

*Status: Point in time view as at 09/06/1997.*

*Changes to legislation: Building Societies Act 1986, Part I is up to date with all changes known to be in force on or before 10 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)*

## SCHEDULES

### [<sup>F1</sup>SCHEDULE 8A

#### TRANSFER DIRECTIONS: MODIFICATIONS OF PART X

##### Textual Amendments

**F1** Sch. 8A inserted (9.6.1997) by 1997 c. 32, s. 17(2), **Sch. 4**; S.I. 1997/1427, **art. 2(c)**

#### PART I

##### DIRECTIONS UNDER SECTION 42B(3)

###### *Preliminary*

- 1 This Part of this Schedule applies where a direction is given under section 42B(3) (“the direction”).

###### *Compensation for loss of office]*

- 2 (1) The consent of the Commission shall be sufficient authority for the provision for any such compensation as is mentioned in section 96(1)(a).  
(2) A resolution of the board of directors passed in pursuance of the direction shall be sufficient authority for any such payments as are mentioned in section 96(1)(b).

###### *Statements to members*

- 3 (1) The following provisions of this paragraph shall apply in place of paragraph 1 of Schedule 16.  
(2) The society shall send to every member entitled to notice of a meeting of the society, a statement containing—  
(a) the particulars required, in relation to prescribed matters, by regulations under section 42B(8); and  
(b) particulars of any other matters required by the Commission in the case of the particular transfer of engagements,  
with or without other particulars regarding that transfer.  
(3) The statement shall be sent—

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- (a) where the Commission has given the society a direction under section 42B(1)(a), within the period (not being less than 28 days) specified in the notice of confirmation under section 42C(2)(b);
  - (b) where the Commission has not given the society such a direction, within 14 days of the board of directors passing a resolution in pursuance of the direction.
- (4) No statement shall be sent unless its contents, so far as they concern the prescribed matters or any matter of which particulars are required to be given under subparagraph (2)(b) above, have been approved by the Commission.
- (5) A failure to comply with a requirement of this paragraph shall not invalidate the transfer of engagements; but, if the society fails without reasonable excuse to comply with such a requirement 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.

*Application for confirmation*

- 4 No application for confirmation by the Commission of the transfer of engagements may be made under Part III of Schedule 16 until after the society has complied with the requirements of paragraph 3 above.

*Grounds for not confirming transfer*

- 5 Section 95 shall apply as if—
- (a) for paragraphs (a) and (b) of subsection (4) there were substituted the following paragraph—
    - “(a) the members or a proportion of them would be unreasonably prejudiced by the transfer;” and
  - (b) in subsection (6), for the words “paragraphs (a), (b) and (c)” there were substituted the words “ paragraphs (a) and (c) ” and, in paragraph (a), the words “, including the calling of a further meeting,” were omitted.

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