STATUTORY INSTRUMENTS

# 1965 No. 1707 (L. 22)

# LONDON CITY

## The Mayor's and City of London Court Funds Rules 1965

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| *Made* - - - - | *16th September* 1965 |
| *Laid before Parliament* | *24th September* 1965 |
| *Coming into Operation* | *1st October* 1965 |

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MAYOR'S AND CITY OF LONDON COURT FUNDS RULES 1965

I, Gerald, Baron Gardiner, Lord High Chancellor of Great Britain, in pursuance of the powers contained in section 169 of the County Courts Act 1959(a), as modified by section 11 of the Administration of Justice Act 1965(b), hereby make the following rules:—

### I. *Citation, Commencement and Revocations*

**1.**—(1) These rules may be cited as the Mayor's and City of London Court Funds Rules 1965 and shall come into operation on 1st October 1965.

(2) The enactments specified in the Schedule to these rules are hereby revoked.

(a) 7 & 8 Eliz. 2. c. 22. (b) 1965 c. 2.

## II. *Interpretation of Terms*

**2.**—(1) Except where the context otherwise requires, expressions used in these rules shall have the same meaning as in County Court Rules and the following expressions shall have the meanings hereby respectively assigned to them:—

"Accountant-General" means the Accountant-General of the Supreme Court or a deputy appointed by him;

"the bank" means the bank or branch thereof at which the registrar keeps the public moneys entrusted to him;

"the Chamberlain" means the Chamberlain of the City of London;

"common investment fund" means a fund established by a scheme made under section 1 of the Administration of Justice Act 1965;

"the court" means the Mayor's and City of London Court and includes a judge or registrar exercising the powers of the court in chambers as well as in open court;

"deposit account" means and account of funds bearing interest in accordance with rule 20;

"fund" means any money in court or to be brought into court under order or otherwise which may be ordered by the court to be invested;

"holding" means the balance of units in any one common investment fund purchased on any one day appointed for that purpose in pursuance of a scheme and held in respect of a particular long-term investment account;

"investment interest" means interest accruing on money placed to a short-term investment account;

"long-term investment account" means an account of funds invested in a common investment fund;

"registrar" means a registrar of the court;

"scheme" means a scheme establishing a common investment fund;

"short-term investment account" means an account of funds bearing interest in accordance with rule 21;

"suitors' money" means money in court or to be brought into court other than a fund;

"unit" means one of the shares into which a common investment fund is treated as being divided in pursuance of a scheme.

(2) The Interpretation Act 1889(a) shall apply for the interpretation of these rules as it applies for the interpretation of an Act of Parliament.

## III. *Payment of suitors' money into Court*

**3.**—(1) All suitors' money paid into court shall be paid into the office of the registrar, who shall give a receipt either on the summons, order or other proceeding pursuant to which the payment is made, or separately.

(2) Money may be paid, by post or otherwise, during office hours on any day on which the office is open.

(a) 52 & 53 Vict. c. 63.

**4.** All money received pursuant to the last preceding rule which is not required for making authorised payments shall be paid by the registrar into the bank to the credit of his official account on the day of receipt—

Provided that, where the payment into the bank cannot be made on the day of receipt, it shall be made on the next working day.

**5.** A bailiff levying or receiving money under any execution or other process of the court shall forthwith give a written receipt for every sum so levied or received and retain a carbon copy.

**6.** Money transmitted from the court to a county court pursuant to County Court Rules shall be transmitted by cheque payable to the registrar of the receiving court and crossed to the payee's official account.

**7.** When money paid into the High Court in an action or matter remitted or transferred to the court is, pursuant to rules of court, required to be transmitted to the court, the registrar shall send to the Accountant-General at the Royal Courts of Justice, Strand, London, W.C.2 (or, if the money has been paid into a District Registry, to the District Registrar) a request in writing to transmit the money.

### IV. *Payment of suitors' money out of Court*

**8.**—(1) The registrar shall, on every day on which the office is open, make such searches as may be necessary for entering up judgment or for the issue of process.

