

## SCHEDULES

### SCHEDULE 1

Section 2.

#### EXCEPTIONS FROM PROHIBITION IN SECTION 1

- 1 The central bank of each member State other than the United Kingdom.
- 2 The National Savings Bank.
- 3 The Post Office.
- 4 A trustee savings bank or penny savings bank.
- 5 A municipal bank.
- 6 A building society within the meaning of the Building Societies Act 1962 or the Building Societies Act (Northern Ireland) 1967.
- 7 A society which is registered within the meaning of the Friendly Societies Act 1974 or is registered or deemed to be registered under the Friendly Societies Act (Northern Ireland) 1970.
- 8 Any institution or unincorporated institution which is for the time being authorised, by virtue of section 3 of the Insurance Companies Act 1974 or Article 7 of the Insurance Companies (Northern Ireland) Order 1976, to carry on insurance business of a class relevant for the purposes of Part I of that Act or, as the case may be, Part II of that Order.
- 9 A member of The Stock Exchange in the course of business as a stockbroker or stockjobber.
- 10 A loan society whose rules are certified, deposited and enrolled in accordance with the Loan Societies Act 1840.
- 11 A credit union within the meaning of the Industrial and Provident Societies Act (Northern Ireland) 1969 or the Credit Unions Act 1979.
- 12 A body of persons certified as a school bank by a trustee savings bank, the National Savings Bank or a recognised bank.
- 13 A local authority.
- 14 Any other body which by virtue of any enactment has power to issue a precept to a local authority in England or Wales, or a requisition to a local authority in Scotland.

## SCHEDULE 2

Section 3(3).

### MINIMUM CRITERIA FOR DEPOSIT-TAKING INSTITUTIONS

#### PART I

##### RECOGNISED BANKS

- 1 (1) Subject to sub-paragraph (2) below, the institution enjoys, and has for a reasonable period of time enjoyed, a high reputation and standing in the financial community.
- (2) In the case of—
  - (a) an institution which is not yet carrying on a deposit-taking business, or
  - (b) an institution which has not carried on such a business long enough to have earned the reputation and standing referred to in sub-paragraph (1) above, the criteria in sub-paragraph (1) above may be taken to be fulfilled if control of the institution lies with one or more bodies of appropriate standing.
- (3) In sub-paragraph (2) above the expression "body of appropriate standing " means a recognised bank or an institution which enjoys, and has for a reasonable period of time enjoyed, a high reputation and standing in the financial community.
- (4) Section 534 of the Income and Corporation Taxes Act 1970 (meaning of " control" in certain contexts) shall apply for the purposes of sub-paragraph (2) above as it applies for purposes of provisions of the Taxes Acts which apply that section.
- 2 (1) The institution provides in the United Kingdom or, in the case of an institution which is not yet carrying on a deposit-taking business in the United Kingdom, will provide there either a wide range of banking services or a highly specialised banking service.
- (2) For the purposes of this Part of this Schedule, an institution shall not be regarded as providing a wide range of banking services at any time unless, subject to sub-paragraph (3) below, it provides at that time all of the following services, namely,—
  - (a) current or deposit account facilities in sterling or foreign currency for members of the public or for bodies corporate or the acceptance of funds in sterling or foreign currency in the wholesale money markets ;
  - (b) finance in the form of overdraft or loan facilities in sterling or foreign currency for members of the public or for bodies corporate or the lending of funds in sterling or foreign currency in the wholesale money markets ;
  - (c) foreign exchange services for domestic and foreign customers;
  - (d) finance through the medium of bills of exchange and promissory notes together with finance for foreign trade and documentation in connection with foreign trade; and
  - (e) financial advice for members of the public and for bodies corporate or investment management services and facilities for arranging the purchase and sale of securities in sterling or foreign currency.
- (3) Any question whether an institution is to be regarded for the purposes of this Schedule as providing at any time either a wide range of banking services or a highly specialised banking service shall be determined by the Bank and, for the purpose of that determination, the Bank may—

