
STATUTORY INSTRUMENTS

1994 No. 2458

BUILDING SOCIETIES

The Building Societies (Aggregation) (Amendment) Rules 1994

Made - - - - *28th September 1994*
Laid before Parliament *3rd October 1994*
Coming into force - - *1st November 1994*

The Building Societies Commission, with the consent of the Treasury, in exercise of the powers conferred on it by section 20(9) and (10) of the Building Societies Act 1986⁽¹⁾, hereby makes the following Rules:

Title and commencement

1. These Rules may be cited as the Building Societies (Aggregation) (Amendment) Rules 1994 and shall come into force on 1st November 1994.

Amendment of principal Rules

2. The Building Societies (Aggregation) Rules 1993⁽²⁾ shall be amended as follows:
- (a) in rule 2(1)(b) (definition of “attributable assets”) there shall be inserted at the end—
 - “save that a loan shall be treated as falling within section 16 notwithstanding—
 - (i) that it is not made to an individual; or
 - (ii) that making it would cause any limit in that section to be exceeded;”;
 - (b) in rule 2(1)(e) (definition of excluded assets) in paragraph (ii) after the words “section 28(1)(b) of that Act” there shall be inserted the words “(or under any equivalent requirement imposed on the company by any law in force in the country or territory where it is incorporated)”; and
 - (c) in rule 7 (aggregation of assets)—
 - (i) in paragraph (2) for the words “paragraph (3)” there shall be substituted the words “paragraphs (3) and (3A)”; and
 - (ii) after paragraph (3) there shall be inserted the following paragraph—

(1) 1986 c. 53; new limits were specified for the purposes of section 20(2) and (3) by S.I.1988/1142.
(2) S.I. 1993/2833.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

“(3A) A loan falling to be attributed may be attributed as a class 3 asset of the society notwithstanding that it is not made to an individual or that if it were made by the society any limit in section 16 would be exceeded.”.

In witness whereof the common seal of the Building Societies Commission is hereunto fixed, and is authenticated by me, a person authorised under paragraph 14 of Schedule 1 to the Building Societies Act 1986, on

L.S.

8th September 1994.

B. Dennis
Secretary to the Commission

We consent to these Rules.

28th September 1994

Derek Conway
Tim Wood
Two of the Lords Commissioners of Her
Majesty’s Treasury

EXPLANATORY NOTE

(This note is not part of the Rules)

These Rules amend the Building Societies (Aggregation) Rules 1993. First, they amend the definition of “attributable assets” (those assets of associated bodies which are to be aggregated with assets of societies under rule 7) to include loans not made to individuals or which would cause any limit in section 16 of the Building Societies Act 1986 to be exceeded. Secondly they amend the definition of “excluded assets” to include assets representing the long term business fund maintained under the equivalent in other jurisdictions of section 28(1)(b) of the Insurance Companies Act 1982. Thirdly, rule 7 is amended to provide that such loans may be attributed as class 3 assets of a society (notwithstanding that they could not otherwise count as class 3 assets of the society because the society could not make them itself).

A review of the cost of compliance with these Rules has been undertaken and the resulting compliance cost assessment may be purchased from the Secretary, Building Societies Commission, 15 Great Marlborough Street, London W1V 2AX.