(2) Subject to the next following paragraph of this rule, the registrar shall upon request search the court ledgers and pay out the money to which suitors are entitled:

Provided that the registrar may require 24 hours' notice to be given to him of any request relating to 10 or more accounts.

(3) Where a party, or a solicitor acting for one or more parties, is entitled to receive payments in respect of 10 or more accounts, the registrar may require such payments to be made periodically at intervals not exceeding one month, and in that case shall—

(*a*) appoint a day in each period on which all such payments shall be made;

(*b*) on the day so appointed, without demand pay out by crossed cheque to the person entitled all money paid into court and credited to any of the accounts in question during the preceding period; and

(*c*) furnish to such person a statement of the money so paid in the form of copies of the relevant cash book entries.

(4) For the purpose of enabling the registrar to prepare a list of balances of suitors' money in court, searching (otherwise than for the entry of judgment or issue of process) and the payment of money out of court shall be suspended during the first 7 days in January in every year and notice of the suspension shall be put up in the office a month beforehand and be printed or written on all plaint notes and notices of payment into court.

**9.** Money shall be paid out of court on request pursuant to the last preceding rule—

(*a*) when due to a plaintiff, on production of the plaint note;

(*b*) when due to a defendant, on production of the summons issued on the plaint;

(*c*) when due to a person other than a plaintiff or defendant in an action or matter, on production of the summons, order or other proceeding pursuant to which the money is payable to the person:

Provided that in addition to or in place of the production of the plaint note, summons, order or other proceeding, as the case may be, the registrar may in any instance require further or other proof to his satisfaction that the person applying for payment of the money is entitled or authorised to receive it.

**10.**—(1) A party entitled to money in court or his solicitor may, at his own risk as regards safe transit, request the registrar to transmit the money by post.

(2) The request shall be accompanied by—

(*a*) the proof of title required by the last preceding rule;

(*b*) a receipt for the money in a form suitable for affixing to the registrar's cash book where it is desired that payment be made otherwise than by crossed cheque; and

(*c*) an addressed envelope, sufficiently stamped, for the remittance of the money.

(3) Upon receipt of the request and accompanying documents the registrar shall, subject to the proviso in the last preceding rule, forward the money, less the cost of remittance, if any, by crossed cheque for sums of 40s. or more and for smaller sums by money order, crossed postal order or crossed cheque, as he may think fit.

(4) For the purposes of this rule the registrar shall, on receipt of a written request from the party or his solicitor, together with a stamped addressed envelope for reply, inform him of the amount, if any, paid into court.

**11.** Notwithstanding that no request for payment has been made under rule 8, the registrar may, if he considers it expedient to do so and has been furnished with the proof of title required by rule 9, forward to a party entitled to money in court, or to his solicitor, a crossed cheque for the appropriate sum.

## V. *Payment of Funds into Court*

**12.**—(1) Any person who, pursuant to any statute, desires or is directed to pay money or to transfer stock into court, or to deposit securities in court, and has complied with the requirements of the relevant County Court Rules shall, as the case may be—

(*a*) pay the money into the office of the registrar who shall, subject to paragraph (2) of this rule, give a written receipt for it; or

(*b*) transfer the stock into the names of the Chamberlain and the registrar, both for the time being, and leave the stock certificate or other document of title with the registrar, who shall give a written acknowledgment; or

(*c*) deposit the securities with the registrar, who shall give a written certificate of the deposit.

(2) Where payment of money into court has been directed by order of the High Court, the registrar shall not accept the money unless either—

(*a*) he has received a copy of the order from the High Court, or

(*b*) a sealed copy of the order is produced at the time of payment.

**13.**—(1) The transfer of a fund between the court and a county court pursuant to an order shall be effected—

(*a*) in the case of a long-term investment account, by the registrar of the transferring court notifying the registrar of the receiving court and the Accountant-General of the transfer and the registrar of the receiving court notifying the Accountant-General of the receipt of the fund ;

(*b*) in any other case, in the manner prescribed by rule 6.

