

B is the Index figure applicable to July 1987;  
 C is (i) the Index figure applicable to the month of purchase of a certificate held for less than five years on 31st July 1987; or  
 (ii) the Index figure applicable to the month in which the fifth anniversary fell for a certificate held for five years or more on 31st July 1987,  
 D is the amount due as at 31st July 1987 under the 1982 Gazette notice,  
 E is the amount due as at 31st July 1987 under the 1983 Gazette notice,  
 F is the amount due as at 31st July 1987 under the 25th January 1985 Gazette notice,  
 G is the amount due as at 31st July 1987 under the 25th April 1986 Gazette notice,  
 H is the amount due on 1st August 1987 under the 3rd April 1987 Gazette notice; and  
 I is the deceased holder's supplement if due under the Deceased Holder's Supplement Gazette notice;  
 "the repayment value" of a certificate means the aggregate of the total amount due under paragraph 4 of the prospectus and paragraphs 1 and 2 of the 1985 extension terms and bonus Gazette notice, and the supplements due under the 1981, 1982, 1983, 25th January 1985, 25th April 1986, 3rd April 1987 and the Deceased Holder's Supplement Gazette notices;  
 "the fifth anniversary capitalised value" of a certificate has the meaning ascribed to "the capitalised value" in paragraph 1 of the 25th January 1985 extension terms and bonus Gazette notice; and  
 the Index figure applicable to any month shall be determined in accordance with the prospectus.

2. In the case of a certificate held until 1st August 1988, a supplement calculated as  $\frac{J \times K}{L}$  shall be added to the repayment value.

For this purpose:

J is 3 per cent. of the supplement calculation base value;  
 K is (i) in the case of a certificate repaid on or before the fifth anniversary of the purchase date, the Index figure used in accordance with paragraph 4 of the prospectus to multiply the purchase price of the certificate on repayment; or  
 (ii) in the case of a certificate repaid after the fifth anniversary of the purchase date, the Index figure used in accordance with paragraph 2 of the extension terms notified in the 1985 extension terms and bonus Gazette notice to multiply the capitalised value of the certificate on repayment, and  
 L is the Index figure applicable to August 1988.

### SAVE AS YOU EARN THIRD ISSUE

(Series 1 and 2) Supplement

The Treasury hereby give notice:

(i) in accordance with paragraph 13 of the Save As You Earn Third Issue prospectus issued by the Department for National Savings (hereinafter called "the prospectus") and paragraph 6 of the Treasury notice of extension terms published in the *London, Edinburgh and Belfast Gazettes* on 30th April 1982 (hereinafter called "the 1982 Gazette notice") and  
 (ii) in pursuance of their powers under section 43 of the Finance Act 1983,

that the following supplements shall apply to any contract which is not repaid before 1st September 1988 and which on repayment qualifies for index-linking in accordance with paragraphs 7, 8 or 10 of the prospectus. These supplements shall be additional to any amount payable in accordance with the extension terms notified in the 1982 Gazette notice and to the supplements notified in two notices on 10th June 1983 in the *London, Edinburgh and Belfast Gazettes* (hereinafter called "the 10th June 1983 Gazette notices") and one notice dated 25th November 1983 in the *Edinburgh and Belfast Gazettes* of that date and in the *London Gazette* of 15th March 1984 (hereinafter called "the 25th November 1983 Gazette notice") and in the *London, Edinburgh and Belfast Gazettes* on 25th January 1985 (hereinafter called "the 25th January 1985 Gazette notice") and in the *London, Edinburgh and Belfast Gazettes* on 30th May 1986 (hereinafter called "the 30th May 1986 Gazette notice") and in one notice dated 3rd April 1987 in the *Edinburgh and Belfast Gazettes* of that date and in the *London Gazette* of 24th April 1987 (hereinafter called "the 3rd April 1987 Gazette notice").

