

Changes to legislation: Building Societies Act 1986, Paragraph 20A is up to date with all changes known to be in force on or before 27 July 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 2

ESTABLISHMENT, INCORPORATION AND CONSTITUTION OF BUILDING SOCIETIES

Modifications etc. (not altering text)

- C1 Sch. 2 modified (3.1.1995) by 1994 c. 40, ss. 17(3), 82(2)
- C1 Sch. 2 applied (with modifications) (7.4.2010) by The Building Societies (Financial Assistance) Order 2010 (S.I. 2010/1188), arts. 1(2), 8

PART III

MEETINGS, RESOLUTIONS AND POSTAL BALLOTS

Modifications etc. (not altering text)

- C1 Sch. 2 Pt. III (paras. 20–36) excluded (*temp.*) by S.I. 1986/2168, art. 3(1)(2)
- C1 Sch. 2 Pt. III (paras. 20–36) modified by S.I. 1987/426, art. 4

^{F1}[Special meeting on members' requisition]

Textual Amendments

- F1 Sch. 2 Pt. III para. 20A and cross-heading inserted (1.12.1997 in specified cases and for specified purposes and otherwise in accordance with art. 2(2)(3)(5) of S.I. 1997/2668) by 1997 c. 32, ss. 25, 47(3); S.I. 1997/2668, art. 2, Sch. Pt. II(q)

[^{F1}20A(1) On a members' requisition, a building society shall—

- (a) duly call a special meeting, and specify the meeting as such in the notice calling it; and
- (b) if so required by the requisition, send to each member entitled to receive notice of the meeting a copy of a statement of not more than 500 words with respect to the matters to be dealt with at the meeting;

and where a meeting is so called no business shall be conducted at the meeting other than that stated in the notice calling it or (where applicable) that mentioned in subparagraph (8)(b) below.

[Where a copy of a statement is required to be sent to a member under sub-^{F2}(1A) paragraph (1)(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

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- (b) the requirement to send it shall also be treated as satisfied if the conditions set out in sub-paragraph (1B) are satisfied.
- (1B) The requirements of this sub-paragraph are satisfied in the case of a statement if—
- (a) the society and that 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) no later than one working day after the statement is first capable of being accessed on a web site that person is notified^{F3}... of—
 - (i) the publication of the statement on a web site,
 - (ii) the address of that web site,
 - (iii) the place on that web site where the statement may be accessed, and how it may be accessed; and
 - (d) a copy of the statement is published continuously on that web site throughout the period beginning (so far as practicable) at the same time as copies of the statement are sent to members in accordance with sub-paragraph (1)(b), and ending with the conclusion of the meeting.]
- (2) A members' requisition is a requisition of not less than the requisite number of members of the society; and that number is [^{F4}500] or such lesser number as may be specified in the rules of the society.
- (3) The requisition—
- (a) must state the objects of the meeting, be signed by the requisitionists and be deposited at the society's principal office; and
 - (b) may consist of several documents in like form each signed by one or more requisitionists and each after the first deposited within three months of the date on which the first was deposited.
- (4) Where the requisition consists of several documents, the date of its deposit shall be taken to be the date on which the document signed by the requisitionist making up the requisite number is deposited at the society's principal office.
- (5) The rules of the society may require a requisitionist—
- (a) to state his full name and address;
 - (b) to fulfil one or other of the following conditions, namely—
 - (i) to have been a shareholding member for a specified period and to hold, or to have held at any time during that period, shares in the society to such value (not greater than the prescribed amount) as is specified in the rules; and
 - (ii) to have been a borrowing member for a specified period and to owe to the society, or to have owed to the society at any time during that period, a mortgage debt of such amount (not greater than the prescribed amount) as is so specified; and
 - (c) to identify a share or mortgage account with the society which will evidence the fact that he fulfils one or other of those conditions;
- and in this sub-paragraph "specified period" means such period (not more than two years) before the date of the requisition as is specified in the rules.
- (6) No objection may be made by virtue of such rules to the requisition or, where the requisition consists of several documents, to any of those documents unless it is

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made within 14 days of the requisition or document being deposited at the society's principal office.

