

SCHEDULES

SCHEDULE 8

POWERS TO PROVIDE SERVICES

PART III

RESTRICTIONS IN RELATION TO CERTAIN SERVICES

Money transmission

- 1 No guarantee arising out of the operation of an account by means of which money transmission services are provided shall exceed, for any single operation, the prescribed limit

Foreign exchange

- 2 The provision of foreign exchange services is restricted to their provision to individuals.

Estate management

- 3 Management of land is restricted to management of land which is or is to be used primarily for residential purposes or for purposes incidental to the use of adjoining land managed by the society which is or is to be used primarily for residential purposes.
- 4 The power to manage land is not available to a building society which does not for the time being have a qualifying asset holding.

Arranging for investment services

- 5 Arranging for the provision of investment services is restricted to their provision to individuals.

Personal equity plan management

- 6 (1) The power to establish and manage personal equity plans is available only to a subsidiary of the society.
- (2) The power to establish and manage personal equity plans is available only while the society has a qualifying asset holding.

Arranging for provision of credit

- 7 Arranging for the provision of credit and connected services is restricted to their provision by recognised banks or licensed institutions or other bodies for the time

Status: This is the original version (as it was originally enacted).

being approved for the purposes of this Schedule by the Commission, whether in relation to all building societies or specified classes of building society.

- 8 Arranging for the provision of credit is restricted to its provision to individuals except where the loan to the borrower is to be secured by—
- (a) a mortgage of a legal estate in land in England and Wales or Northern Ireland, or
 - (b) a heritable security over land in Scotland,
- being a mortgage or heritable security to which no other, or no more than one other, mortgage or heritable security, as the case may be, will have priority.

Pensions management etc.

- 9 The power to establish and manage unit trust schemes is available only to a subsidiary of the society.

Arranging for insurance

- 10 Arranging for the provision of insurance is restricted to its provision primarily to individuals ; but this restriction does not apply to, nor in determining whether over any period insurance is being provided primarily to individuals is any account to be taken of income derived from, insurance relating to land which is to secure advances by the society.

Estate agency

- 11 The power to provide estate agency services is available only to a subsidiary of the society.
- 12 For the power to provide estate agency services to be available to the subsidiary of a building society, the following conditions must be fulfilled as regards the subsidiary and its business, that is to say—
- (a) the subsidiary must have been formed in one of the following countries or territories, that is to say, the United Kingdom, a relevant British overseas territory or another member State and the principal business of the society must, at the time the society forms or acquires the subsidiary, be conducted in that country or territory ;
 - (b) 40 per cent, or more of its total income in any financial year (wherever arising) must be derived from estate agency work done in countries or territories in which the society, at any time in that year, carried on the business of making advances secured on land ; and
 - (c) its business must not include the lending of money, secured or unsecured, on its own account or the provision of any service which is a financial service for the purposes of this Schedule other than one which is for the time being specified in Part I of this Schedule.
- 13 No employee of a building society a subsidiary of which provides estate agency services shall act as agent for the subsidiary.