1. For the purposes of this notice:

"the starting date" of a contract means the starting date calculated in accordance with paragraphs 5 and 14 of the prospectus;  
 "the 7th anniversary" of a contract means the 7th anniversary of its starting date;  
 an "interrupted contract" means a contract to which paragraph 9 of the prospectus applies (including a contract to which paragraph 9 applies by reason of paragraph 14 of the prospectus);

"the repayment value" of a contract means the total sum repayable in respect of the contract under the prospectus and the 1982 Gazette notice, 10th June 1983 Gazette notices, 25th November 1983 Gazette notice, 25th January 1985 Gazette notice, 30th May 1986 Gazette notice and 3rd April 1987 Gazette notice;

"the Indexed value" of the contract means the aggregate of:

- (i) (a) where the 7th anniversary fell before 2nd August 1987 the capitalised value of the contract on the 7th anniversary calculated in accordance with paragraph 1 of the 1982 Gazette notice, multiplied by  $\frac{A}{B}$  where A is the Index figure applicable to August 1987 and B is the Index figure applicable to the month in which the 7th anniversary fell, or  
 (b) where the 7th anniversary fell after 31st August 1987, the aggregate contributions made under the contract after each contribution has been multiplied by  $\frac{A}{C}$  where A has the meaning ascribed to it in (i)(a) and C is the Index figure applicable to the month beginning with the day following the due date for payment of the contribution under the prospectus or, in the case of the first contribution, the Index figure applicable to the month in which the starting date fell; and  
 (ii) (a) any supplements applicable to the contract on or after 1st December 1983 in accordance with the 10th June 1983 Gazette notices, the value of which is calculated as at August 1987, and  
 (b) any supplements applicable to the contract on or after 1st December 1984 in accordance with the 25th November 1983 Gazette notice, the value of which is calculated as at August 1987, and  
 (c) any supplements applicable to the contract on or after 1st December 1985 in accordance with the 25th January 1985 Gazette notice, the value of which is calculated as at August 1987, and  
 (d) any supplements applicable to the contract on or after 1st September 1986 in accordance with the 30th May 1986 Gazette notice, the value of which is calculated as at August 1987, and  
 (e) any supplements applicable to the contract on or after 1st September 1987 in accordance with the 3rd April 1987 Gazette notice.

The Index figure applicable to any month shall be determined in accordance with the prospectus.

2. A supplement calculated as  $\frac{D \times E}{F}$  shall be added to the repayment value of a contract.

For this purpose D is 3.00 per cent. of the Indexed value of the contract or, in the case of an interrupted contract of which the 7th anniversary falls after 31st August 1987 but before 1st September 1988 that percentage of the repayment value of the contract immediately before the 7th anniversary which is specified in the table below, E is the Index figure applicable to the month of repayment and F is the Index figure applicable to September 1988.

Date of 7th Anniversary	Percentage of the Repayment Value
1st September 1987	3.00
1st October 1987	2.75
1st November 1987	2.50
1st December 1987	2.25
1st January 1988	2.00
1st February 1988	1.75
1st March 1988	1.50
1st April 1988	1.25
1st May 1988	1.00
1st June 1988	0.75
1st July 1988	0.50
1st August 1988	0.25

3. In addition to any supplement payable under paragraph 2 the repayment value of the contract shall be increased by a supplement of  $\frac{G \times E}{F}$  calculated in respect of each contribution paid under the contract and due after August 1987 and before August 1988. For this purpose G is the percentage of the contribution determined in accordance with the following table and E and F have the meaning ascribed to them in paragraph 2.

Month in which Contribution due	Percentage of the Contribution
September 1987	2.75
October 1987	2.50
November 1987	2.25
December 1987	2.00
January 1988	1.75
February 1988	1.50
March 1988	1.25
April 1988	1.00
May 1988	0.75
June 1988	0.50
July 1988	0.25

4. The aggregate of any supplements paid in respect of a contract under this notice will be rounded to the nearest penny.