonds of this issue will be exempt from United Kingdom income tax, present or future, so long as it is shown that the stock or bonds are in the beneficial ownership of persons who are not ordinarily resident in the United Kingdom of Great Britain and Northern Ireland.

For the purposes of the preceding paragraphs, persons are not ordinarily resident in the United Kingdom if they are regarded as not ordinarily resident for the purposes of United Kingdom income tax.

Applications for exemption from United Kingdom income tax should, in the case of interest on stock, be made in such form as may be required by the Commissioners of Inland Revenue. Bearer bond coupons will be paid without deduction of United Kingdom income tax if accompanied by a declaration of ownership in such form as may be required by the Commissioners of Inland Revenue.

These exemptions will not entitle a person to claim repayment of tax deducted from interest unless the claim to such repayment is made within the time limit provided for such claims under income tax law; under the provisions of the Taxes Management Act 1970, Section 43 (1), no such claim will be outside this time limit if it is made within six years from the date on which the interest is payable. In addition, these exemptions will not apply so as to exclude the interest from any computation for taxation purposes of the profits of any trade or business carried on in the United Kingdom. Moreover, the allowance of the exemptions is subject to the provisions of any law, present or future, of the United Kingdom directed to preventing avoidance of taxation by persons domiciled, resident, or ordinarily resident in the United Kingdom, and, in particular, the interest will not be exempt from income tax where, under any such provision, it falls to be treated for the purpose of the Income Tax Acts as income of any person resident or ordinarily resident in the United Kingdom.

**Applications, which must be accompanied by payment in full for the amount applied for, will be received at the Bank of England, Loans Office, 1 & 2 Bank Buildings, Princes Street, London, EC2R 8EU; a separate cheque must accompany each application.** Applications must be for £100 of the Loan or a multiple thereof; no allotment will be made for a less amount than £100 of the Loan. Letters of allotment in respect of the Loan allotted will be despatched by post at the risk of the applicant. In the case of partial allotment, the surplus after providing for payment for the amount allotted will be refunded by cheque.

Letters of allotment may be split into denominations of multiples of £100. They may be lodged for registration forthwith and in any case must be lodged for registration not later than the 15th October, 1971. Stock may be exchanged for bonds to bearer on or after the 31st January, 1972.

A commission at the rate of 12½p per £100 of the Loan will be paid to bankers or stock-brokers on allotments made in respect of applications bearing their stamp.

Prospectuses and application forms may be obtained at the Bank of England, Loans Office, 1 & 2 Bank Buildings, Princes Street, London, EC2R 8EU, or at any of the branches of the Bank of England; at the Bank of Ireland, Belfast; from Messrs. Mullens & Co., 15 Moorgate, London, EC2R 6AN; or at any Stock Exchange in the United Kingdom.

BANK OF ENGLAND,  
LONDON.

3rd September, 1971.