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- (a) with regard to the provision of a wide range of banking services, disregard the fact that the institution does not or will not provide one or two of the services specified in paragraphs (c) to (e) of sub-paragraph (2) above; and
  - (b) have regard to the nature and scope of a particular service provided or to be provided by an institution in determining whether the institution is to be regarded as providing or as going to provide that service for the purposes of this paragraph.
- 3 The business of the institution is or, in the case of an institution which is not yet carrying on a deposit-taking business, will be carried on with integrity and prudence and with those professional skills which are consistent with the range and scale of the institution's activities.
- 4 At least two individuals effectively direct the business of the institution.
- 5 (1) Without prejudice to paragraph 6 below but subject to sub-paragraph (2) below, the institution will at the time recognition is granted to it have net assets which amount to not less than—
  - (a) £5 million, if it is an institution which provides or will provide a wide range of banking services ; and
  - (b) £250,000, if it provides or will provide a highly specialised banking service.
- (2) Sub-paragraph (1) above does not apply to an institution which, on the day appointed for the purposes of subsection (4) of section 2 of this Act, was carrying on a deposit-taking business in the United Kingdom if—
  - (a) the grant of recognition referred to in that sub-paragraph is made pursuant to an application made at any time during the period referred to in paragraph (a) of that subsection ; and
  - (b) the institution has carried on such a business continuously throughout the period beginning on 9th November 1978 and ending on the date of its application for recognition.
- (3) In sub-paragraph (1) above " net assets " , in relation to a body corporate, means paid-up capital and reserves.
- (4) After consultation with the Bank, the Treasury may by order vary either or both of the sums specified in sub-paragraph (1) above.
- (5) The power to make an order under sub-paragraph (4) above shall be exercisable by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- 6 (1) The institution maintains or, in the case of an institution which is not yet carrying on a deposit-taking business, will maintain net assets which, together with other financial resources available to the institution of such a nature and amount as are considered appropriate by the Bank, are of an amount which is commensurate with the scale of the institution's operations.
- (2) In sub-paragraph (1) above " net assets " . in relation to a body corporate, means paid-up capital and reserves.

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## PART II

### LICENSED INSTITUTIONS

- 7 Every person who is a director, controller or manager of the institution is a fit and proper person to hold that position.
- 8 At least two individuals effectively direct the business of the institution.
- 9 (1) Without prejudice to paragraph 10(1)(a) below but subject to sub-paragraph (2) below, the institution will at the time the licence is granted to it have net assets which amount to not less than £250,000 or such larger sum as the Treasury, after consultation with the Bank, may by order specify.
- (2) This paragraph does not apply to an institution which on 9th November 1978 was carrying on a deposit-taking business in the United Kingdom.
- (3) In sub-paragraph (1) above " net assets ". in relation to a body corporate, means paid-up capital and reserves.
- (4) The power to make an order under sub-paragraph (1) above shall be exercisable by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- 10 (1) The institution conducts or, in the case of an institution which is not yet carrying on a deposit-taking business, will conduct its business in a prudent manner and, in particular.—
- (a) maintains or, as the case may require, will maintain net assets of such amount as, together with other financial resources available to it of such a nature and amount as are considered appropriate by the Bank, is sufficient to safeguard the interests of its depositors, having regard to the factors specified in sub-paragraph (2) below; and
- (b) maintains or, as the case may require, will maintain adequate liquidity having regard to the relationship between its liquid assets and its liabilities and also to the times at which its liabilities fall due and its assets mature ; and
- (c) makes or, as the case may require, will make adequate provision for bad and doubtful debts and obligations of a contingent nature.
- (2) The factors referred to in sub-paragraph (1)(a) above are—
- (a) the scale and nature of the liabilities of the institution and the sources and amounts of deposits accepted by it; and
- (b) the nature of its assets and the degree of risk attached to them.
- (3) In sub-paragraph (1)(a) above "net assets" in relation to a body corporate, means paid-up capital and reserves.

## SCHEDULE 3

Section 3(8).

