1986 No. 77

LOCAL GOVERNMENT

District Council (Stocks and Bonds) Regulations (Northern Ireland) 1986

Made	*24th March 1986*
Coming into operation . . .	*1st May 1986*

The Department of the Environment in exercise of the powers conferred by section 70 of the Local Government Act (Northern Ireland) 1972(**a**) and now vested in it(**b**) and of every other power enabling it in that behalf hereby makes the following regulations:—

Citation, commencement and interpretation

1.—(1) These regulations may be cited as the District Council (Stocks and Bonds) Regulations (Northern Ireland) 1986 and shall come into operation on 1st May 1986.

(2) In these regulations—

"bonds" shall not include bonds transferable by delivery;

"negotiable bonds" means any bonds in respect of which application has been or is to be made to the Council of the Stock Exchange for admission to the Official List, or any bonds which are to be issued in whole or in part to a bank, discount house, issuing house, or broker in the City of London;

"registrar" means the council or other person appointed by the council to act as registrar for the purpose of these regulations; and

"stock" shall not include stock transferable by delivery.

Revocation

2. The Local Authority Bonds Regulations (Northern Ireland) 1967(**c**) are hereby revoked.

Issue of Stock

3. A council which proposes to raise money by the issue of stock shall, in its resolution to raise money by that method, specify, or indicate the procedure by which may be determined—

(*a*) the amount of stock to be issued;

(*b*) the price at which the stock is to be issued;

(*c*) the rate of interest whether fixed or variable;

(*d*) the dates on which interest is payable;

(*e*) the date after which the stock may be redeemed at par at the option of the council; and

(*f*) the date by which the stock must be redeemed.

(**a**) 1972 c. 9 (N.I.) as amended by S.I. 1985/1208 (N.I. 15) Article 27
(**b**) S.R. & O. (N.I.) 1973 No. 504 Article 7(1); S.I. 1976/424 (N.I. 6)
(**c**) S.R. & O. (N.I.) 1967 No. 166

Applications and tenders for stock

4.—(1) An application or tender for stock made in pursuance of a prospectus issued by or on behalf of a council shall not be revocable between—

(*a*) in the case of an application, the time specified in the prospectus for the opening of the application lists for the stock; or

(*b*) in the case of a tender, the time specified in the prospectus as the latest time by which tenders for the stock must be lodged,

and 10 a.m. on the day following the second clear day thereafter.

(2) In reckoning any period for the purposes of paragraph (1), any day which is a Saturday or Sunday or which is a bank holiday in any part of Northern Ireland shall be disregarded.

Issue of bonds

5.—(1) Bonds issued by a council shall, subject to paragraph (2)—

(*a*) bear interest at such rate (whether fixed or variable) as the council shall determine at the time of issue of the bonds; and

(*b*) if they are negotiable bonds, be issued for periods not less than one year.

(2) The period for which any bonds, other than negotiable bonds, are issued may be extended upon such rate of interest (whether fixed or variable) and for such period as the council and the holder agree.

Conversion of other securities

6.—(1) Where a council has raised money by means of any security and has the power, with the consent of the holder, or otherwise, to redeem, it may redeem that security with money raised by the issue of stock or, with the consent of the holder, substitute stock for that security.

(2) A council may, in money or stock or both, make a reasonable payment to the holder referred to in paragraph (1) for his consent or for otherwise compensating him for the redemption or substitution of his security.

Register of stock and bonds

7.—(1) The registrar shall keep a register relating to each description of stock or bonds and in that register he shall enter the name and address of each person who is for the time being a holder of stock or bonds of that description and the amount of such stock or bonds which he holds; but he shall not be required to enter the names and addresses of more than four persons as joint holders of any stock or bonds.

(2) The registrar may keep any register by recording the matters in question otherwise than in legible form so long as they are capable of being reproduced in that form.

(3) Any such register or a reproduction thereof in legible form shall be prima facie evidence of any matters directed or authorised by these regulations to be entered in the register and of the title of the persons whose names are entered therein as holders of stock or bonds.

(4) Where two or more persons are registered as holders of any stock or bonds they shall be deemed to be joint holders with right of survivorship between them.

(5) The provisions of the Bankers' Books Evidence Act 1879(**a**) shall apply for the purpose of proving an entry in a register as if the registrar were a bank and a banker within the meaning of the Act, and as if such entry in a register were an entry in a banker's book.

