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## SCHEDULES

### SCHEDULE 17

#### TRANSFERS OF BUSINESS: SUPPLEMENTARY PROVISIONS

#### [<sup>F1</sup>PART IA

#### NOTIFICATION OF PROPOSALS FOR TRANSFERS OF BUSINESS

##### Textual Amendments

- F1** Sch. 17 Pts. I, IA substituted for Sch. 17 Pt. I (1.12.1997) by 1997 c. 32, s. 30(3), Sch. 5 Pts. I, II; S.I. 1997/2668, art. 2, Sch. Pt. I(e)

#### <sup>F2</sup>Preliminary

##### Textual Amendments

- F2** Sch. 17 Pts. I, IA substituted for Sch. 17 Pt. I (1.12.1997) by 1997 c. 32, s. 30(3), Sch. 5 Pts. I, II; S.I. 1997/2668, art. 2, Sch. Pt. I(e)

<sup>F3</sup>5A In this Part of this Schedule—

“requisite particulars”, in relation to a transfer proposal, means the particulars required by paragraph 5B(2) below to be given in a transfer proposal notification;

“transfer”, in relation to a building society, means a transfer of the whole of its business to a company under section 97;

“transfer proposal”, in relation to a building society, means a proposal in writing by a company for a transfer by the society to the company, with or without terms for the transfer; and “proposer” has a corresponding meaning;

“transfer proposal notification” means a notification containing the requisite particulars of a transfer proposal;

“transfer resolutions”, in relation to a building society, means the resolutions required for the approval of a transfer by the society under section 97.

##### Textual Amendments

- F3** Sch. 17 Pts. I, IA substituted for Sch. 17 Pt. I (1.12.1997) by 1997 c. 32, s. 30(3), Sch. 5 Pts. I, II; S.I. 1997/2668, art. 2, Sch. Pt. I(e)

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**Modifications etc. (not altering text)**

C1 Definition applied (1.6.1999) by [S.I. 1999/1215](#) reg. 3(6)

*<sup>F4</sup>Duty to notify members*

**Textual Amendments**

F4 [Sch. 17 Pts. I, IA](#) substituted for [Sch. 17 Pt. I](#) (1.12.1997) by [1997 c. 32, s. 30\(3\)](#), [Sch. 5 Pts. I, II](#); [S.I. 1997/2668, art. 2, Sch. Pt. I\(e\)](#)

- <sup>F5</sup>5B (1) Subject to sub-paragraph (3) below, it shall be the duty of a building society receiving a transfer proposal to send, in accordance with this Part of this Schedule, a transfer proposal notification in respect of the proposal to every member entitled to notice of a meeting of the society.
- (2) A transfer proposal notification must contain the following particulars—
- (a) the fact that a transfer proposal has been made, and
  - (b) the identity of the proposer;
- with or without other particulars regarding the proposal.
- (3) Sub-paragraph (1) above does not require a transfer proposal notification to be sent to members if the proposer has requested in writing that the requisite particulars are to be treated as confidential; and, where such a request is made and is at a later date withdrawn in writing, the society receiving the proposal shall, for the purposes of this Part of this Schedule, treat the proposal as having been received on that date instead of any earlier date.

**Textual Amendments**

F5 [Sch. 17 Pts. I, IA](#) substituted for [Sch. 17 Pt. I](#) (1.12.1997) by [1997 c. 32, s. 30\(3\)](#), [Sch. 5 Pts. I, II](#); [S.I. 1997/2668, art. 2, Sch. Pt. I\(e\)](#)

- <sup>F6</sup>5C [ A building society shall include in or with every notice of its annual general meeting
- <sup>F7</sup>(1)] a transfer proposal notification with respect to any transfer proposal, other than a proposal of which notice has already been given under this paragraph—
- (a) received by it during the period of 12 months ending with the ninth month of the last financial year of the society before that meeting; or
  - (b) treated by paragraph 5B(3) above as having been received by it during the last three months of that financial year;
- and the society may also include, under this paragraph, a transfer proposal notification with respect to any proposal received, or treated as received, by it after the end of either period.
- [<sup>F8</sup>(2) Where a transfer proposal notification is required under sub-paragraph (1) to be sent to a member in or with the notice of an annual general meeting of the society—
- (a) in a case where notice of that meeting is given to that member electronically in accordance with paragraph 22A of Schedule 2, the transfer proposal notification may be sent to him electronically only if it is sent to the same electronic address, and at the same time as the notice.