### TRANSITIONAL PROVISIONS

#### PART I

##### TRANSITIONAL LICENCES

- 1 (1) A transitional licence to carry on a deposit-taking business may be granted to an institution by the Bank—
  - (a) on an application in that behalf by the institution concerned ; or
  - (b) on an application by that institution for recognition or a full licence.
- (2) The Bank shall not grant a transitional licence to an institution unless—
  - (a) the institution was on the appointed day carrying on a deposit-taking business in the United Kingdom ; and
  - (b) the Bank is satisfied that the criteria in paragraphs 7 and 8 of Schedule 2 above are fulfilled; and
  - (c) it appears to the Bank that, although at the time of the application the remainder of the criteria for the grant of a full licence are not fulfilled, all those criteria will be fulfilled within a reasonable time.
- 2 Section 5 of this Act shall apply in relation to an application for a transitional licence as it applies in relation to an application for a full licence.
- 3 (1) The authority conferred by a transitional licence may be made conditional upon the institution to which it is granted complying with conditions imposed by the Bank and set out in the licence.
  - (2) Where a transitional licence is granted subject to conditions by virtue of sub-paragraph (1) above, subsections (2) and (3) of section 10 of this Act shall apply in relation to the conditions of the licence as they apply in relation to the conditions of a conditional licence.
- 4 (1) Subject to sub-paragraphs (2) and (3) below, a transitional licence held by an institution shall expire at the end of the period of two years beginning on the date on which the licence was granted or, if the institution is granted more than one transitional licence, beginning on the date on which the first of those licences was granted.
  - (2) A transitional licence may be so granted as to expire at a time earlier than it would expire in accordance with sub-paragraph (1) above.
  - (3) A transitional licence—
    - (a) may be surrendered by notice in writing given by the institution concerned to the Bank ; or
    - (b) may be revoked in accordance with the provisions of Part I of this Act.
- 5 (1) In the case of an institution holding a transitional licence which is granted subject to conditions, a failure to comply with any of those conditions shall be treated for the purposes of this Act as a failure by the institution to comply with such an obligation as is referred to in section 6(1)(h) of this Act.

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- (2) It shall be a ground for revoking a transitional licence held by an institution that the Bank proposes to grant a full licence to the institution with effect from the time of the revocation of the transitional licence.
- (3) The power of the Bank to revoke a licence by virtue of subparagraph (2) above shall be exercisable by notice in writing given to the institution concerned.
- 6 (1) In their application to an institution which is the holder of a transitional licence, section 7 of this Act and Schedule 4 below shall have effect as if for paragraph (b) of subsection (1) of that section there were substituted the following paragraph: —
- “(b) revoke the transitional licence held by the institution and grant it a transitional licence subject to conditions or, as the case may require, subject to conditions different from those in the licence which is revoked”.
- (2) In a case where a notice under subsection (3)(a) or subsection (4) of section 7 of this Act is given to an institution which is the holder of a transitional licence, Part I or, as the case may require, Part II of Schedule 4 below shall have effect as if any reference therein to a conditional licence were a reference to a transitional licence.
- 7 (1) In its application to an institution to which a transitional licence has been granted, section 11 of this Act shall have effect as if at the end of paragraph (6) of subsection (1) there were added the words " to grant it a transitional licence on an application for a full licence or, on an application for a transitional licence, to grant such a licence subject to conditions, or ".
- (2) If an institution is granted a transitional licence subject to conditions, then, on an appeal under section 11 of this Act against the decision to grant the transitional licence, the appellants institution may challenge any of the conditions of that licence, whether or not it also challenges the decision itself.

## PART II

### TRANSITIONAL GRANT OF RECOGNITION

- 8 The provisions of this Part of this Schedule apply to an institution which—
- (a) on 9th November 1978 was, and at the time of its application for recognition continues to be, either a company within the meaning of the Companies Act 1948 or any other body corporate having its place of central management and control in the United Kingdom ; and
- (b) does not, apart from this Part of this Schedule, qualify for the grant of recognition.
- 9 Notwithstanding anything in section 3(3) of this Act, the Bank may grant recognition to an institution to which this Part of this Schedule applies (whether or not it would otherwise qualify for the grant of a licence) if the Bank is satisfied—
- (a) that the institution carries on, and has since 9th November 1978 continuously carried on, a deposit-taking business but that the whole, or substantially the whole of that business is and has been carried on outside the United Kingdom; and
- (b) that, with the exception of the criteria in paragraph 2 of Schedule 2 to this Act, the criteria in Part I of that Schedule are fulfilled with respect to the institution; and

- (c) that the criteria in paragraph 2 of Schedule 2 to this Act would be fulfilled with respect to the institution if the reference in sub-paragraph (1) of that paragraph to the provision of a wide range of banking services were not limited to the provision of that range of services within the United Kingdom.

## SCHEDULE 4

Section 7.

