

[^{F1}SCHEDULE 2

Conditions of an agreement

F1 Regulations revoked with savings (1.4.2012 in so far as not already in operation) by [The Rates \(Deferment\) \(Revocation and Savings\) Regulations \(Northern Ireland\) 2012 \(S.R. 2012/147\)](#), **reg. 3(1)** (with **reg. 3(2)**)

5.—(1) Compound interest shall accrue on a day to day basis on the amount outstanding under the agreement and the annual rate of interest used to calculate that accrual shall be—

- (a) if there is only one official dealing rate in force on a particular day, 1 per cent. below that rate;
- (b) if there is more than one official dealing rate in force on a particular day, 1 per cent. below the rate in force at the end of that day,

but in no case shall the annual rate of interest used to calculate the accrual be less than 1 per cent.

(2) In this condition “official dealing rate” means the rate announced from time to time by the Monetary Policy Committee of the Bank of England⁽¹⁾ and for the time being in force as the official dealing rate, being the rate at which the Bank of England is willing to enter into transactions for providing short term liquidity in the money markets.]

Commencement Information

II Sch. 2 para. 5 in operation at 1.4.2010, see **reg. 1**

⁽¹⁾ The Monetary Policy Committee of the Bank of England was constituted on a statutory basis by section 13 of the Bank of England Act 1998 (c. 11)

Changes to legislation:

There are currently no known outstanding effects for the The Rates (Deferment) Regulations (Northern Ireland) 2010, Paragraph 5.