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- (b) in a case where notice of that meeting is given on a website in accordance with paragraph 22B of Schedule 2, the requirement to send it shall also be treated as satisfied if the conditions set out in sub-paragraph (3) are satisfied.
- (3) The conditions of this sub-paragraph are satisfied in the case of a transfer proposal notification if—
- (a) the society and the member have agreed that information that is required to be sent to him may instead be accessed by him on a web site;
- (b) the agreement applies to the transfer proposal notification in question;
- (c) at the same time and in the same manner as the society notifies that person of the publication of the notice of the meeting, it notifies him of—
- (i) the publication of the transfer proposal notification on a web site,
- (ii) the address of that web site,
- (iii) the place on that web site where that notification may be accessed, and how it may be accessed; and
- (d) the notification is published continuously on that web site throughout the period beginning when the person is notified in accordance with paragraph (c) and ending with the conclusion of the meeting.
- (4) Where, in a case in which sub-paragraph (2)(b) is relied on for compliance with a requirement under sub-paragraph (1)—
- (a) a statement is published for a part, but not all, of the period mentioned in subparagraph (3)(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,
- the failure shall not invalidate the proceedings of a meeting.]

#### Textual Amendments

- F6** Sch. 17 Pts. I, IA substituted for Sch. 17 Pt. I (1.12.1997) by 1997 c. 32, s. 30(3), Sch. 5 Pts. I, II; S.I. 1997/2668, art. 2, Sch. Pt. I(e)
- F7** Sch. 17 para. 5C(1) renumbered (20.3.2003) by The Building Societies Act 1986 (Electronic Communications) Order 2003 (S.I. 2003/404), arts. 1(1), 28(2)
- F8** Sch. 17 paras. 5C(2)-(4) inserted (20.3.2003) by The Building Societies Act 1986 (Electronic Communications) Order 2003 (S.I. 2003/404), arts. 1(1), 28(2)

*<sup>F9</sup>Duty to notify [<sup>F10</sup>Authority]]*

#### Textual Amendments

- F9** Sch. 17 Pts. I, IA substituted for Sch. 17 Pt. I (1.12.1997) by 1997 c. 32, s. 30(3), Sch. 5 Pts. I, II; S.I. 1997/2668, art. 2, Sch. Pt. I(e)
- F10** Words in cross-heading substituted (17.8.2001 for certain purposes and otherwise 1.12.2001) by S.I. 2001/2617, arts. 2, 8, 13(1), Sch. 3 Pt. II para. 212(c) (with art. 13(3), Sch. 5); S.I. 2001/3538, art. 2

- <sup>F11</sup>5D (1) Where a building society sends a transfer proposal notification to its members under paragraph 5C above in connection with a meeting of the society, it shall send a copy of the notification to the [<sup>F12</sup>Authority] at least 14 days before the date of the meeting.

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- (2) The [<sup>F12</sup>Authority] shall keep the copy of a transfer proposal notification received by it from a building society in the public file of that society.

**Textual Amendments**

- F11** Sch. 17 Pts. I, IA substituted for Sch. 17 Pt. I (1.12.1997) by 1997 c. 32, s. 30(3), Sch. 5 Pts. I, II; S.I. 1997/2668, art. 2, **Sch. Pt. I(e)**
- F12** Words in Sch. 17 para. 5D(1)(2) substituted (17.8.2001 for certain purposes and otherwise 1.12.2001) by S.I. 2001/2617, arts. 2, 8, 13(1), **Sch. 3 Pt. II para. 212(c)** (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2**

*<sup>F13</sup>Penalty*

**Textual Amendments**

- F13** Sch. 17 Pts. I, IA substituted for Sch. 17 Pt. I (1.12.1997) by 1997 c. 32, s. 30(3), Sch. 5 Pts. I, II; S.I. 1997/2668, art. 2, **Sch. Pt. I(e)**

<sup>F14</sup>~~F15~~<sup>F15</sup>(1) If default is made by a building society in complying with paragraph 5C or 5D above, the society shall be liable on summary conviction to a fine not exceeding level 4 on the standard scale; and so shall any officer who is also guilty of the offence.

- [<sup>F16</sup>(2) But no offence is committed under this paragraph, in a case in which paragraph 5C(2) (b) is relied on for compliance with a requirement under paragraph 5C(1), where—
- (a) a transfer proposal notification is published for a part, but not all, of the period mentioned in paragraph 5C(3)(d); and
  - (b) the failure to publish that notification throughout that period is wholly attributable to circumstances which it would not be reasonable to have expected the society to prevent or avoid.]

**Textual Amendments**

- F14** Sch. 17 Pts. I, IA substituted for Sch. 17 Pt. I (1.12.1997) by 1997 c. 32, s. 30(3), Sch. 5 Pts. I, II; S.I. 1997/2668, art. 2, **Sch. Pt. I(e)**
- F15** Sch. 17 para. 5E(1) renumbered (20.3.2003) by [The Building Societies Act 1986 \(Electronic Communications\) Order 2003 \(S.I. 2003/404\)](#), arts. 1(1), **28(3)**
- F16** Sch. 17 para. 5E(2) inserted (20.3.2003) by [The Building Societies Act 1986 \(Electronic Communications\) Order 2003 \(S.I. 2003/404\)](#), arts. 1(1), **28(3)**

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