### REVOCATION OF RECOGNITION OR LICENCE

#### PART I

##### PROCEDURE WHERE NOTICE OF INTENTION TO ACT IS GIVEN

- 1 (1) Where the Bank has given to an institution notice of intention to act, then, before taking any action under the principal section, the Bank shall take into account any representations made by or on behalf of the institution concerned within the period of fourteen days beginning with the date on which the notice was given.
  - (2) After taking account of representations in accordance with sub-paragraph (1) above, the Bank shall decide whether—
    - (a) to proceed with the proposal in the notice of intention to act; or
    - (b) to take no further action ; or
    - (c) to take some other course of action open to it under sub-paragraph (3) or sub-paragraph (4) below.
  - (3) If the proposal in the notice of intention to act was for action under paragraph (a) of subsection (1) of the principal section, the Bank may decide to take action under paragraph (b) of that subsection or, in the case of a recognised bank, to take action under subsection (2) of that section.
  - (4) If the proposal in the notice of intention to act was for action under paragraph (b) of subsection (1) of the principal section and the institution concerned is a recognised bank, the Bank may decide to take action under subsection (2) of the principal section.
  - (5) Where the Bank gives notice of intention to act under paragraph (b) of subsection (1) of the principal section and, after taking account of representations in accordance with sub-paragraph (1) above, decides to take action under that paragraph but to grant a conditional licence subject to conditions which are different from those stated in the notice of intention to act, the Bank shall be treated for the purposes of this Act as having decided to proceed with the proposal in the notice.
- 2 (1) The Bank shall give the institution concerned notice in writing of its decision under paragraph 1 above within the period of twenty-eight days beginning with the date on which the notice of intention to act was given and, except where the decision is to take no further action, the Bank shall set out in the notice under this paragraph the reasons for its decision.
  - (2) Where the Bank gives notice under this paragraph of its decision to take action under paragraph (a) of subsection (1) of the principal section, the notice shall have the effect

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of revoking the recognition or licence of the institution concerned but shall not come into force until—

- (a) the expiry of the period within which an appeal against that decision may be brought under section 11 of this Act; or
  - (b) if such an appeal is brought within that period, it is determined on that appeal that the decision should be confirmed and that determination comes into operation.
- (3) Where the Bank gives notice under this paragraph of its decision to take action under paragraph (b) of subsection (1) of the principal section, the notice shall have the effect of revoking the recognition or licence of the institution concerned and granting it a conditional licence subject to such conditions as may be specified in the notice.
- (4) Where the Bank gives notice under this paragraph of its intention to take action under subsection (2) of the principal section the notice shall have the effect of revoking the recognition of the institution concerned and granting it a full licence.
- (5) Where the Bank has given to an institution notice of intention to act but has not given a notice under this paragraph within the period of twenty-eight days referred to in sub-paragraph (1) above, the Bank shall be treated for the purposes of this Act as having given to that institution, immediately before the expiry of that period, notice of a decision under paragraph 1 above to take no further action.

## PART II

### PROCEDURE WHERE IMMEDIATE REVOCATION NOTICE IS GIVEN

- 3 An immediate revocation notice given to an institution shall specify the reasons why the Bank has acted.
- 4 (1) If representations are made by or on behalf of the institution concerned within the period of fourteen days beginning with the date on which the immediate revocation notice was given, the Bank shall review its decision in the light of those representations and may decide—
- (a) to confirm its original decision; or
  - (b) to rescind its original decision ; or
  - (c) in the case of a recognised bank, to revoke the institution's recognition and grant it a full licence.
- (2) If, after taking account of representations in accordance with sub-paragraph (1) above, the Bank decides to confirm the revocation of the recognition or licence of an institution but to grant to it a conditional licence subject to conditions which are different from those stated in the immediate revocation notice, the Bank shall be treated for the purposes of this Act as having decided to confirm its original decision.
- 5 (1) The Bank shall give the institution concerned notice in writing of its decision under paragraph 4 above within the period of twenty-eight days beginning with the date on which the immediate revocation notice was given and, except where the decision is to rescind the original decision, the Bank shall set out in the notice under this paragraph the reasons for its decision.
- (2) Where the Bank gives notice under this paragraph of its decision to confirm its original decision and sub-paragraph (2) of paragraph 4 above applies, the notice under this paragraph shall have the effect of varying the terms of the conditional



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licence previously granted with effect from the date, and in accordance with the terms, of the notice.

