

on which the Bills required are to be dated, and the net amount per cent. (being an even multiple of one penny) which will be given for the amount applied for. Separate Tenders must be lodged for Bills of different dates.

5. Tenders must be made through a London Banker, Discount House or Broker.

6. The persons whose Tenders are accepted will be informed of the same not later than the following day, and payment in full of the amounts of the accepted Tenders must be made to the Bank of England by means of Cash or a Banker's Draft on the Bank of England not later than 2 o'clock (Saturday 12 o'clock) on the day on which the relative Bills are to be dated.

7. In virtue of the provisions of Section 1 (4) of the War Loan Act, 1919, Members of the House of Commons are not precluded from tendering for these Bills.

8. Tenders must be made on the printed forms which may be obtained from the Chief Cashier's Office, Bank of England.

9. The Lords Commissioners of His Majesty's Treasury reserve the right of rejecting any Tenders.

Treasury Chambers,
6th October, 1933.

Treasury Chambers, S.W.1.
4th October, 1933.

The Lords Commissioners of His Majesty's Treasury hereby give notice that They have made the following Order:

The Import Duties (No. 12) Order, 1933.

The Order has been published as Statutory Rules and Orders, 1933, No. 951, and copies may be purchased (price 1d. net) direct from His Majesty's Stationery Office, at the following addresses:—Austral House, Kingsway, London, W.C.2; 120, George Street, Edinburgh 2; York Street, Manchester 1; 1, St. Andrew's Crescent, Cardiff; 15, Donegall Square West, Belfast; or through any bookseller.

TREASURY MINUTE PRESCRIBING THE TERMS UPON WHICH REPAYMENTS OF LOANS MADE FROM THE LOCAL LOANS FUND MAY BE ALLOWED IN ADVANCE OF THE DUE DATE.

My Lords have had under further consideration the terms on which repayment of loans made to Local Authorities and others from the Local Loans Fund for periods of years can be accepted in advance of the date at which, in accordance with the terms agreed to by the borrower at the time when the loan was made, the principal of such loans falls due for repayment.

These loans have been financed by the issue of perpetual Three per cent. Local Loans Stock at such a discount as was necessary in the market conditions at the time of issue. For every £100 cash raised to make advances from the Local Loans Fund, the Fund has had to enter into a fixed liability (which will remain so long as the stock is uncanceled) in respect of Local Loans Stock to an amount in excess of £100.

When interest rates fall the amount required to pay off the stock at its enhanced value naturally increases. If, therefore, a borrower who has contracted for a 60 year loan were now allowed to repay the outstanding amount of his loan on the basis of £100 cash for each £100 cash borrowed, the amount repaid would be insufficient to pay off the stock set up in respect of that loan, and the Local Loans Fund, contrary to the intention of Parliament as embodied in the Statutes governing the Fund, would be involved in loss.

Under a Treasury Minute dated the 26th June, 1922, My Lords, having regard to the considerations set out above, decided that applications for repaying in advance of their due date loans made on or after the 1st April, 1916, should only be complied with on the condition that the borrower repaid in respect of every £100 loan outstanding a sum equivalent to the current price of so much stock as was deemed to have been created to provide the advance, subject to the proviso that the minimum sum to be repaid in respect of £100 advanced should be £100 cash.

While the adoption of the general principle that borrowers repaying before due date should repay an amount sufficient to cancel the liability incurred by the Local Loans Fund in respect of the advance is essential if that Fund is to be secured against a heavy capital loss, it has been represented to My Lords that the terms laid down, applying as they do to all loans irrespective of their term, bear hardly upon those borrowers who by reason of the nature of the work to be carried out have had recourse to the Fund for loans for a comparatively short period, and that it would be of advantage if, consistently with the above principle, a method could be devised under which the amount to be paid by a borrower could be varied according to the currency of the loan.

My Lords have decided therefore until further notice to substitute for the conditions laid down by the Treasury Minute of the 26th June, 1922, the following conditions, viz.

Applications for repaying, in advance of their due date, loans made on or after the 1st April, 1916, shall in future only be complied with provided:—

1. That at least a month's notice of the intention to repay is given to the Public Works Loan Commissioners.

2. That the borrower repays a sum equal to the present value of the annuity payments (or payments of equal instalments of principal with diminishing interest) still remaining to be made to the Public Works Loan Commissioners under the mortgage with those Commissioners, such present value being calculated by discounting the annuity payments (or other annual or half-yearly payments) at a rate equal to the rate of interest yielded by Local Loans Stock at the average market price (after due adjustment for dividend) of such stock on the day seven days before the date at which the notice of repayment expires and the repayment becomes due; subject, however, in every case to the proviso that the minimum sum to be repaid in respect of each £100 of principal outstanding shall be £100 cash. The average market price of Local Loans Stock for this purpose shall be the price certified by the Bank of England to the National Debt Com-