
Changes to legislation: Building Societies Act 1986, Cross Heading: Requirements for establishment is up to date with all changes known to be in force on or before 08 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 I

GENERAL

Requirements for establishment

- 1 (1) Any ten or more persons may establish a society under this Act by taking the following steps—
- (a) agreeing upon the purpose or principal purpose of the society and upon the extent of its powers in a memorandum the provisions of which comply with the requirements of this Part of this Schedule;
 - (b) agreeing upon rules for the regulation of the society which comply with the requirements of this Part of this Schedule;
 - (c) sending to the ^[F1]FCA^[F2]three copies of the memorandum and the rules, each copy signed by at least ten of those persons (or, if there are only ten, by all of them) and by the intended secretary.
- (2) Where copies of the memorandum and rules are sent to the ^[F1]FCA in accordance with sub-paragraph (1)(c) above, the ^[F1]FCA, if satisfied that—
- (a) the provisions of the memorandum are in conformity with this Act and any instruments under it,
 - (b) the rules are in conformity with this Act,
 - (c) the intended name of the society is not, in its opinion, undesirable,
- shall register the society and issue it with a certificate of incorporation.
- (3) On registering a building society under sub-paragraph (2) above, the ^[F1]FCA shall—
- (a) retain and register one copy of the memorandum and of the rules,
 - (b) return another copy to the secretary of the society, together with a certificate of registration, and
 - (c) keep another copy, together with a copy of the certificate of incorporation, and of the certificate of registration of the memorandum and the rules, in the public file of the society.

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^{F3}[(4) In this Act “memorandum”, in relation to a building society, means the memorandum of the purpose and the extent of the powers of the society including the record of any alteration under paragraph 4 below.]

Textual Amendments

- F1** Words in Sch. 2 para. 1 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(2)** (with Sch. 12)
- F2** Words in Sch. 2 para. 1(1)(c) 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(b)** (with S. 13(3), Sch. 5); [S.I. 2001/3538](#), **art. 2**
- F3** Sch. 2 Pt. I para. 1(4) substituted (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. 43, 47(3), **Sch. 7 para. 56(2)**; [S.I. 1997/2668](#), art. 2, **Sch. Pt. II(w)(z)(xxxiii)**

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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](#)