
STATUTORY INSTRUMENTS

1998 No. 2696

FRIENDLY SOCIETIES

**The Friendly Societies (Activities
of a Subsidiary) (No. 2) Order 1998**

Made - - - - *6th November 1998*
Laid before Parliament *10th November 1998*
Coming into force - - *1st December 1998*

The Friendly Societies Commission, with the consent of the Treasury, in exercise of the powers conferred upon it by section 13(8) of the Friendly Societies Act 1992⁽¹⁾, hereby makes the following Order:

Citation and commencement

1. This Order may be cited as the Friendly Societies (Activities of a Subsidiary) (No. 2) Order 1998 and shall come into force on 1st December 1998.

Variation of Schedule 7

2. Schedule 7 to the Friendly Societies Act 1992 (which relates to the activities which may be carried on by a subsidiary of or a body jointly controlled by an incorporated friendly society) is amended by:

- (a) substituting “11 to 15” for “11 to 14” in paragraph 10;
- (b) inserting, after “1996” in paragraph 13, “or within regulation 3(2) of the Open-Ended Investment Companies (Investment Companies with Variable Capital) Regulations (Northern Ireland) 1997”⁽²⁾; and
- (c) inserting after paragraph 14 the following paragraph:

“15. Arranging for the provision of banking services by a UK institution or a European institution, and providing services in pursuance of such arrangements; and in this paragraph “UK institution” and “European institution” have the same meaning as in the Banking Co-ordination (Second Council Directive) Regulations 1992⁽³⁾, and “banking services” means such services as are ordinarily provided in the course of or in connection

(1) 1992 c. 40. Schedule 7 has been amended by S.I.s 1995/3062, 1996/3009 and 1998/2328.
(2) S.R. (N.I.) 1997 No. 251.
(3) S.I.1992/3218.

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with a business which is a deposit-taking business for the purposes of the Banking Act 1987(4).”

In witness whereof the common seal of the Friendly Societies Commission is hereto fixed, and is authenticated by me, a person authorised under paragraph 13 of Schedule 1 to the Friendly Societies Act 1992, on

L.S.
26th October 1998.

Bosco D'Silva

We consent to this Order:

6th November 1998

Jane Kennedy
Jim Dowd
Two of the Lords Commissioners of Her
Majesty's Treasury

EXPLANATORY NOTE

(This note is not part of the Order)

This Order varies Schedule 7 to the Friendly Societies Act 1992 (which relates to the activities which may be carried on by a subsidiary of, or a body jointly controlled by, an incorporated friendly society). The establishment and management of investment companies with variable capital, provided for in paragraph 13, is extended so as to include investment companies falling within the Open-Ended Investment Companies (Investment Companies with Variable Capital) Regulations (Northern Ireland) 1997. A new activity is added at paragraph 15, namely arranging for the provision of banking services (as defined) by United Kingdom and other European banks and providing services in pursuance of such arrangements, sometimes known as “agency banking”. Paragraph 10 (dealing with the provision of administrative services) is extended to apply to a body whose business consists of an activity falling within the new paragraph 15.

Subsidiaries which carry on these activities may be required to be authorised under the appropriate legislation.

Compliance cost assessment

This Order will not impose any new burdens on business, and accordingly no compliance cost assessment has been prepared.