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 STATUTORY INSTRUMENTS
 

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**1986 No. 2186**

**CONSUMER CREDIT**

**The Consumer Credit (Exempt Agreements) (No. 2)  
(Amendment No. 2) Order 1986**

*Made* - - - 11th December 1986

*Laid before Parliament* 12th December 1986

*Coming into Operation:*  
*for the purposes of*  
*Article 2(c), (d) and (e)* 7th January 1987

*Otherwise* - - - 2nd January 1987

The Secretary of State, after consulting in accordance with section 16(3) and (9) of the Consumer Credit Act 1974(a) the persons therein referred to, in exercise of the powers conferred on him by sections 16(1) and (4) and 182(2) and (4) of that Act and of all other powers enabling him in that behalf, hereby makes the following Order:—

1. This Order may be cited as the Consumer Credit (Exempt Agreements) (No. 2) (Amendment No. 2) Order 1986 and shall come into operation otherwise than for the purposes of Article 2(c), (d) and (e) on 2nd January 1987 and for the purposes of Article 2(c), (d) and (e) on 7th January 1987.

2. The Consumer Credit (Exempt Agreements) (No. 2) Order 1985(b) is hereby amended as follows:—

(a) in Article 2(2)—

- (i) by inserting, after the words “a body specified in Part I of the Schedule to this Order”, the words “or a building society authorised under the Building Societies Act 1986”; and
- (ii) in paragraph (a), by inserting, after the words “section 16(2)(a)”, the words “or (c)”; and
- (iii) in paragraph (b), by omitting the word “financing” and substituting therefor the words “to finance”; and
- (iv) by inserting, after paragraph (c), the following:
 

“(d) a debtor-creditor agreement secured by any land mortgage where the creditor is a building society authorised under the

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(a) 1974 c.39; section 16 was amended by the Employment Protection Act 1975 (c.71), Schedule 18, the British Telecommunications Act 1981 (c.38), Schedule 3, paragraph 60, the Telecommunications Act 1984 (c.12), Schedule 4, paragraph 60, the Building Societies Act 1986 (c.53), Schedule 18 and the Housing and Planning Act 1986 (c.63), section 22.

(b) S.I. 1985/757, amended by S.I. 1985/1736, 1918, 1986/1105.

Building Societies Act 1986 and its offer to enter into such agreement was made in writing before 1st January 1987 and the agreement was executed before 1st February 1987.”.

(b) in Part I of the Schedule, in the list of Insurance Companies —

(i) by inserting, at the appropriate place in alphabetical order, the name “General Portfolio Life Insurance Public Limited Company”;

(ii) by omitting the names

“American International Life Assurance Company of New York”  
 “The Parcels & General Assurance Association Limited”  
 “U.K. Life Assurance Company Limited”; and

(iii) by omitting the names

“Avon Assurance PLC”  
 “Norwich Union Insurance Group (Managed Funds) Limited”  
 “The Sentinel Insurance Group plc”  
 “Transinternational Life Insurance Company Limited”  
 “Trident General Insurance Company Limited”

and substituting therefor respectively, at the appropriate places in alphabetical order, the names

“Avon Insurance PLC”  
 “Norwich Union Asset Management Limited”  
 “Sentinel Life plc”  
 “Regency Life Assurance Company Limited”  
 “Trinity Insurance Company Limited”;

(c) in Part II of the Schedule, in the list of bodies corporate named or specifically referred to in a public general Act (United Kingdom),

(i) by inserting, at the appropriate place in alphabetical order, the following entry:

“TSB Scotland public limited company	Agreements of a description falling within section 16(2) of the Act, being agreements made pursuant to section 145 of the Housing (Scotland) Act 1966(a), section 6(5) or 31 of the Tenants’ Rights Etc. (Scotland) Act 1980(b), as amended by section 9 of the Housing (Scotland) Act 1986(c), or section 86 of the Housing Associations Act 1985(d), as amended by section 25(1) of and Schedule 2 to the Housing (Scotland) Act 1986, or falling within article 2(2)(a) to (c), advancing money on the security of dwelling-houses”;
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(ii) by omitting the entries relating to Central Trustee Savings Bank Limited and Trustee Savings Bank Northern Ireland public limited company and substituting therefor respectively, at the appropriate places in alphabetical order, the following entries:

(a) 1966 c.49.  
 (d) 1985 c.69.

