



10 DOWNING STREET

From the Principal Private Secretary

28 June 1982

Dear John,

CIVIL LIST ACT 1952 and COMPANIES ACT 1982

I have shown the Prime Minister your letter of 21 June 1982, and she is grateful for this explanation of the events which led to your Secretary of State's last-minute approach to her and the Chancellor of the Exchequer seeking their agreement to their direct exemption as Trustees under the Civil List Act 1952.

I am sending a copy of this letter to John Kerr (HM Treasury).

Yours sincerely,

Alfred Thomson.

John Rhodes, Esq.,  
Department of Trade.

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10 DOWNING STREET

From the Principal Private Secretary

14 June 1982

*Dear John,*

CIVIL LIST ACT 1952 AND COMPANIES ACT 1981

As I told you on the telephone earlier today, the Prime Minister and Mr Thatcher have indicated that they are ready to accept the arrangements proposed by your Secretary of State and set out in your letter of 11 June 1982.

BK. | The Prime Minister would, however, like to be told why it was that this complex issue, which affects her and Mr Thatcher in a personal capacity, came to be put to her so very late in the day. She would be grateful if your Secretary of State could let her have an explanation.

I am sending a copy of this letter to John Kerr (Treasury).

*Yours sincerely,*

*Alfred Whistler.*

John Rhodes Esq.,  
Department of Trade.

CONFIDENTIAL

AK



From: D R Collinson

Date: 11 June 1982

MR J KERR

cc Sir Douglas Wass.

Mr F E R Butler

Mr G Hosker

Treasury Solicitor

Mr C Whitmore No.10

COMPANIES ACT 1981 AND ROYAL TRUSTEES UNDER THE CIVIL LIST ACTS

I was invited late on Thursday, 10 June to a meeting at the Department of Trade which revealed that it will be necessary for both the Prime Minister and the Chancellor to agree to the Secretary of State exempting the Prime Minister and the Chancellor and their spouses from the obligation to respond to any enquiries by companies under the Companies Act 1981.

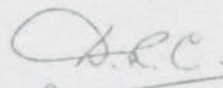
2. I have since discussed the matter with the Treasury Solicitor (Mr Hosker) who has seen the proposed draft submission from the Department and is content.

3. Unfortunately, for reasons which are explained in a letter from the Private Secretary to the Secretary of State (paragraph 11 of the rough advance draft attached - top copy only), it is necessary to know on Monday 14 June that the Chancellor and Lady Howe (and the PM and Mr Thatcher) are content.

4. I recommend the Chancellor to agree for official reasons, but I feel bound to add that the proposal raises personal, as well as official considerations.

5. I attach photostats of the relevant Clauses [4(2) and 10] of the Civil List Act 1952 for ease of reference.

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FREEDOM OF INFORMATION  
ACT 2000

  
D R COLLINSON



*Civil List  
Act, 1952*

4.—(1) There shall be paid to the trustees hereinafter mentioned as a provision for the benefit of the children of Her present Majesty, other than the Duke of Cornwall for the time being, yearly sums of the following amounts, that is to say—

Provision  
for Her  
Majesty's  
younger  
children.

- (a) in respect of each such child who either attains the age of twenty-one years or marries, ten thousand pounds in the case of a son and six thousand pounds in the case of a daughter, and further
- (b) in respect of each such child who marries, fifteen thousand pounds in the case of a son and nine thousand pounds in the case of a daughter,

to commence from the date of his or her attaining that age or marrying (whichever is the earlier) in the case of a sum falling within paragraph (a), and from the date of his or her marrying in the case of a sum falling within paragraph (b):

Provided that the sum payable in respect of any such son or daughter shall cease to be paid on the death of that son or daughter.

(2) The trustees shall hold the yearly sums paid to them under this section in trust for all or any one or more of the children of Her present Majesty, other than the Duke of Cornwall for the time being, in such shares, at such times, in such manner and subject to such conditions and powers of revocation (including, if it is thought fit, a condition against alienation) as Her present Majesty may by order, countersigned by the First Commissioner of Her Majesty's Treasury and the Chancellor of the Exchequer, appoint:

Provided that any such appointment may be varied by another order made and countersigned in like manner.

10. The persons who are for the time being the First Commissioner of Her Majesty's Treasury, the Chancellor of the Exchequer, and the Keeper of Her Majesty's Privy Purse shall be the Royal Trustees for the purposes of this Act, and shall be a body corporate by that name, and any act of the trustees may be signified under the hands and seals of the persons who are the trustees for the time being.

Constitution  
of Royal  
Trustees.



THURSDAY 21 APRIL 1977

- 96 Mr Arthur Blenkinsop (South Shields): To ask the Secretary of State for Trade, whether he has granted any exemptions under section 27(9) of the Companies Act 1976; and if he will make a statement.

