

TENDERS MUST BE LODGED NOT LATER THAN 10.00 A.M. ON WEDNESDAY, 23RD MAY 1979 AT THE BANK OF ENGLAND, NEW ISSUES, WATLING STREET, LONDON, EC4M 9AA OR NOT LATER THAN 3.30 P.M. ON TUESDAY, 22ND MAY 1979 AT ANY OF THE BRANCHES OF THE BANK OF ENGLAND OR THE GLASGOW AGENCY OF THE BANK OF ENGLAND. TENDERS MUST BE IN SEALED ENVELOPES MARKED "TREASURY TENDER".

ISSUE BY TENDER OF £800,000,000

**11½ per cent TREASURY STOCK,
2001-2004**

MINIMUM TENDER PRICE £95.50 PER CENT

PAYABLE IN FULL WITH TENDER

INTEREST PAYABLE HALF-YEARLY ON 19th MARCH AND 19th SEPTEMBER

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.

THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND are authorised to receive tenders for the above Stock.

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.

If not previously redeemed, the Stock will be repaid at par on 19th March 2004, but Her Majesty's Treasury reserve to themselves the right to redeem the Stock, in whole or in part, by drawings or otherwise, at par on or at any time after 19th March 2001 on giving not less than three months' notice in the London Gazette.

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 new penny, by instrument in writing in accordance with the Stock Transfer Act 1963. Transfers will be free of stamp duty.

Interest will be payable half-yearly on 19th March and 19th September. Income tax will be deducted from payments of more than £5 per annum. Interest warrants will be transmitted by post. The first payment will be made on 19th September 1979 at the rate of £3.7494 per £100 of the Stock.

Tenders must be lodged not later than 10.00 a.m. on Wednesday, 23rd May 1979 at the Bank of England, New Issues, Watling Street, London, EC4M 9AA or not later than 3.30 p.m. on Tuesday, 22nd May 1979 at any of the Branches of the Bank of England or at the Glasgow Agency of the Bank of England. Each tender must be for one amount and at one price. The minimum price, below which tenders will not be accepted, is £95.50 per cent. Tenders must be made at the minimum price or at higher prices which are multiples of 25p. Tenders lodged without a price being stated will be deemed to have been made at the minimum price.

Tenders must be accompanied by payment in full, i.e. the price tendered (minimum of £95.50) for every £100 nominal of Stock tendered for. A separate cheque 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. Tenders must be in sealed envelopes marked "Treasury Tender".

Tenders must be for a minimum of £100 Stock and for multiples of Stock as follows:—

<i>Amount of Stock tendered for</i>	<i>Multiple</i>
£100—£2,000	£100
£2,000—£5,000	£500
£5,000—£20,000	£1,000
£20,000—£100,000	£5,000
£100,000 or greater	£10,000

Her Majesty's Treasury reserve the right to reject any tender or to allot a less amount than that tendered for. If undersubscribed, the Stock will be allotted at the minimum price, the balance of Stock not tendered for being allotted at the minimum price to the Governor and Company of the Bank of England, Issue Department. If oversubscribed, all allotments will be made at the lowest price at which any tender is accepted (the allotment price), and tenders at prices above the allotment price will be allotted in full.

Letters of allotment in respect of Stock allotted will be despatched by post at the risk of the tenderer. No allotment will be made for a less amount than £100 Stock. In the event of partial allotment, or of tenders at prices above the allotment price, the excess amount paid will be refunded by cheque despatched by post at the risk of the tenderer; if no allotment is made the amount paid with tender will be returned likewise.

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, or by any of the Branches of the Bank of England, on any date not later than 21st June 1979. Such requests must be signed and must be accompanied by the letters of allotment. Letters of allotment, accompanied by a completed registration form, may be lodged for registration forthwith and in any case they must be lodged for registration not later than 25th June 1979.

A commission at the rate of 12½p per £100 of the Stock will be paid to bankers or stockbrokers on allotments made in respect of tenders bearing their stamp. However, no payment will be made where the banker or stockbroker would receive by way of commission a total of less than £1.

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; at the Bank of Ireland, P.O. Box 13, Donegall Place, Belfast, BT1 5BX; at Mullens & Co., 15 Moorgate, London, EC2R 6AN; or at any office of The Stock Exchange in the United Kingdom.

**BANK OF ENGLAND
LONDON**

18th May 1979.