
Changes to legislation: Building Societies Act 1986, Paragraph 8 is up to date with all changes known to be in force on or before 28 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

SCHEDULES

SCHEDULE 11

^{F1} AUDITORS: APPOINTMENT, TENURE...

Textual Amendments

- F1** Words in Sch. 11 heading omitted (6.4.2008) by virtue of [The Companies Act 2006 \(Consequential Amendments etc\) Order 2008 \(S.I. 2008/948\)](#), art. 2(2), [Sch. 1 para. 14\(a\)](#), Sch. 2 (with arts. 6, 11, 12)

Modifications etc. (not altering text)

- C1** Sch. 11 excluded by [S.I. 1986/2168](#), art. 12(a)

Resignation of auditors

- 8 (1) Where an auditor's notice of resignation contains a statement under paragraph 7(2)(b) above he may also deposit at the principal office of the society a requisition signed by him calling on the directors of the society forthwith duly to convene a special general meeting of the society for the purpose of receiving and considering such explanation of the circumstances connected with this resignation as he may wish to place before the meeting.
- (2) Where an auditor's notice of resignation contains such a statement the auditor may request the society to send to its members—
- (a) before the general meeting at which his term of office would otherwise expire or expires, as the case may be; or
 - (b) before any general meeting at which it is proposed to fill the vacancy caused by his resignation,
- a statement in writing (not exceeding a reasonable length) of the circumstances connected with his resignation.
- (3) The society shall in that case (unless the statement is received by it too late for it to comply)—
- (a) in any notice of the meeting given to members state the fact of the statement having been made, and
 - (b) send a copy of the statement to every member to whom notice of the meeting is or has been sent.
- [^{F1}(3A) Where a copy of a statement is required to be sent to a member under sub-paragraph (3)(b)—
- (a) it may be sent to him electronically only if it is sent to an electronic address notified by the member for the purpose; but
 - (b) the requirement to send it shall also be treated as satisfied if the conditions set out in sub-paragraph (3B) are satisfied.

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- (3B) The conditions of this sub-paragraph are satisfied in the case of a copy of a statement if—
- (a) the society and the member have agreed that information which is required to be sent to him may instead be accessed by him on a web site;
 - (b) the agreement applies to the statement in question;
 - (c) that member is notified ^{F2}... of—
 - (i) the publication of the statement on a web site,
 - (ii) the address of that web site, and
 - (iii) the place on that web site where the notice may be accessed, and how it may be accessed; and
 - (d) the statement is published continuously on that web site throughout the period beginning with the giving of that notification and ending with the conclusion of the meeting.
- (3C) Where, in a case in which sub-paragraph (3A)(b) is relied on for compliance with a requirement under sub-paragraph (3)(b)—
- (a) a statement is published for a part, but not all, of the period mentioned in subparagraph (3B)(d), but
 - (b) the failure to publish it throughout that period is wholly attributable to circumstances which it would not be reasonable to have expected the society to prevent or avoid,
- that failure shall not invalidate the proceedings of the meeting.]
- (4) If the directors of the society do not within 21 days from the date of the deposit of a requisition under this paragraph proceed duly to convene a meeting for a day not more than 28 days after the date on which the notice convening the meeting is given, every director who failed to take all reasonable steps to secure that a meeting was so convened shall be liable—
- (a) on conviction on indictment to a fine; or
 - (b) on summary conviction to a fine not exceeding the statutory maximum.
- (5) If a copy of the statement mentioned in sub-paragraph (2) is not sent out as required by sub-paragraph (3) because it was received too late or because of the society's default, the auditor may (without prejudice to his right to be heard orally) require that the statement be read out at the meeting.
- (6) Copies of a statement need not be sent out and the statement need not be read out at the meeting if—
- (a) on an application made to the High Court by the society or a person aggrieved, the court is satisfied that the rights conferred by this paragraph are being abused to secure needless publicity for defamatory matter; or
 - (b) on an application to the [^{F3}PRA] by the society or a person aggrieved, the [^{F3}PRA] is satisfied that the circulating or reading out of the statement would be likely to diminish substantially the confidence in the society of investing members of the public.
- (7) If the High Court makes an order under sub-paragraph (6)(a) above it may also order the society's costs of the application to be paid by the auditor notwithstanding that he is not a party to the application.

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- (8) An auditor who has resigned his office is entitled to attend any such meeting as is mentioned in sub-paragraph (2)(a) or (b) and to receive all notices of, and other communications relating to, any such meeting which any member of the society is entitled to receive, and to be heard at any such meeting which he attends on any part of the business of the meeting which concerns him as former auditor of the society.

Textual Amendments

- F1** Sch. 11 para. 8(3A)-(3C) inserted (20.3.2003) by [The Building Societies Act 1986 \(Electronic Communications\) Order 2003 \(S.I. 2003/404\)](#), arts. 1(1), **24**
- F2** Words in Sch. 11 para. 8(3B)(c) omitted (18.2.2014) by virtue of [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), s. 148(2), **Sch. 9 para. 14(4)**
- F3** Word in Sch. 11 para. 8(6)(b) substituted (1.4.2013) by [The Financial Services Act 2012 \(Mutual Societies\) Order 2013 \(S.I. 2013/496\)](#), art. 1(1), **Sch. 8 para. 55(7)** (with Sch. 12)

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 5(11)-(14) inserted by [2007 c. 26 s. 1\(2\)](#)
- s. 5(13)(a) substituted by [S.I. 2013/496 Sch. 8 para. 4\(4\)](#)
- s. 7(6A)-(6C) inserted by [2007 c. 26 s. 1\(1\)\(a\)](#)
- s. 7(8A) inserted by [2007 c. 26 s. 1\(1\)\(c\)](#)
- s. 176ZB excluded by [S.I. 2017/400 reg. 14](#)
- s. 246ZA-246ZC excluded by [S.I. 2017/400 reg. 15](#)
- s. 246ZD excluded by [S.I. 2017/400 reg. 16](#)