
STATUTORY INSTRUMENTS

1987 No. 172

The Building Societies (Provision of Services) Order 1987

Variation of restrictions in relation to certain services

3.—(1) This Article varies Part III of Schedule 8 to the Act as follows.

(2) In paragraph 5 (arranging for investment services), before “Arranging” there shall be inserted “(1)” and after “individuals” there shall be inserted the following sub-paragraph —

“(2) The power to arrange for the provision of investment services does not include power —

- (a) to buy or sell any investment, either as principal or agent, or
- (b) to give advice concerning any investment.”.

(3) In place of paragraph 7 (arranging for the provision of credit), there shall be substituted the following paragraph —

“7. Arranging for the provision of credit and connected services is restricted to their provision by —

- (a) any recognised bank or licensed institution;
- (b) any body corporate connected with the person arranging for the services to be provided; or
- (c) any other body for the time being approved for the purposes of this Schedule by the Commission, whether in relation to all building societies, to specified classes of building society, or to a particular building society.”.

(4) In paragraph 12 (conditions applying to estate agency subsidiaries), after sub-paragraph (c) there shall be added the following sub-paragraph —

“(d) its business must not include any activity which the society could not undertake by reason of the fact that —

- (i) the society has not adopted a particular adoptable power, whether because the power is not available to it or for any other reason, or
- (ii) the activity would be in contravention of a restriction upon the extent of a power the society has adopted, being either a restriction specified in this Part of this Schedule and relating to a power to provide a financial service or a restriction assumed by the society.”.

(5) In place of paragraph 13 (prohibition on acting as agent for estate agency subsidiary), there shall be substituted the following paragraph —

“13. No employee of a building society whose duties include —

- (a) making a report on the value of land which is to secure an advance,
- (b) making an assessment of the adequacy of the security for an advance to be secured on land, or
- (c) authorising the making of an advance to be secured on land,

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shall perform any service for any subsidiary of the society which provides estate agency services.”.