

1973. No. 155

[C]

**BUILDING SOCIETIES****Additional Security**

ORDER, DATED 18TH MAY 1973, MADE BY THE REGISTRAR OF BUILDING SOCIETIES, WITH THE CONSENT OF THE MINISTRY OF COMMERCE, UNDER SECTION 26(5) OF THE BUILDING SOCIETIES ACT (NORTHERN IRELAND) 1967.

The Registrar, with the consent of the Ministry of Commerce, in exercise of the powers conferred upon him by section 26(5) of the Building Societies Act (Northern Ireland) 1967(a) and of all other powers enabling him in that behalf, hereby makes the following Order:—

*Citation and commencement*

1. This Order may be cited as the Building Societies (Additional Security) Order (Northern Ireland) 1973, and shall come into operation on 1st June 1973.

*Permitted classes of additional security*

2. Schedule 3 to the Building Societies Act (Northern Ireland) 1967 (in which are specified the classes of additional security which a building society may take into account in determining the amount of an advance) shall be amended as follows:—

(a) for paragraph 9(1)(c) there shall be substituted the following:—

“(c) a public authority (including a nationalised industry or undertaking) in the United Kingdom.”;

(b) after paragraph 11 there shall be added the following paragraph:—

“12.—(1) A guarantee given, whether in pursuance of a continuing arrangement or not, by—

(a) an institution, not being one referred to in paragraph 11, which is empowered by Royal Charter to grant and confer degrees, or

(b) a company incorporated outside the United Kingdom being a company (to which the provisions of either section 355 of the Companies Act (Northern Ireland) 1960 or section 406 of the Companies Act 1948 apply) which has a total issued and paid up share capital of an amount which when converted into sterling at the rate of exchange current at the time of the giving of the guarantee is ten million pounds or more, and which had in each of the five years immediately preceding the calendar year in which the guarantee is given, paid a dividend on all shares issued by it, excluding any shares issued after the dividend was declared and any shares which by their terms of issue did not rank for dividend for that year.

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(a) 1967. c. 31 (N.I.).

(2) For the purposes of sub-paragraph (1)(b) a company formed to take over the business of another company or other companies (being a company or companies incorporated in the United Kingdom or elsewhere), or to acquire the securities of, or control of, another company or other companies (being a company or companies incorporated in the United Kingdom or elsewhere), or for either of those purposes and for other purposes, shall be deemed to have paid a dividend as mentioned in sub-paragraph (1)(b) in any year in which such a dividend has been paid by the other company or all other companies, as the case may be."

Dated this 18th day of May 1973.

*Ernest Simpson,*  
Registrar of Building Societies.

The Ministry of Commerce on behalf of the Secretary of State hereby consents to the foregoing Order.

Sealed with the Official Seal of the Ministry of Commerce for Northern Ireland this 18th day of May 1973.

(L.S.)

*A. H. Armstrong,*  
Assistant Secretary.

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#### EXPLANATORY NOTE

*(This note is not part of the Order, but is intended to indicate its general purport.)*

This Order amends Schedule 3 to the Building Societies Act (Northern Ireland) 1967 (which specifies the classes of additional security which a building society may take into account when making an advance) so as to enable a building society to take into account when making an advance a guarantee given by (a) a public authority in the United Kingdom, (b) an institution empowered by Royal Charter to grant and confer degrees, and (c) a company incorporated outside the United Kingdom which satisfies the conditions specified in the Order.