- (3) Where the Bank gives notice under this paragraph of its decision to rescind its original decision, the recognition or licence in question shall be deemed never to have been revoked.
- (4) Where the Bank gives notice of a decision under paragraph 4(1)(c) above,—
  - (a) the institution's recognition shall be deemed not to have been revoked by the immediate revocation notice; and
  - (b) the notice under this paragraph shall have the effect of revoking that recognition and granting a full licence to the institution with effect from the date of the notice under this paragraph.

## SCHEDULE 5

Section 21.

### THE DEPOSIT PROTECTION BOARD

#### *Constitution*

- 1 (1) The Board shall\* consist of three *ex officio* members, namely,—
  - (a) the Governor of the Bank for the time being, who shall be the chairman of the Board,
  - (b) the Deputy Governor of the Bank for the time being, and
  - (c) the Chief Cashier of the Bank for the time being,and such ordinary members as shall from time to time be appointed under sub-paragraph (2) below.
- (2) The Governor of the Bank shall appoint as ordinary members of the Board—
  - (a) three persons who are directors, controllers or managers of contributory institutions ; and
  - (b) persons who are officers or employees of the Bank.
- (3) Each *ex officio* member of the Board may appoint an alternate member, being an officer or employee of the Bank, to perform his duties as a member in his absence.
- (4) Each ordinary member of the Board may appoint an appropriately qualified person as an alternate member to perform his duties as a member in his absence; and for this purpose a person is appropriately qualified for appointment as an alternate—
  - (a) by a member appointed under paragraph (a) of sub-paragraph (2) above, if he is a director, controller or manager of a contributory institution; and
  - (b) by a member appointed under paragraph (b) of that subparagraph, if he is either an officer or employee of the Bank.
- (5) Ordinary and alternate members of the Board shall hold and vacate office in accordance with the terms of their appointment

#### *Proceedings*

- 2 (1) The Board shall determine their own procedure, including the quorum necessary for their meetings.

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- (2) The validity of any proceedings of the Board shall not be affected by any vacancy among the *ex officio* members of the Board or by any defect in the appointment of any ordinary or alternate member.
- 3 (1) The fixing of the common seal of the Board shall be authenticated by the signature of the chairman of the Board or some other person authorised by the Board to act for that purpose.
- (2) A document purporting to be duly executed under the seal of the Board shall be received in evidence and deemed to be so executed unless the contrary is proved.

*Accounts, audit and annual report*

- 4 (1) The Board may determine their own financial year.
- (2) It shall be the duty of the Board—
- (a) to keep proper accounts and proper records in relation to the accounts; and
  - (b) to prepare in respect of any period beginning with the appointed day and ending with the beginning of the Board's first financial year and in respect of each of their financial years, a statement of accounts showing the state of affairs and income and expenditure of the Board.
- (3) A statement of accounts prepared in accordance with subparagraph (2)(b) above shall be audited by auditors appointed by the Board and the auditors shall report to the Board stating whether in their opinion the provisions of paragraph 4(2) above have been complied with.
- (4) A person shall not be qualified to be appointed as auditor by the Board under subparagraph (3) above unless—
- (a) he is a member of, or a Scottish firm in which all the partners are members of, one or more bodies of accountants established in the United Kingdom and for the time being recognised for the purposes of section 161(1)(a) of the Companies Act 1948 by the Secretary of State ; or
  - (b) he is for the time being authorised to be appointed as auditor of a company under section 161(1)(b) of that Act as having similar qualifications obtained outside the United Kingdom.
- (5) It shall be the duty of the Board, as soon as possible after the end of any such period as is mentioned in sub-paragraph (2)(b) above and of each of their financial years, to prepare a report on the performance of their functions during that period or, as the case may be, during that financial year.
- (6) It shall be the duty of the Board to publish, in such manner as they think appropriate, every statement of account prepared in accordance with sub-paragraph (2)(b) above and every report prepared in accordance with sub-paragraph (5) above.

SCHEDULE 6

Section 51(1).

CONSEQUENTIAL AMENDMENTS

PART I

ENACTMENTS AMENDED

*The Bankers' Books Evidence Act 1879 (c.11)*

- 1 For section 9 of the Bankers' Books Evidence Act 1879 (meaning of " bank ", " banker ", and " bankers' books" for the purposes of that Act) there shall be substituted the following section: —

**“9 Interpretation of "bank", "banker", and " bankers' books ".**

- (1) In this Act the expressions " bank" and " banker " mean—
- (a) a recognised bank, licensed institution or municipal bank, within the meaning of the Banking Act 1979 ;
  - (b) a trustee savings bank within the meaning of section 3 of the Trustee Savings Banks Act 1969 ;
  - (c) the National Savings Bank ; and
  - (d) the Post Office, in the exercise of its powers to provide banking services.
- (2) Expressions in this Act relating to " bankers' books" include ledgers, day books, cash books, account books and other records used in the ordinary business of the bank, whether those records are in written form or are kept on microfilm, magnetic tape or any other form of mechanical or electronic data retrieval mechanism.”

