1986 No. 244

ULSTER SAVINGS CERTIFICATES

Ulster Savings Certificates (Fourth Index Linked Issue) Regulations 1986

Made	*28th July 1986*
Coming into operation . . .	*1st August 1986*

The Department of Finance and Personnel(**a**) in exercise of the powers conferred upon it by section 15(1) of the Exchequer and Financial Provisions Act (Northern Ireland) 1950(**b**) and of every other power enabling it in that behalf hereby makes the following regulations:

Citation and commencement

1. These regulations may be cited as the Ulster Savings Certificates (Fourth Index Linked Issue) Regulations 1986 and shall come into operation on 1st August 1986.

Interpretation

2. In these regulations ''the principal regulations'' means the Ulster Savings Certificates Regulations 1962(**c**).

Purchase price of a certificate

3.—(1) For paragraph 3 of Schedule 2 to the principal regulations there shall be substituted the following paragraph—

''3.—(1) The purchase price of an index linked unit certificate shall be £25.

(2) The amount repayable in respect of an index linked unit certificate shall be as follows:

(*a*) Within one year from the date of purchase — Twenty-five pounds.

(*b*) On or after the first anniversary a sum calculated in relation to the Retail Price Index figure using the formula

$$V \times \frac{B}{A}$$ where:

'V' is the value of the certificate at the beginning of the index linked period (this will be the purchase price or, as the case may be, an anniversary value calculated in accordance with the Table in head (*c*));

'A' is the Retail Price Index figure applicable to the month in which the first day of the index linked period falls (this day will be the date of purchase or an anniversary); and

'B' is the Retail Price Index figure applicable to the month in which the final day of the index linked period falls (this day will be an anniversary or, where repayment is being made between anniversaries, the most recent date which is one or more whole months from the previous anniversary).

(**a**) Formerly Department of Finance: *see* S.I. 1982/228 (N.I. 6) Art. 3
(**b**) 1950 c. 3 (N.I.)
(**c**) S.R. & O. (N.I.) 1962 No. 36 as amended by S.R. 1975 No. 133; S.R. 1980 No. 369; S.R. 1981 Nos. 84 and 286; S.R. 1985 No. 148

(*c*) At each anniversary there shall be added a fixed percentage increase which will go to make up the anniversary value in accordance with the following table:

PURCHASE PRICE	+ Index-linking for year	+ 3% purchase price	= 1st Anniversary Value
1st Anniversary Value	+ Index-linking for year	+ 3.25% 1st Anniversary Value	= 2nd Anniversary Value
2nd Anniversary Value	+ Index-linking for year	+ 3.50% 2nd Anniversary Value	= 3rd Anniversary Value
3rd Anniversary Value	+ Index-linking for year	+ 4.50% 3rd Anniversary Value	= 4th Anniversary Value
4th Anniversary Value	+ Index-linking for year	+ 6% 4th Anniversary Value	= 5th Anniversary Value

(*d*) Certificates repaid between anniversaries will be indexed to the last whole month after the anniversary or where the date of repayment is not one or more whole months after that anniversary to the last date which is one or more whole months after that anniversary and, in addition, interest at 1/12th of the annual rate applicable to that year as set out in column 3 of the table in head (*c*) will be added for each whole month after the anniversary.

(*e*) The amount due on repayment of an index linked certificate shall never be less than the value at the immediately preceding anniversary.

(3) For the purpose of this paragraph the Retail Price Index figure applicable to any month shall be the Retail Price Index figure issued during the month immediately preceding that month.

(4) Certificates may be held until the fifth anniversary.

(5) In this paragraph—

"anniversary" means an anniversary of the date of the purchase of the certificate;

"Index-linking for year" means so much of the amount calculated in relation to that year under sub-paragraphs (2)(*a*) and (*b*) by reference to a Retail Price Index figure;

"Index linked period" means either—