(2) Where money recovered in the High Court has been ordered to be transferred to the court for investment and administration for the benefit of a party, the registrar shall, on receipt of a sealed copy of the judgment or order, request the Accountant-General to transmit the money.

## VI. *Duties of Registrar*

**14.**—(1) On the date when the amount of a fund has been paid into court, the registrar shall open in a funds ledger a deposit account in respect of the fund, and shall credit to the deposit account the amount of the fund, after deducting any prescribed fee.

(2) Where money is paid into court in satisfaction of a claim made by or on behalf of a person under a disability, the registrar shall—

(*a*) on the date on which the money is paid in, open in a funds ledger a deposit account to which he shall credit the amount paid in, and

(*b*) if judgment is given in favour of the plaintiff, or a settlement of the claim is approved, on the date of such judgment or approval deduct the prescribed fee from the fund.

**15.**—(1) When a fund in court has been in a deposit account for at least one month, the registrar may, subject to the provisions of rule 16(1) and of paragraph (3) of this rule, and to any order directing any part of the fund to be placed to a long-term investment account, open in the funds ledger a short-term investment account in respect of the fund and transfer thereto the fund or part thereof.

(2) The interest accruing in accordance with rule 21 on the sum so transferred shall be credited by the registrar to the deposit account.

(3) Where the registrar expects payment out of the deposit account to be made during the next 6 months, he shall retain in that account a sum (not being less than £50) sufficient in his opinion to meet such payments, and when this sum has been exhausted shall—

(*a*) if there is money standing to the credit of a short-term investment account, transfer from that account to the deposit account a further sum of not less than £50 and sufficient as aforesaid, or

(*b*) if there is no, or no sufficient, money so standing, but the fund or part thereof stands placed to a long-term investment account, direct the transfer in accordance with rule 18 from that account of a part of the fund sufficient for this purpose,

and so on from time to time.

**16.**—(1) No sum of less than £50 shall be transferred from a deposit account to a short-term investment account.

(2) Subject to rule 15(3), any balance of a deposit account including accumulated interest or dividends may be invested when it reaches £50.

**17.**—(1) The following provisions of this rule shall apply where a fund or part thereof is directed by the court to be placed to a long-term investment account.

(2) The direction shall state the maximum amount (not being less than £50) which is to be invested in the purchase of units in each common investment fund.

(3) On the giving of such a direction the registrar shall—

(*a*) inform the Accountant-General through the Head of the County Courts Branch of the particulars specified in the direction ;

(*b*) on being notified by the Accountant-General of the number of such units purchased and the cost thereof—

(i) enter in the ledger the number so notified and the date of purchase ;

(ii) cause the Chamberlain to pay to the Accountant-General the amount of the cost thereof ; and

(iii) debit the relevant deposit account with a corresponding amount.

(4) For the purpose of defraying the cost of purchasing units as directed by the court, the Accountant-General shall remit to the Public Trustee, in such manner as he may determine, any amounts paid to him by the Chamberlain in accordance with the last foregoing paragraph of this rule.

(5) The date on which a fund or a part thereof shall be treated as having been placed to a long-term investment account shall be the date on which the units in question were purchased.

(6) On being notified by the Accountant-General of the amount received in respect of each holding as dividends on units, and on receiving payment thereof, the registrar shall credit the appropriate sums to the relevant deposit accounts.

**18.**—(1) The following provisions of this rule shall apply where a fund or part thereof is directed by the court to be transferred from a long-term investment account.

(2) The direction shall state either—

(*a*) the minimum amount (not being less than £50) which is to be realised by the sale of units, or

(*b*) that one or more complete holdings are to be sold,

as the case may be, and shall, in either case, specify the holdings to which it relates.