*The Agricultural Credits Act 1928 (c.43)*

- 2 In subsection (7) of section 5 of the Agricultural Credits Act 1928 (agricultural charges on farming stock and assets) for the definition of " Bank" there shall be substituted the following definition: —

“" Bank " means the Bank of England, a recognised bank or licensed institution within the meaning of the Banking Act 1979, a trustee savings bank within the meaning of section 3 of the Trustee Savings Banks Act 1969 or the Post Office, in the exercise of its powers to provide banking services”.

*The Agricultural Credits {Scotland} Act 1929 (c.13)*

- 3 In subsection (2) of section 9 of the Agricultural Credits (Scotland) Act 1929 (interpretation), for the definition of " Bank " there shall be substituted the following definition: —

“" Bank " means the Bank of England, a recognised bank or licensed institution within the meaning of the Banking Act 1979, a trustee savings bank within the meaning of section 3 of the Trustee Savings Banks Act 1969 or the Post Office, in the exercise of its powers to provide banking services”.

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*The Prevention of Fraud (Investments) Act (Northern Ireland) 1940 (c.9) (N.I.)*

- 4 (1) Subsection (1) of section 12 of the Prevention of Fraud (Investments) Act (Northern Ireland) 1940 (penalty for fraudulently inducing persons to invest money) shall be amended as follows: —
- (a) after the words " the reckless making " there shall be inserted the words " (dishonestly or otherwise) "; and
  - (b) for paragraph (b) there shall be substituted the following paragraph: —
    - “(b) to take part or offer to take part in any arrangements with respect to property other than securities, being arrangements the purpose or effect, or pretended purpose or effect, of which is to enable persons taking part in the arrangements (whether by becoming owners of the property or any part of the property or otherwise) to participate in or receive profits or income alleged to arise or to be likely to arise from the acquisition, holding, management or disposal of such property, or sums to be paid or alleged to be likely to be paid out of such profits or income.”
- (2) In the proviso to subsection (3) of section 13 of the said Act of 1940, for the words from " any arrangements " to the end there shall be substituted the words " any such arrangements as are mentioned in paragraph (b) of subsection (1) of the last preceding section " .

*The Prevention of Fraud (Investments) Act 1958 (c.45)*

- 5 (1) Subsection (1) of section 13 of the Prevention of Fraud (Investments) Act 1958 (penalty for fraudulently inducing persons to invest money) shall be amended as follows: —
- (a) after the words " the reckless making " there shall be inserted the words " (dishonestly or otherwise) ";
  - (b) for paragraph (b) there shall be substituted the following paragraph: —
    - “(b) to take part or offer to take part in any arrangements with respect to property other than securities, being arrangements the purpose or effect, or pretended purpose or effect, of which is to enable persons taking part in the arrangements (whether by becoming owners of the property or any part of the property or otherwise) to participate in or receive profits or income alleged to arise or to be likely to arise from the acquisition, holding, management or disposal of such property, or sums to be paid or alleged to be likely to be paid out of such profits or income.”
- (2) In the proviso to subsection (3) of section 14 of the said Act of 1958, for the words from "any arrangements" to the end there shall be substituted the words " any such arrangements as are mentioned in paragraph (b) of subsection (1) of the last preceding section " .

*The Building Societies Act 1962 (c.37)*

- 6 In subsection (5) of section 59 of the Building Societies Act 1962 (institutions which may be authorised to hold surplus funds of building societies) for the words " a body corporate or partnership carrying on the business of banking " there shall

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be substituted the words " a recognised bank within the meaning of the Banking Act 1979 ".

*The Building Societies Act (Northern Ireland) 1967 (c.31) (N.I.)*

- 7 In subsection (5) of section 59 of the Building Societies Act (Northern Ireland) 1967 (institutions which may be authorised to hold surplus funds of building societies) for the words " a body corporate or partnership carrying on the business of banking" there shall be substituted the words " a recognised bank within the meaning of the Banking Act 1979 ".

