

For Legal Eagles exclusively

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Many words in Legal English acquire new meaning or function in different contexts than in General English. Especially when word-formation becomes involved we have to pay attention to retain the meaning originally intended.

3. INSTITUTION

This is a nominal form from the verb to INSTITUTE and it may have two distinct meanings in Legal English.

- INSTITUTION - a formal word for commencing or starting something (institution of bankruptcy proceedings)

- INSTITUTION – any established law or custom (the institution of marriage)

In Financial English an **institutional investor** is a large organization, such as an insurance company, bank, or pension fund, that has substantial sums to invest on a stock exchange.

Please note that according to the Garner's Dictionary 'to institute proceedings' is a highfalutin ☺ way of saying 'to file a suit'.

4. CONSTRUCTION

Two distinct verbs: CONSTRUE which basically means 'interpret' and CONSTRUCT which means 'to build' may adopt this nominal form in Legal English.

- CONSTRUCTION – process of building or creating (the construction of the new bridge, under construction)

- CONSTRUCTION – interpretation of a clause or contract, the process of construing (on a proper construction of the contract)

Please note that the phrase **construction of law** means such interpretation of a statute as to cover what it does not necessarily explicitly mention. The phrase **constructive dismissal**.

TASK

Will you be able to form correct words to fill in the gaps in the sentences?

		Sample sentence	Polish meaning
1	INSTITUTE	The purpose of the Code is to ensure that federally regulated financial _____ ("lenders") provide enhanced information in respect of credit agreements secured by mortgages.	
2	CONSTRUE	On a proper _____ of the contract a third party was to benefit from the contemplated transaction.	
3	CONSTRUCT	The Building Society is consulting on issues concerning the use of experts in the resolution of - _____ disputes.	
4	INSTITUTE	The Debtor shall be deemed to be in financial difficulty as evidenced by the _____ of bankruptcy proceedings against him.	