(3) On the giving of such a direction the registrar shall—

(*a*) inform the Accountant-General through the Head of the County Courts Branch of the particulars specified in the direction ;

(*b*) on being notified by the Accountant-General of the number of units sold and the sum realised by such sale, enter in the ledger the number so notified and the date of the sale ; and

(*c*) on the receipt of a remittance from the Accountant-General of the amount realised on the sale, credit the relevant deposit account with a corresponding amount.

(4) The date on which a fund or part thereof shall be treated as having been transferred from a long-term investment account shall be the date on which the units in question were sold.

**19.** Where the court directs that a fund or part thereof standing placed to a long-term investment account is to be re-invested by the realisation of units and the investment of the whole or part of the proceeds of sale in other units, the registrar shall proceed as in the case of a placement to, or a transfer from, such an account and the provisions of rules 17 and 18 shall apply accordingly, so, however, that the registrar shall—

(*a*) inform the Accountant-General simultaneously of the minimum and maximum amounts to be realised and invested and the units to be sold and purchased ; and

(*b*) on the receipt of a remittance from the Accountant-General, credit the relevant deposit account with the amount by which the sum realised on sale exceeds the cost of purchase.

## VII. *Method of calculating Interest*

**20.**—(1) Deposit interest, at the rate of 2½ per cent. per annum, shall accrue on every complete pound standing to the credit of a deposit account.

(2) The interest shall accrue—

(*a*) from the beginning of the calendar month next succeeding that in which—

(i) a fund is paid into court ; or

(ii) a dividend is credited ; or

(iii) a fund or part thereof is transferred from a long-term investment account ;

as the case may be, or

(*b*) from the beginning of the calendar month in which a fund or part thereof is transferred to the deposit account from a short-term investment account :

Provided that, where a deposit account is opened in pursuance of rule 14(2), interest shall accrue on the money standing to the credit thereof in respect only of such amount as the person under the disability may become entitled to under a judgment or an approved settlement and shall, in that case, be calculated as if the fund had been opened on the day that the money was paid into court.

(3) A fund or part thereof shall cease to gain deposit interest from the beginning of the calendar month in which it is paid out of court or placed to a long-term investment account.

(4) A fund or part thereof transferred to a short-term investment account shall gain deposit interest until the end of the calendar month in which the transfer is made.

(5) The accrued interest shall be credited to the deposit account on 31st March in each year, after which it shall become part of the principal.

(6) The ledger entry crediting the interest accrued on the preceding 31st March in each year shall be so dated and shall be made by the registrar on or before the 14th April.

(7) Accrued interest shall be credited when a deposit account is closed on payment of a fund out of court:

Provided that, where a fund is to be paid out of court to the party who paid it in, it shall be paid without interest.

**21.**—(1) Interest, at the rate of 5 per cent. per annum, shall accrue on every complete pound standing to the credit of a short-term investment account from the beginning of the calendar month next succeeding the date of transfer to that account.

(2) A fund or part thereof shall cease to gain investment interest from the beginning of the calendar month in which it is transferred to a deposit account.

(3) The accrued interest shall be credited to the appropriate deposit account on the 31st March in each year and on the closing of the investment account.

(4) The ledger entry crediting the interest accrued to the preceding 31st March shall be so dated and shall be made by the registrar on or before 14th April.

**22.** In calculating interest on any account fractions of a penny shall be excluded.

### VIII. *Payment of Funds out of Court*

**23.**—(1) When an award or order directs payment of a fund out of court, the registrar shall make the payment from his official cash.

(2) Before money is paid out of court under this rule, the registrar shall satisfy himself that the person to whom it is to be paid is entitled to receive it, or has been authorised by the person so entitled to receive it on his behalf.

(3) Payment under this rule may be made in cash, by money or postal order, or by open or crossed cheque, as the registrar may think fit, and may, if so requested, be made by post:

Provided that any payment made by post shall be so made at the expense of the person at whose request it is made, and, in the case of a payment in cash, shall be made by registered post.