*The Industrial and Provident Societies Act (Northern Ireland) 1969 (c.24) (N.I.)*

- 8 At the end of section 87 of the Industrial and Provident Societies Act (Northern Ireland) 1969 (investment of surplus funds of credit unions) there shall be added the following subsection: —

“(7) In this section " bank " means—

- (a) a recognised bank or municipal bank within the meaning of the Banking Act 1979 ;
- (b) a trustee savings bank within the meaning of section 3 of the Trustee Savings Banks Act 1969 ; and
- (c) the National Savings Bank.”

*The Solicitors Act 1974 (c.47)*

- 9 In subsection (1) of section 87 of the Solicitors Act 1974 (interpretation of expressions used in that Act), in the definition of " bank "—

- (a) in paragraph (a) after the word " England " there shall be inserted the words " the Post Office, in the exercise of its powers to provide banking services, or a recognised bank within the meaning of the Banking Act 1979 "; and
- (b) in paragraph (b) for the words " a company as to which the Secretary of State is satisfied " there shall be substituted the words " any other company as to which, immediately before the repeal of the Protection of Depositors Act 1963, the Secretary of State was satisfied ";

and the expression " bank " in any instrument made under the said Act of 1974 which is in force immediately before the appointed day shall be construed accordingly.

*The Solicitors (Scotland) Act 1976 (c.6)*

- 10 In subsection (1) of section 5 of the Solicitors (Scotland) Act 1976 (extension of power of Council to make rules regarding certain accounts)—

- (a) after the words "National Savings Bank" there shall be inserted the words " the Post Office, in the exercise of its powers to provide banking services, a recognised bank within the meaning of the Banking Act 1979 "; and
- (b) for the words " company as to which the Secretary of State is satisfied " there shall be substituted the words " other company as to which, immediately before the repeal of the Protection of Depositors Act 1963, the Secretary of State was satisfied ";

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and the expression " bank " in any instrument made under the said Act of 1976 or under the Solicitors (Scotland) Act 1949 which is in force immediately before the appointed day shall be construed accordingly.

*The Home Purchase Assistance and Housing Corporation Guarantee Act 1978 (c.27)*

- 11 In Part I of the Schedule to the Home Purchase Assistance and Housing Corporation Guarantee Act 1978 (lending institutions) in paragraph 7 for the words " Companies which have satisfied the Secretary of State " there shall be substituted the words " Recognised banks, within the meaning of the Banking Act 1979, and any other companies as to which, immediately before the repeal of the Protection of Depositors Act 1963, the Secretary of State was satisfied ".

*The Home Purchase Assistance (Northern Ireland) Order 1978 (1978/1043) (N.I. 13)*

- 12 In Part I of the Schedule to the Home Purchase Assistance (Northern Ireland) Order 1978 (lending institutions) in paragraph 4 for the words "Companies which have satisfied the Department of Commerce " there shall be substituted the words " Recognised banks, within the meaning of the Banking Act 1979, and any other companies as to which, immediately before the repeal of the Protection of Depositors Act (Northern Ireland) 1964, the Department of Commerce was satisfied ".

## PART II

### SAVINGS

*The Bankers' Books Evidence Act 1879 (c.11)*

- 13 Nothing in paragraph 1 above shall affect the operation of the Bankers' Books Evidence Act 1879 in relation to any entry in any banker's book made, or relating to a transaction carried out,—
- (a) before the day appointed for the purposes of that paragraph ; or
  - (b) at a time when the bank or banker in question was permitted to accept deposits by virtue of subsection (4) of section 2 of this Act.

*The Agricultural Credits Act 1928 (c.43)*

- 14 Nothing in paragraph 2 above shall affect the validity of, or the rights and obligations of the parties to, an agricultural charge within the meaning of the Agricultural Credits Act 1928 made before the day appointed for the purposes of that paragraph.

*The Agricultural Credits (Scotland) Act 1929 (c.13)*

- 15 Nothing in paragraph 3 above shall affect the validity of, or the rights and obligations of the parties to, an agricultural charge within the meaning of the Agricultural Credits (Scotland) Act 1929 made before the day appointed for the purposes of that paragraph.