**MR. S. CLINTON DAVIS**

The Secretary of State has granted one exemption under section 27(9) of the Companies Act 1976, in favour of Bank of England Nominees Ltd, a wholly owned subsidiary of the Bank of England. Bank of England Nominees Ltd have given a number of undertakings about the use to be made of the exemption. They will hold securities as nominee only on behalf of Heads of State and their immediate family, Governments, official bodies controlled or closely related to Governments, and international organisations formed by Governments or official bodies. They will in turn seek certain assurances from anyone in the eligible categories who wishes them to hold securities as that person nominee; these assurances are to cover (a) the fact that the person is the beneficial owner of the securities to be held by Bank of England Nominees Ltd; (b) that the beneficial owner will not use his interest in any securities held by Bank of England Nominees Ltd to influence the affairs of the company in which shares are held except as shareholders in general meetings of that company; (c) that the beneficial owner is aware of his overriding obligation, under section 33 of the Companies Act 1967 as amended, to disclose his interest to the company in which shares are held if he is interested in 5% or more of that company's share capital.

Bank of England Nominees Ltd has also undertaken to make a report annually to the Secretary of State for Trade of the identity of those for whom it holds securities, and, provided that it holds securities for two or more people, the total value of the securities held. The contents of such reports are to be confidential to the Secretary of State.





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SCHEDULE C

UNDERTAKING FROM AUTHORISED AGENT OF PERSONS MENTIONED IN PART II

To : The Directors  
Bank of England Nominees Limited  
19 Old Jewry  
London  
EC2R 8AH

Gentlemen,

In consideration of Bank of England Nominees Limited ("the Nominee") agreeing to hold certain securities (including Relevant Securities as defined below) in which        ("our Principals") are interested we hereby make the representations and give the undertakings and authorities set out in the following clauses:-

1. In these clauses:-

(a) "exempt person" means a person who is for the time being exempted by the Secretary of State under Section 77(7) of the Companies Act 1981;

(b)

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ACT 2000

(c) "Relevant Securities" means shares comprised in relevant share capital of a public company within the meaning of Part IV of the Companies Act 1981 and any other securities in relation to which Section 74 of that Act applies as it applies in relation to shares by virtue of subsection (6) of that section; and references to an interest in such securities shall have the same meaning in relation to such securities as references to an interest in shares have effect in relation to shares under Section 74 of that Act, and cognate expressions shall have effect accordingly;





provided that any interest in securities which a person would have (apart from this paragraph) by virtue of section 66(1) of that Act (interests in shares to be attributed to a person's spouse or, in the case of infant children, parent) shall be disregarded for the purposes of these clauses; and

- (d) references in these clauses to provisions of the Companies Act 1981 shall be construed as including references to any statutory amendment or re-enactment thereof for the time being in force.

2. We confirm that we have been duly authorised by our Principals to act as their agents for all purposes arising out of the arrangements covered by these undertakings. Should this authority at any time be withdrawn or modified, we will forthwith notify the Nominee in writing.

3. Except under the conditions set out in clause 4, our Principals will remain interested in all those Relevant Securities which the Nominee may from time to time hold in which they are interested at all times that they are so held by the Nominee -

- (i) as beneficial owner,
- (ii) as beneficiary under an exempt trust, or
- (iii) as trustee of an exempt trust

and no other person or persons other than beneficiaries or trustees of any such trust has or will have any interest in the Relevant Securities when they are so held, except for any interest which may for the time being arise from an agreement to sell or otherwise dispose of any such Relevant Securities.

4. If our Principals cease to be the beneficial owners of any of the Relevant Securities or, as the case may be, any such securities cease to be subject to an exempt trust when they are held by the Nominee on behalf of our Principals or if any other person except a beneficiary or trustee of any such trust acquires an interest in any of them when they are so held, we will as soon as reasonably possible notify the Nominee in writing and, except where any interest in Relevant Securities transferred is transferred solely for the benefit of an exempt person, give instructions in due course for the Nominee to transfer such Relevant Securities out of its name.





5. In the case of Relevant Securities held by the Nominee on behalf of our Principals as trustees of an exempt trust we will forthwith inform the Nominee of any actual or proposed change in the trustees of such trust.
6. We irrevocably authorise the Nominee to transfer at any time and at its discretion any or all of the Relevant Securities the Nominee may from time to time hold pursuant to this undertaking in which our Principals are interested into our name or the name of another person interested in the securities so transferred or the name of a nominee specified by us.
7. We are aware of our Principals' obligations under sections 63 to 72 of the Companies Act 1981. We understand that our Principals' obligations thereunder (which include the obligation to notify to public companies certain interests in the share capital of such companies) remain notwithstanding that our Principals are exempt persons.
8. Our Principals will not use their interest in any of the Relevant Securities held by the Nominee to influence the affairs of any company issuing any such Relevant Securities except in the general meeting of such company.
9. We will, and we will procure that each of our officers, employees, agents and advisers will treat as confidential the contents of this agreement and the arrangement herein contemplated and in particular the fact that the Nominee holds or has held or will hold any Securities in which our Principals are interested.
10. We authorise you to disclose to the Secretary of State for Trade the fact that the Nominee holds or has ceased to hold securities in which our Principals are interested.

Yours faithfully

For and on behalf of

[Agent]