- (7) The rules of the society may also require a sum of money, not exceeding [^{F5}£50] per requisitioner, to be deposited with the requisition; and, where any money is so deposited, it shall be forfeited to the society, or returned to the persons who deposited it, as provided by the rules.
- (8) The rules shall not provide for any deposited money to be forfeited to the society except—
- (a) where a quorum is not present within half an hour after the time appointed for the meeting; or
 - (b) where and to the extent that those eligible to vote at the meeting decide by ordinary resolution that the money should be applied to defray the whole or any part of the expenses of holding the meeting.
- (9) If the rules of a building society so provide, sub-paragraph (1) above does not require the society—
- (a) to call a special meeting if the only or main object of the meeting is to move a resolution in substantially the same terms as any resolution which has been defeated at a meeting or on a postal [^{F6}or electronic] ballot during the period beginning with the third annual general meeting before the date on which the requisition is deposited at the society's principal office; or
 - (b) to call a special meeting to be held during the period of four months beginning one month after the end of its financial year.
- (10) Sub-paragraph (1)(b) above does not require the society to send copies of a statement to members entitled to receive notice of a meeting in any case where—
- (a) publicity for the statement would be likely to diminish substantially the confidence in the society of investing members of the public; or
 - (b) the rights conferred by sub-paragraph (1)(b) above are being abused to seek needless publicity for defamatory matter or for frivolous or vexatious purposes;
- and that provision shall not be taken to confer any rights on members, or to impose any duties on a building society, in respect of a statement which does not relate directly to the affairs of the society.
- (11) Where sub-paragraph (1)(b) above requires copies of a statement to be sent to members entitled to receive notice of a meeting, the proceedings at the meeting are not invalidated by—
- (a) the accidental omission to send a copy of the statement to a member entitled to receive one, or
 - (b) the non-receipt of such a copy by such a member.

[Where, in a case in which sub-paragraph (1A)(b) is relied on for compliance with a ^{F7}(11A) requirement of sub-paragraph (1)(b)—

- (a) a statement is published for a part, but not all, of the period mentioned in subparagraph (1B)(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 at the meeting.]

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- (12) The [^{F8}appropriate authority] shall hear and determine any dispute arising under sub-paragraph (10)(a) above, whether on the application of the society or of any other person who claims to be aggrieved.
- (13) The [^{F9}Treasury may], by order substitute—
- (a) for the number specified in sub-paragraph (2) above; or
 - (b) for the sum specified in sub-paragraph (7) above,
- such other number or sum as appears to [^{F10}them] to be appropriate; and an order under this subsection may make such supplementary, transitional and saving provision as appears to the [^{F11}Treasury] to be necessary or expedient.
- (14) The power to make an order under sub-paragraph (13) above is exercisable by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.]

Textual Amendments

- F1** Sch. 2 Pt. III para. 20A and cross-heading inserted (1.12.1997 in specified cases and for specified purposes and otherwise in accordance with art. 2(2)(3)(5) of S.I. 1997/2668) by 1997 c. 32, **ss. 25, 47(3)**; S.I. 1997/2668, **art. 2, Sch. Pt. II(q)**
- F2** Sch. 2 para. 20A(1A)(1B) inserted (20.3.2003) by [The Building Societies Act 1986 \(Electronic Communications\) Order 2003 \(S.I. 2003/404\)](#), arts. 1(1), **13(2)**
- F3** Words in Sch. 2 para. 20A(1B)(c) omitted (18.2.2014) by virtue of [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), s. 148(2), **Sch. 9 para. 12(2)**
- F4** Figure in Sch. 2 para. 20A substituted (1.12.1999) by S.I. 1999/3031, **art. 2**
- F5** Word in Sch. 2 para. 20A(7) substituted (6.4.2007) by [The Building Societies Act 1986 \(Substitution of Specified Amounts and Modification of the Funding Limit Calculation\) Order 2007 \(S.I. 2007/860\)](#), arts. 1, **2(7)**
- F6** Words in Sch. 2 para. 20A(9)(a) inserted (20.3.2003) by [The Building Societies Act 1986 \(Electronic Communications\) Order 2003 \(S.I. 2003/404\)](#), arts. 1(1), **30(6)(b)**
- F7** Sch. 2 para. 20A(11A) inserted (20.3.2003) by [The Building Societies Act 1986 \(Electronic Communications\) Order 2003 \(S.I. 2003/404\)](#), arts. 1(1), **13(3)**
- F8** Words in Sch. 2 para. 20A(12) substituted (1.4.2013) by [The Financial Services Act 2012 \(Mutual Societies\) Order 2013 \(S.I. 2013/496\)](#), art. 1(1), **Sch. 8 para. 53(10)** (with Sch. 12)
- F9** Words in Sch. 2 para. 20A(13) 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. 200(k)(i)** (with S. 13(3), Sch. 5); S.I. 2001/3538, **art. 2**
- F10** Word in Sch. 2 para. 20A(13) 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. 200(k)(ii)** (with S. 13(3), Sch. 5); S.I. 2001/3538, **art. 2**
- F11** Word in Sch. 2 para. 20A(13) 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. 200(k)(iii)** (with S. 13(3), Sch. 5); S.I. 2001/3538, **art. 2**

Modifications etc. (not altering text)

- C1** Sch. 2 para. 20A(13): Functions of Building Societies Commission transferred (1.12.2001) to the Treasury by S.I. 2001/2617 arts. 2(b), 4(1), Sch. 1 Pt. III; S.I. 2001/3538, **art. 2**

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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](#)