1980 No. 74

BUILDING SOCIETIES

Building Societies (Authorised Investments) (Amendment) Order (Northern Ireland) 1980

Made . . . . . 26th February 1980

Coming into operation . . . 15th April 1980

The Registrar, in exercise of the powers conferred upon him by section 58(1) of the Building Societies Act (Northern Ireland) 1967(**a**) and of every other power enabling him in that behalf, with the consent of the Department(**b**) of Commerce hereby makes the following Order:

Citation and commencement

1. This Order may be cited as the Building Societies (Authorised Investments) (Amendment) Order (Northern Ireland) 1980 and shall come into operation on 15th April 1980.

Restrictions on Investment

2. The Building Societies (Authorised Investments) Order (Northern Ireland) 1978(**c**) (which prescribes the manner in which a building society may invest funds not immediately required for its purposes) shall be amended as follows:

(*a*) after Article **5**, there shall be inserted the following Article:

"**5A**—(1) In the case of any investment specified in Parts I, II or III of the Schedule, a building society may cause that investment to be held on its behalf in the name of an authorised nominee.

(2) The expression "authorised nominee" in paragraph (1) means—

(*a*) any bank which is for the time being authorised under section 59 of the Building Societies Act (Northern Ireland) 1967 to hold funds of building societies; or

(*b*) any company which is a subsidiary, within the meaning of section 148 of the Companies Act (Northern Ireland) 1960(**d**), of any bank specified in (*a*)."

(*b*) in paragraph 4(*a*) of the Schedule for the word "is" there shall be substituted the word "are".

(*c*) after paragraph 6 of the Schedule there shall be inserted the following paragraph:

"**6A.** In certificates of deposit issued by a bank (being a bank authorised under section 59 of the Act to hold funds of building societies and permitted by the Treasury under section 10 of the Exchange Control Act 1947(**e**) to issue certificates of deposit) which will mature for payment in not more than five years from the date of issue."

(**a**) 1967 c. 31 (N.I.)
(**b**) Formerly Ministry: *see* 1973 c. 36 s. 40 and Sch. 5 para. 8(1)
(**c**) S.R. 1978 No. 59 (I, p. 143)
(**d**) 1960 c. 22 (N.I.)
(**e**) 1947 c. 14

(*d*) in paragraph 14 of the Schedule:

(i) before the definition of "fixed-interest securities" there shall be inserted the following definition:
""certificates of deposit" means certificates relating to money in sterling deposited with the issuer which recognise an obligation to pay a stated amount to bearer or to order, with or without interest, and by the delivery of which, with or without endorsement, the right to receive that stated amount, with or without interest, is transferable."

(ii) in the definition of "Local Authority Bills" before the word "Act" there shall be inserted the words "Act of the Parliament of the United Kingdom or".

(iii) in the definition of "relevant authority" there shall be added the following sub-paragraph:
"(*f*) a passenger transport executive within the meaning of section 9(1) of the Transport Act 1968(f)".

Dated 26th February 1980.

John Martin
Registrar of Building Societies

The Department of Commerce hereby consents to the foregoing Order.

Sealed with the Official Seal of the Department of Commerce for Northern Ireland on 26th February 1980.

(L.S.) *W. T. McCrory*
Assistant Secretary

(f) 1968 c. 73

EXPLANATORY NOTE

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

This Order amends the Building Societies (Authorised Investments) Order (Northern Ireland) 1978 by adding to the classes of investments in which building societies may place funds not immediately required for their purposes. The additions are investments in sterling certificates of deposit issued by certain banks and in Passenger Transport Executives. Other amendments to the Order of 1978 include one permitting societies to hold their investments in the names of specified nominees.