

**AUCTION OF £2,750,000,000**

**5<sup>3</sup>/<sub>4</sub>% TREASURY STOCK 2009**

**ON A BID PRICE BASIS  
ON 28 SEPTEMBER 1999**

PROSPECTUS



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INTEREST PAYABLE HALF-YEARLY ON 7 JUNE AND 7 DECEMBER

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## PAYABLE IN FULL WITH APPLICATION

	With a competitive bid	Price bid plus accrued interest (in accordance with paragraph 10)
With a non-competitive bid by a gilt-edged market maker		Non-competitive sale price plus accrued interest (in accordance with paragraph 10)
With a non-competitive bid by any other applicant		£107 per £100 nominal of Stock

*Application has been made to the London Stock Exchange for the Stock being issued under this auction to be admitted to the Official List on 29 September 1999.*

### Auction of Stock

1. THE UNITED KINGDOM DEBT MANAGEMENT OFFICE ("DMO") invites bids for the above Stock.

### General

2. This prospectus is issued under the arrangements described in the Information Memorandum relating to the Issue, Stripping and Reconstitution of British Government Stock published by the DMO on 12 May 1998 (the "Information Memorandum"). The terms of the Information Memorandum apply to the above Stock and to the auction described in this prospectus except where expressly varied.

### Maturity

3. The Stock will be repaid at par on 7 December 2009.

### Interest

4. Interest is payable half-yearly on 7 June and 7 December. The price payable for the Stock being auctioned will include an amount equal to accrued interest from 7 June 1999 (the last interest payment date of the Stock) to 29 September 1999 (the settlement date of this auction) at the rate of £1.790984 per £100 nominal of Stock. The Stock being auctioned will therefore rank for the next interest payment due on 7 December 1999.

### FOTRA exemptions

5. The Stock and the interest payable on it will benefit from the exemptions from United Kingdom taxation in favour of non-resident holders described in paragraph 44 of the Information Memorandum.

### Gross payment of interest

6. Interest will be paid without deduction of income tax. However, stockholders on the Bank of England Register may elect to have UK income tax deducted from interest payments on application to the Bank of England.

### Stripping

7. The Stock may be stripped and holdings of Stock reconstituted: the provisions relating to strips contained in the Information Memorandum therefore apply.

### Methods of application

8. Bids may be made on either a competitive or non-competitive basis in accordance with paragraphs 31 to 39 of the Information Memorandum, save that, following the changes to gilt market trading conventions which became effective from 1 November 1998, bidding should be in multiples of £0.01 per £100 nominal of Stock and not 1/32nd of £1.

### Non-competitive bids: amount payable on application

9. The amount payable on application in the case of a non-competitive bid (except in the case of a non-competitive bid made by a gilt-edged market maker ("GEMM")) is £107 per £100 nominal of Stock.

### Settlement of competitive bids and GEMMs' non-competitive bids

10. For those competitive bids which are accepted and those non-competitive bids from GEMMs which are accepted, settlement must be

effected in accordance with paragraph 34(ii) of the Information Memorandum. For these purposes, the latest time and date for CHAPS payments to be sent to the Sterling Banking Office of the Bank of England is 1.30 PM on WEDNESDAY, 29 SEPTEMBER 1999.

**Latest times for receipt of applications**

11. Application forms must be sent to the Bank of England, New Issues, PO Box 444, Gloucester, GL1 1NP, who are acting on behalf of the DMO, to arrive not later than 10.30 AM ON TUESDAY, 28 SEPTEMBER 1999; or lodged by hand at the DMO, Cheapside House, 138 Cheapside, London not later than 10.30 AM ON TUESDAY, 28 SEPTEMBER 1999. GEMMs may bid by telephone to the DMO not later than 10.30 AM ON TUESDAY, 28 SEPTEMBER 1999.

**Bids irrevocable**

12. Bids will not be revocable between 10.30 am on Tuesday, 28 September 1999 and 10.00 am on Friday, 1 October 1999.

*United Kingdom Debt Management Office*  
**LONDON**

21 September 1999