(b) 1980 c.52.

(c) 1986 c.65.

“TSB England & Wales public limited company	Agreements of a description falling within section 16(2) of the Act, being agreements made pursuant to section 36(2), 156(2) or 442 to 444 of the Housing Act 1985, or falling within article 2(2)(a) to (c), advancing money on the security of dwelling-houses.”
“TSB Northern Ireland public limited company	Agreements of a description falling within section 16(2) of the Act, being agreements made pursuant to article 10(4)(b) and (5) of the Housing (Northern Ireland) Order 1983(a), or falling within article 2(2)(a) to (c), advancing money on the security of dwelling-houses”; and

(iii) by omitting the entries relating to:—

Cumbernauld Development Corporation  
Cwmbran Development Corporation  
East Kilbride Development Corporation  
Glenrothes Development Corporation  
The Housing Corporation  
Irvine Development Corporation  
Livingston Development Corporation  
Lombard Home Loans Limited  
Milton Keynes Development Corporation  
The National Home Loans Corporation plc  
National Westminster Home Loans Limited  
Peterborough Development Corporation  
Scottish Special Housing Association  
Telford Development Corporation  
Warrington and Runcorn Development Corporation  
Washington Development Corporation;

(d) in the said Part II of the Schedule, in the list of bodies corporate named or specifically referred to in a public general Act (Northern Ireland), by omitting the entry relating to:—

The Northern Ireland Housing Executive; and

(e) in the said Part II of the Schedule, by adding, after the lists of bodies corporate named or specifically referred to in a public general Act, the following:—

“Bodies corporate named or specifically referred to in an order made under section 156(4), 441(1) or 447(2)(a) of the Housing Act 1985

Lombard Home Loans Limited	Agreements of a description falling within article 2(2)(a) to (c), being agreements advancing money on the security of dwelling-houses.
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(a) S.I. 1983/1118 (N.I.15).

London and Manchester (Mortgages) Limited	Agreements of a description falling within article 2(2)(a) to (c), being agreements advancing money on the security of dwelling-houses.
The National Home Loans Corporation plc	Agreements of a description falling within article 2(2)(a) to (c), being agreements advancing money on the security of dwelling-houses.
National Westminster Home Loans Limited	Agreements of a description falling within article 2(2)(a) to (c), being agreements advancing money on the security of dwelling-houses.”

*Michael Howard,*  
Parliamentary Under-Secretary of State,  
Department of Trade and Industry.

11th December 1986.

#### EXPLANATORY NOTE

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

This Order further amends the Consumer Credit (Exempt Agreements) (No. 2) Order 1985 (“the principal Order”) insofar as it provides for the exemption of certain consumer credit agreements secured on land where the creditor is a body specified in the Schedule to the principal Order, consequent upon the coming into force of relevant provisions of the Building Societies Act 1986 and the Housing and Planning Act 1986. The Order:

- (a) provides for the exemption of certain agreements made by a building society which is an authorised building society within the meaning of the Building Societies Act 1986, and also adjusts the wording of Article 2(2) of the principal Order (Article 2(a));
- (b) amends the list of insurance companies in Part I of the Schedule to the principal Order by adding one name, omitting three names and amending five names (Article 2(b));
- (c) amends the entries in Part II of the Schedule to the principal Order relating to certain companies in the TSB group, and omitting certain entries relating to bodies which are housing authorities within the meaning of section 16(6A) of the Consumer Credit Act 1974 (“the 1974 Act”), as inserted by the Housing and Planning Act 1986 (“the 1986 Act”) (Article 2(c) and (d)); and
- (d) adds a new list of bodies corporate named or specifically referred to in an order under the Housing Act 1985 (c.68), pursuant to the power in section 16(1)(ff) of the 1974 Act as inserted by the 1986 Act (Article 2(e)).



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