

THIS NOTICE DOES NOT CONSTITUTE AN OFFER FOR SALE AND THE STOCKS LISTED BELOW ARE NOT AVAILABLE FOR PURCHASE DIRECT FROM THE BANK OF ENGLAND.

ISSUES OF GOVERNMENT STOCK

The Bank of England announces that Her Majesty's Treasury has created on 21 November 1994 additional amounts of the Stocks listed below:

£200 million	7% TREASURY STOCK 2001
£200 million	9% TREASURY LOAN 2008
£200 million	9% TREASURY STOCK 2012
£150 million	2½% INDEX-LINKED TREASURY STOCK 2003

The issue price was in each case the middle market price of the relevant Stock at 3.30 pm on 21 November 1994 as certified by the Government Broker.

In addition, Her Majesty's Treasury has created on 21 November 1994, and has issued to the National Debt Commissioners for public funds under their management, additional amounts of the following Stocks:

£150 million	7% TREASURY STOCK 2001
£100 million	9% TREASURY LOAN 2008

In each case, the amount issued on 21 November 1994 represents a further tranche of the relevant Stock, ranking in all respects *pari passu* with that Stock and subject to the terms and conditions applicable to that Stock, and subject also to the provision contained in the final paragraph of this notice; the current provisions for Capital Gains Tax are described below.

Application has been made to the London Stock Exchange for each further tranche of stock to be admitted to the Official List.

Copies of the prospectuses for 7% Treasury Stock 2001 dated 20 July 1993, 9% Treasury Loan 2008 dated 6 February 1987, 9% Treasury Stock 2012 dated 7 February 1992 and 2½% Index-Linked Treasury Stock 2003 dated 22 October 1982 may be obtained from the Bank of England, New Issues, Southgate House, Southgate Street, Gloucester, GL1 1UW.

The Stocks are repayable, and interest is payable half-yearly, on the dates shown below (in the case of 2½% Index-Linked Treasury Stock 2003 provision is made in the prospectus for stockholders to be offered the right of early redemption under certain circumstances):

<i>Stock</i>	<i>Redemption date</i>	<i>Interest payment dates</i>
7% Treasury Stock 2001	6 November 2001	6 May 6 November
9% Treasury Loan 2008	13 October 2008	13 April 13 October
9% Treasury Stock 2012	6 August 2012	6 February 6 August
2½% Index-Linked Treasury Stock 2003	20 May 2003	20 May 20 November

7% Treasury Stock 2001, 9% Treasury Loan 2008 and 9% Treasury Stock 2012 are repayable at par.

Both the principal of and the interest on 2½% Index-Linked Treasury Stock 2003 are indexed to the General Index of Retail Prices. The Index figure relevant to any month is that published seven months previously and relating to the month before the month of publication. The Index figure relevant to the month of issue of 2½% Index-Linked Treasury Stock 2003 is that relating to February 1982 (310.7). This Index figure will be used for the purposes of calculating payments of principal and interest due in respect of the further tranche of stock: the

calculations will, as provided for in the prospectus, take account of the revision of the Index to a new base of January 1987 = 100 (on the old base the Index for January 1987 was 394.5).

The relevant Index figures for the half-yearly interest payments on 2½% Index-Linked Treasury Stock 2003 are as follows:

<i>Interest payable</i>	<i>Relevant Index figure</i>	
	<i>Published in</i>	<i>Relating to</i>
May	October of the previous year	September
November	April of the same year	March

The further tranches of 7% Treasury Stock 2001, 9% Treasury Loan 2008, 9% Treasury Stock 2012 and 2½% Index-Linked Treasury Stock 2003 will rank for a full six months' interest on the next interest payment date applicable to the relevant Stock. Official dealings in the Stocks on the London Stock Exchange are expected to commence on Tuesday, 22 November 1994.

The further tranches of 7% Treasury Stock 2001 were issued at a deep discount within the meaning of Schedule 4 to the Income and Corporation Taxes Act 1988. However, in the light of the prices at which previous issues of the Stock were made and the nominal value of the Stock then issued and still outstanding, the issue price of these tranches will not lead to any of the Stock, including these tranches, being taxable as a deep discount security under the provisions of that Schedule. Further issues of the Stock may also be made at a deep discount (broadly, a discount exceeding 1/2% per annum) and in certain circumstances this could result in all of the Stock being taxable thereafter as a deep discount security. However, it is the intention of Her Majesty's Treasury that further issues of this Stock will be conducted so as to prevent any of the Stock being taxable as a deep discount security for United Kingdom tax purposes. Provided that the Stock is not taxable as a deep discount security, any discount to the nominal value at which the Stock is issued will not represent taxable income for the purposes of the relevant provisions.

Each of the Stocks referred to in this notice is specified under paragraph 1 of Schedule 9 to the Taxation of Chargeable Gains Act 1992 as a gilt-edged security (under current legislation exempt from tax on capital gains, irrespective of the period for which the Stock is held).

Government Statement

Attention is drawn to the statement issued by Her Majesty's Treasury on 29 May 1985 which explained that, in the interest of the orderly conduct of fiscal policy, neither Her Majesty's Government nor the Bank of England or their respective servants or agents undertake to disclose tax changes decided on but not yet announced, even where they may specifically affect the terms on which, or the conditions under which, these further tranches of stock are issued or sold by or on behalf of the Government or the Bank; that no responsibility can therefore be accepted for any omission to make such disclosure; and that such omission shall neither render any transaction liable to be set aside nor give rise to any claim for compensation.

**BANK OF ENGLAND
LONDON**

21 November 1994