

THIS NOTICE DOES NOT CONSTITUTE AN OFFER FOR SALE AND THE STOCK DESCRIBED BELOW IS NOT AVAILABLE FOR PURCHASE DIRECT FROM THE BANK OF ENGLAND. OFFICIAL DEALINGS IN THE STOCK ON THE STOCK EXCHANGE ARE EXPECTED TO COMMENCE ON WEDNESDAY, 4TH MARCH 1987.

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PARTICULARS OF AN ISSUE OF £1,200,000,000

9 per cent EXCHEQUER STOCK,  
2002

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SCHEDULE OF PAYMENTS:

Amount paid on issue	£20.00 per cent
Amount payable on Monday, 27th April 1987	£76.00 per cent

INTEREST PAYABLE HALF-YEARLY ON 19TH MAY AND 19TH NOVEMBER

*This 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.*

1. £1,000,000,000 of the above Stock has been issued to the Bank of England on 2nd March 1987 at a price of £96.00 per cent; the balance of £200,000,000 has been reserved for the National Debt Commissioners for public funds under their management. The amount paid on issue was £20.00 per cent and the amount payable on 27th April 1987 will be £76.00 per cent.
2. 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.
3. The Stock will be repaid at par on 19th November 2002.
4. The Stock will be registered at the Bank of England or at the Bank of Ireland, Belfast, and will be transferable, in multiples of one penny, by instrument in writing in accordance with the Stock Transfer Act 1963. Stock registered at the Bank of England held for the account of members of the Central Gilts Office Service will also be transferable, in multiples of one penny, by exempt transfer in accordance with the Stock Transfer Act 1982 and the relevant subordinate legislation. Transfers will be free of stamp duty.
5. Interest will be payable half-yearly on 19th May and 19th November. Income tax will be deducted from payments of more than £5 per annum. Interest warrants will be transmitted by post. The first interest payment will be made on 19th November 1987 at the rate of £5.3672 per £100 of the Stock.
6. Until payment in full has been made and a completed registration form submitted to the Bank of England, the Stock (other than amounts held in the Central Gilts Office Service for the account of members) will be represented by letters of allotment.
7. Payment in full may be made at any time prior to 27th April 1987 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.
8. Letters of allotment may be split into denominations of multiples of £100 on written request received by the Bank of England, New Issues, Watling Street, London, EC4M 9AA on any date not later than 23rd April 1987. Such requests must be signed and must be accompanied by the letters of allotment.
9. Members of the Central Gilts Office Service may, subject to the provisions of the agreement governing their membership of that Service, surrender a partly-paid letter of allotment to the Central Gilts Office for cancellation and for the Stock comprised therein to be credited to the member's account. The member who is shown by the accounts of the Central Gilts Office as being entitled to any Stock shall, to the exclusion of all persons previously entitled to such Stock and any person claiming any entitlement thereto, both be treated as entitled to such Stock as if that member were the holder of a letter of allotment and be liable for the payment of any amount due in respect of such Stock. A member will be entitled at any time prior to registration to withdraw, in multiples of £100, Stock credited to the member's account and to obtain a partly-paid letter of allotment comprising such Stock, and such member shall be liable for the payment of all amounts becoming due thereafter in respect of such Stock unless and until that letter of allotment is surrendered to the Central Gilts Office for cancellation as aforesaid.

10. Letters of allotment must be surrendered for registration, accompanied by a completed registration form, when the final instalment 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 27th April 1987; registration of Stock held for the account of members of the Central Gilts Office Service will be effected under separate arrangements.

11. Copies of this notice 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; at the Bank of Ireland, Moyne Buildings, 1st Floor, 20 Callender Street, Belfast, BT1 5BN; or at any office of The Stock Exchange in the United Kingdom.

*Government statement*

Attention is drawn to the statement issued by Her Majesty's Treasury on 29th May 1985 which explained that, in the interest of the orderly conduct of fiscal policy, neither Her Majesty's Government nor the Bank of England or their respective servants or agents undertake to disclose tax changes decided on but not yet announced, even where they may specifically affect the terms on which, or the conditions under which, this Stock is issued or sold by or on behalf of the Government or the Bank; that no responsibility can therefore be accepted for any omission to make such disclosure; and that such omission shall neither render any transaction liable to be set aside nor give rise to any claim for compensation.

BANK OF ENGLAND  
LONDON  
2nd March 1987