
STATUTORY INSTRUMENTS

1992 No. 2930

BUILDING SOCIETIES

**The Building Societies (Liquid Asset)
(Amendment) Regulations 1992**

Made - - - - 23rd November 1992
Laid before Parliament 24th November 1992
Coming into force - - 15th December 1992

The Building Societies Commission, with the consent of the Treasury, in exercise of the powers conferred upon it by section 21(7) of the Building Societies Act 1986⁽¹⁾, and of all other powers enabling it in that behalf, hereby makes the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Building Societies (Liquid Asset) (Amendment) Regulations 1992 and shall come into force on 15th December 1992.

Amendment of previous Regulations

2. In Part I of the Schedule to the Building Societies (Liquid Asset) Regulations 1991⁽²⁾ (“the 1991 Regulations”):

- (a) there shall be substituted for “Sweden, Switzerland” in paragraphs 2(a) and 3(2)(b) the words “any EFTA State”;
- (b) there shall be inserted in paragraphs 2(c), 3(1)(b) and (c), at the end of each, the words “and of any EFTA State”; and,
- (c) there shall be added:—

“9. Rights to any securities against any depository or clearing agent evidenced in writing or by electronic means.”.

3. In Part II of the Schedule to the 1991 Regulations there shall be inserted in paragraph 4 after the word “Community” the words “and of any EFTA State”.

4. In Part III of the Schedule to the 1991 Regulations there shall be inserted:

- (1) before the definition of “commercial paper”:

(1) 1986 c. 53.
(2) S.I. 1991/2580.

“clearing agent” means a person who holds a record whether in writing or by electronic means of the rights to securities of his principals and provides a service to the principals enabling them to transfer between each other the rights to securities by altering as appropriate the records held;”;

(2) before the definition of “gilt-edged market maker”:

“depository” means a central bank of a state mentioned in paragraph 2(a) of Part I, which takes deposits of securities or any person whose business includes the taking of deposits of securities and whose business of taking deposits of securities is supervised or authorised by the appropriate national authority, empowered by law, of any of those states so to do;

“EFTA State” means any of Austria, Finland, Iceland, Liechtenstein, Norway, Sweden and Switzerland;”;

(3) in the definition of “mortgage backed securities” after the word “Community” the words “and of any EFTA State”;

(4) before the definition of “securities”:

“rights to any securities” means any rights of a person to have a security which comes within paragraphs 3, 4 and 7 of Part I:—

- (a) delivered to him, or
- (b) transferred to another depository or clearing agent and evidenced, whether in writing or by electronic means, as being his right to the security, or
- (c) transferred to any other person; and,

“rights to any securities” includes a right to a proportion of any such debt as comes within paragraphs 3, 4 and 7 of Part I which right is evidenced in writing or by electronic means;”.

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

L.S.

18th November 1992.

Norman Digance
Secretary to the Commission

We consent to this Order.

23rd November 1992

Gregory Knight
T. E. Boswell
Two of the Lords Commissioners of Her Majesty’s Treasury

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations add a description of assets to Part I of the Schedule to the Building Societies (Liquid Asset) Regulations 1991 namely rights to securities against any depository or clearing agent, and extend the description of assets which may be held by societies so as to include deposits with central banks and credit institutions of states which are members of the European Free Trade Association.