

1987 No. 1871

BUILDING SOCIETIES

**The Building Societies (Designation of Pension
Companies) Order 1987**

<i>Made</i> - - - -	<i>26th October 1987</i>
<i>Laid before Parliament</i>	<i>30th October 1987</i>
<i>Coming into force</i>	<i>20th November 1987</i>

The Building Societies Commission, with the consent of the Treasury, in exercise of the powers conferred on it by section 18(2)(c) of the Building Societies Act 1986(a), and of all other powers enabling it in that behalf, hereby makes the following Order:

Title and commencement

1. This Order may be cited as the Building Societies (Designation of Pension Companies) Order 1987 and shall come into force on 20th November 1987.

Designation of pension companies

2.—(1) A pension company is designated for the purposes of section 18 of the Building Societies Act 1986 (power to invest in associated bodies) as a description of body corporate suitable for—

- (a) investment and support, or
- (b) support,

by a society for the purposes specified in paragraph (2) below.

(2) The purposes specified in this paragraph are the purposes of enabling the pension company to act as trustee in respect of a relevant pension scheme.

(3) In this Article—

“pension company” means a company the objects of which include acting as trustee in respect of pension schemes or descriptions of them;

“pension scheme” means—

- (a) a retirement benefits scheme within the meaning of, and approved or capable of being approved by the Commissioners of Inland Revenue for the purposes of, Chapter II of Part II of the Finance Act 1970(b) (occupational pension schemes), or
- (b) a personal pension scheme within the meaning of, and approved or capable of being approved by the Commissioners of Inland Revenue under, Chapter II of Part I of the Finance (No. 2) Act 1987 (c) (personal pension schemes); and

“relevant pension scheme” means a pension scheme which does not include a provision requiring the investment of any of the funds within the scheme in shares in or deposits with a building society of which the pension company which acts as trustee in respect of the scheme is a subsidiary.

(a) 1986 c.53.

(b) 1970 c.24.

(c) 1987 c.51.

In witness whereof the common seal of the Building Societies Commission is hereunto fixed, and is authenticated by me, a person authorised under paragraph 14 of Schedule 1 to the Building Societies Act 1986, on 22nd October 1987.



D. B. Severn
Secretary to the Commission

We consent to this Order.

Mark Lennox-Boyd
Tony Durant

26th October 1987

Two of the Lords Commissioners of Her Majesty's Treasury

EXPLANATORY NOTE

(This note is not part of the Order)

This Order designates companies acting as trustees in respect of pension schemes as bodies corporate which building societies may invest in (for example by acquiring shares) and for which they may provide supporting services. The purpose of investment and support of such a company must be to enable it to act as trustee of pension schemes which do not require the placing of any funds within the scheme with a building society of which the company is a subsidiary.

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