(a) 1879 c. 11

Certificates

8.—(1) The registrar shall issue to every person whose name is entered in a register as a holder of stock or bonds a certificate representing such stock or bonds which shall include the following particulars—

(*a*) the name of the council;

(*b*) the name of the registrar, if not the council itself;

(*c*) the name of the holder;

(*d*) the statutory authority under which the stock or bonds are issued;

(*e*) the amount of stock or bonds represented by the certificate;

(*f*) the redemption date and, in the case of stock, the earliest redemption date after which the council may exercise its option (if any) to redeem;

(*g*) the rate of interest or, in the case of stock or bonds bearing interest at a variable rate, the procedure by which the current interest rate is determined; and

(*h*) the dates on which interest is payable or, in the case of stock or bonds bearing interest at a variable rate, the procedure by which the dates for payment are determined;

(*i*) the serial number of the certificate.

(2) Where the names of two or more persons are entered in a register as joint holders of any stock or bonds it shall be sufficient for the registrar to issue one certificate in respect thereof to one of the joint holders.

(3) A certificate issued under this regulation shall be prima facie evidence of the title of the person named therein as holder of the stock or bonds specified therein.

(4) If a certificate is defaced, lost or destroyed the registrar may, on receipt of such evidence and indemnity as he may require, and on the surrender of the certificate in a case where it is defaced, issue a replacement.

(5) Where the holder of any stock or bonds transfers part of his holding he shall be entitled to a certificate representing the part he retains.

Transfer and transmission

9. Stock or bonds shall be transferable by instrument in writing in accordance with the Stock Transfer Act (Northern Ireland) 1963(**a**) delivered to the registrar who may retain any such instrument; and any instrument which the registrar shall retain in accordance with that power may be destroyed at any time following the expiration of thirty years after the date of entry in the register of such particulars as are necessary to show the effect of the instrument.

10. The registrar may decline to give effect to a transfer of any stock or bonds unless—

(*a*) there is furnished to him such evidence as he may require of the right of the transferor to make the transfer; and

(*b*) the transfer is accompanied by a certificate showing that the transferor is the holder of that stock or those bonds; or

(*c*) there is furnished to him such evidence as he may require that a certificate showing that the transferor is the holder of that stock or those bonds has been lost or destroyed and such indemnity in respect thereof as he may require; or

(*d*) the transfer is accompanied by a certificate showing that the transferor is the holder of part of that stock or those bonds and as to the residue thereof there is

(**a**) 1963 c. 24 (N.I.) amended by S.R. 1974 No. 266 and S.R. 1979 No. 66. There are other amendments not relevant to these regulations

furnished to him such evidence and indemnity as he may require under paragraph (*c*).

11.—(1) Any stock or bonds entered in a register in the name of a deceased person shall be transferable by his personal representative.

(2) The registrar may decline to give effect to a transfer of any stock or bonds entered in a register in the name of a deceased person who has two or more personal representatives unless the transfer is executed by all of them.

(3) The production to the registrar of any document which is by law sufficient evidence of probate of the will, or letters of administration of the estate, of a deceased person having been granted to some person, shall be accepted by the registrar as sufficient evidence of the grant.

12.—(1) A person becoming entitled to any stock or bonds by any lawful means other than—

(i) by transfer by instrument in writing in accordance with regulation 9; or

(ii) upon the death of the stock or bond holder,

shall, on production of such evidence as the registrar may require, either be registered as holder of that stock or those bonds or be able to make such transfer of that stock or those bonds as the previous holder could have made.

(2) Until such evidence is furnished the registrar may decline to give effect to the transmission of that stock or those bonds.

13. The certification by the registrar of a transfer of any stock or bonds shall be taken as a representation by him to any person acting on the faith of the certification that there has been furnished to the registrar evidence to show a prima facie title to that stock or those bonds in the transferor named in the transfer, but not as a representation that the transferor has any title thereto.

14. Where a person executes an instrument relating to stock or bonds otherwise than by signature, the registrar may decline to recognise that instrument unless there is furnished to him such evidence as he may require that the effect of the instrument was understood by that person.

15.—(1) The transferor of any stock or bonds shall remain the holder thereof until the registrar has given effect to the transfer.

(2) The registrar shall not be required to give effect to a transfer until the expiration of fifteen clear days after the first day on which he has in his possession the transfer and such other evidence as he may require under these regulations.

(3) The registrar shall give effect to a transfer or transmission by entering in the register such particulars as are necessary to show the effect thereof.

Trustees and persons holding offices

16.—(1) The registrar may enter in the register such designation of the holder if any stock or bonds as that holder may specify and, in particular, the holder may be described as trustee of a specified trust or as trustee without specifying a trust or in any other manner indicating the capacity in which he holds the stock or bonds.

(2) Where the holder of any stock or bonds occupies an office or official position, his official description may be entered in the register instead of his name and thereupon any transfer shall be treated as properly executed if executed by the person for the time being occupying that office or official position and any payment of interest or redemption money to that person in accordance with regulation 20 shall be a sufficient discharge to the council and the registrar for that interest or redemption money.