*Status: This is the original version (as it was originally enacted).*

*The Building Societies Act 1962 (c.37)*

- 16 Nothing in paragraph 6 above shall affect the authority of any body corporate or partnership which immediately before the day appointed for the purposes of that paragraph was designated by order of the Chief Registrar under section 59 of the Building Societies Act 1962 or the power of the Chief Registrar to remove the authority of such a body or partnership by a subsequent order made on or after that day.

*The Building Societies Act (Northern Ireland) 1967 (c.31) (N.I.)*

- 17 Nothing in paragraph 7 above shall affect the authority of any body corporate or partnership which immediately before the day appointed for the purposes of that paragraph was designated by order of the registrar under section 59 of the Building Societies Act (Northern Ireland) 1967 or the power of the registrar to remove the authority of such a body or partnership by a subsequent order made on or after that day.

*The Industrial and Provident Societies Act (Northern Ireland) 1969 (c.24) (N.I.)*

- 18 Nothing in paragraph 8 above shall affect the authority of any body which immediately before the day appointed for the purposes of that paragraph was authorised by order of the registrar under section 87 of the Industrial and Provident Societies Act (Northern Ireland) 1969 or the power of the registrar to remove the authority of such a body by a subsequent order made on or after that day.
- 19 The savings contained in this Part of this Schedule are without prejudice to section 16 of the Interpretation Act 1978 (general savings).

SCHEDULE 7

Section 51(2).

ENACTMENTS REPEALED

Chapter	Short Title	Extent of Repeal
1844 c. 32.	The Bank Charter Act 1844.	Section 21.
1845 c. 38.	The Bank Notes (Scotland) Act 1845.	Section 13.
1880 c. 20.	The Inland Revenue Act 1880.	Section 57. Schedule 3.
1907 c. 24.	The Limited Partnerships Act 1907.	In section 4, in subsection (2), the words from " in the case of a partnership" to " any other partnership ".
1948 c. 38.	The Companies Act 1948.	In section 155, subsection (2). Sections 429 to 432.

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*Status: This is the original version (as it was originally enacted).*

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Chapter	Short Title	Extent of Repeal
1960 c. 22 (N.I.).	The Companies Act (Northern Ireland) 1960.	<p>In section 433, in subsection (1), the words " a limited banking company or " .</p> <p>In section 434, in subsection (1), the words " (other than the business of banking) " .</p> <p>In section 149, subsection (2).</p> <p>Sections 377 to 380.</p> <p>In section 381, in subsection (1), the words " a limited banking company or " .</p> <p>In section 382, in subsection (1), the words " (other than the business of banking) " .</p>
1963 c. 16.	The Protection of Depositors Act 1963.	The whole Act, so far as unrepealed.
1964 c. 22 (N.I.).	The Protection of Depositors Act (Northern Ireland) 1964.	The whole Act, so far as unrepealed.
1967 c. 81.	The Companies Act 1967.	<p>Section 119.</p> <p>In section 120, in subsection (1), the words " (other than the business of banking) " .</p> <p>In section 121, in subsection (1), the words " (other than a partnership carrying on the business of banking) " ; and in subsection (2), the words " (other than a partnership carrying on the business of banking) " .</p> <p>Section 127.</p>
1968 c. 25. (N.I.).	The Financial Provisions Act (Northern Ireland) 1968.	In Schedule 1, in paragraph 1, the entry relating to the Protection of Depositors Act (Northern Ireland) 1964.
1969 c. 48.	The Post Office Act 1969.	In section 40, the words from " but shall not" to the end.



*Status: This is the original version (as it was originally enacted).*

Chapter	Short Title	Extent of Repeal
1976 c. 4.	The Trustee Savings Banks Act 1976.	In Part III of Schedule 6, the provision amending the Bankers' Books Evidence Act 1879.
1976 c. 10.	The Post Office (Banking Services) Act 1976.	In Schedule 5, paragraphs 4 to 7.
1976 c. 69.	The Companies Act 1976.	Section 1(2).
S.I. 1978/1042 (N.I. 12).	The Companies (Northern Ireland) Order 1978.	In Schedule 1, the paragraph amending section 432(1) of the Companies Act 1948. In Schedule 2, the paragraphs amending the Protection of Depositors Act 1963. Article 133. In Article 134(1), the words " (other than the business of banking)". In Article 135, in paragraph (1) the words " (other than a partnership carrying on the business of banking)", in paragraph (2), the words " (other than a partnership carrying on the business of banking)". In Schedule 6, in Part II the amendments of the Protection of Depositors Act (Northern Ireland) 1964.