**24.** When a fund or part thereof is paid out of court, the payment shall be debited to the deposit account, and, if the balance is insufficient to enable the payment to be made, a sum sufficient for this purpose shall be transferred from the short-term investment account:

Provided that—

(*a*) where there is a long-term investment account, the registrar may, and shall if there is no short-term investment account or no sufficient balance of such account, direct that so much of the fund as may be required shall, subject to rule 18(2), be transferred from the long-term investment account;

(*b*) no sum less than £50 shall be transferred from a short-term investment account under this rule unless it is all that remains in such account.

## IX. *Unclaimed Moneys in Court*

**25.**—(1) In the month of April in each year the registrar shall prepare—

(*a*) a list of all money, other than funds, in court which shall have remained unclaimed during 5 years immediately preceding the first day of that month ; and

(*b*) subject to the next following paragraph of this rule, a list of all funds in court which have not been dealt with otherwise than by the addition of interest or dividends during the 15 years immediately preceding the first day of that month, no account being taken of any period during which the beneficiary was under 21.

(2) The registrar shall not include in the list referred to in paragraph (1)(*b*) of this rule any fund which appears from the proceedings to be due to or claimable by a person on attainment of an age which he has not yet reached, and may omit any fund in respect of which he has received notice of an application by or on behalf of a person claiming to be entitled to the fund.

(3) Not later than the last day of April a copy of each of the lists shall be put up and remain during court sittings in a conspicuous part of the Court House, and at all times in the registrar's office, until the first day of April next following.

**26.**—(1) Deposit and investment interest on a fund which is included in the list referred to in rule 25(1)(*b*), and which becomes liable to be closed under the next following rule, shall accrue until the 31st March preceding closure of the fund.

(2) If any part of a fund such as is referred to in the last foregoing paragraph of this rule stands placed to a long-term investment account, or is invested in stock, the registrar shall direct that so much of the fund as stands placed to the long-term investment account be transferred from that account, or shall cause such stock to be sold, as the case may be.

**27.** Where any money or fund included in the lists referred to in Rule 25(1) has remained unclaimed on the first day of April next following, the account shall be closed and the balance, including any proceeds of sale such as are referred to in paragraph (2) of the last preceding rule, after deduction of any prescribed fee, shall be paid over to the Chamberlain.

Dated 16th September 1965.

*Gardiner*, C.

## SCHEDULE

*Rule* 1(2)

ENACTMENTS REVOKED

| | |
|---|---|
| The Mayor's and City of London Court Funds Rules 1953. | S.I. 1953/1919 (1953 I, p. 988). |
| The Mayor's and City of London Court Funds (Amendment) Rules 1958. | S.I. 1958/155 (1958 I, p. 1378). |
| The Mayor's and City of London Court Funds (Amendment) Rules 1959. | S.I. 1959/2254 (1959 I, p. 1622). |
| The Mayor's and City of London Court Funds (Amendment) Rules 1962. | S.I. 1962/98 (1962 I, p. 95). |
| The Mayor's and City of London Court Funds (Amendment) Rules 1965. | S.I. 1965/1140 (1965 II, p. 3207). |

## EXPLANATORY NOTE

*(This Note is not part of the Rules.)*

These rules revoke and replace, with modifications, the Mayor's and City of London Court Funds Rules 1953, as subsequently amended. The principal modifications are consequential upon the coming into force on 1st October 1965 of Part I of the Administration of Justice Act 1965 which enables funds in the Mayor's and City of London Court to be invested in common investment funds under the management and control of the Public Trustee; rules 17 to 19 prescribe the duties of the registrar and the Accountant-General of the Supreme Court in connection with the purchase and sale of units in such funds, and rule 26 provides for the sale of units included in a fund in the court which is liable to be closed under the rules governing unclaimed moneys.

In addition, rule 14 provides for deposit interest on money paid into the court in satisfaction of a claim by a person under a disability to accrue from the date of payment in.

The rules come into operation on 1st October 1965.