



Financial Services (Banking Reform) Act 2013

2013 CHAPTER 33

PART 3

BAIL-IN STABILISATION OPTION

17 Bail-in stabilisation option

- (1) Schedule 2 (which contains amendments relating to a new stabilisation option in Part 1 of the Banking Act 2009) has effect.
- (2) The Treasury may by order make any provision they consider appropriate in consequence of the application to building societies of the amendments made by this Part.
- (3) An order may, in particular—
 - (a) enable the Bank of England, for the purpose of enabling it to exercise in relation to the business of a building society any of the powers exercisable as a result of the amendments made by this Part—
 - (i) to convert the building society into a company, or
 - (ii) to transfer the business of the building society to a company which immediately before the transfer is owned by the Bank or by a person of a description specified in the order;
 - (b) enable the Bank of England, in connection with the exercise of a power conferred by virtue of paragraph (a), to cancel membership rights or shares in the building society;
 - (c) provide for any power exercisable as a result of the amendments made by this Part to be exercisable in relation to the company—
 - (i) into which the building society is converted, or
 - (ii) to which the business of the building society is transferred;

- (d) enable the Bank of England, in a case where it has transferred the business of a building society by virtue of paragraph (a)(ii), to dissolve the building society at any time after the transfer;
 - (e) confer functions on the Treasury, the Bank of England, the FCA, the PRA or a bail-in administrator;
 - (f) make further amendments of Part 1 of the Banking Act 2009;
 - (g) amend or modify the effect of the Building Societies Act 1986 or any other enactment to which this subsection applies.
- (4) Subsection (3) applies to any enactment (including a fiscal enactment) passed or made—
- (a) before the passing of this Act, or
 - (b) on or before the last day of the Session in which this Act is passed.
- (5) In this section—
- “bail-in administrator” is to be read in accordance with section 12B of the Banking Act 2009 (as inserted by paragraph 2 of Schedule 2);
 - “building society” has the same meaning as in section 84 of the Banking Act 2009;
 - “company” means a company as defined in section 1(1) of the Companies Act 2006 which is a public company limited by shares.