



# Building Societies Act 1986

## 1986 CHAPTER 53

### PART X

#### DISSOLUTION, WINDING UP, MERGERS AND TRANSFER OF BUSINESS

##### *Transfer of business to commercial company*

#### **[<sup>F1</sup>102B Protection of interests of beneficiaries in the case of trustee account holders.**

- (1) This section shall have effect (notwithstanding anything to the contrary in the rules of the society) where the terms of the transfer of the business of a building society to its successor include provision for a distribution to be made to its members, and where more than one distribution is provided for, shall have effect in relation to each of them.
- (2) In this section “distribution” in relation to a society means—
  - (a) a distribution among members of the society of part of the funds of the society or its successor, other than a distribution within section 100(2)(b), or
  - (b) the conferring of rights in relation to shares in the successor on members of the society,in consideration of the transfer.
- (3) Subject to the following provisions of this section and section 102C, a trustee account holder shall be treated by the society and its successor as not being disentitled from sharing in the distribution—
  - (a) as such trustee account holder, and
  - (b) also in relation to another account which he may hold as a trustee account holder or in relation to another account which he may hold otherwise than as a trustee account holder,by reason only of his holding more than one account; and the terms of the transfer of business in question shall comply with this subsection.
- (4) A trustee account holder shall not be entitled to share in a distribution as such trustee account holder by virtue of any provision of this section if—

*Status: Point in time view as at 05/03/2009. This version of this provision has been superseded.*

*Changes to legislation: Building Societies Act 1986, Section 102B is up to date with all changes known to be in force on or before 09 May 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)*

- (a) the society has notified that account holder that he must make, in relation to any account as respects which he is a trustee account holder, a statutory declaration under the <sup>M1</sup>Statutory Declarations Act 1835 complying with subsection (5); but
  - (b) the trustee account holder does not give the society that declaration before such date as may be specified in the society's notice to him.
- (5) A statutory declaration complies with this subsection if the person making it declares in it—
- (a) that he is a trustee account holder in respect of an account identified in the declaration,
  - (b) the name and address of each beneficiary for whom he holds the account,
  - (c) the reason why it is not reasonably practicable for any beneficiary to act in relation to that account himself, and
  - (d) in a case where section 102D(8) applies, the names and addresses of all the trustee account holders of the account during the period referred to in that subsection.
- (6) In any case, where in response to a notice under subsection (4) (and within the time specified in that notice), a person gives a society a statutory declaration complying or purporting to comply with subsection (5) that he is a trustee account holder as respects any account he holds with that society then, subject to section 102C, the society and its successor—
- (a) shall treat him as such an account holder in respect of that account, and
  - (b) shall not be liable to any other person in respect of any distribution to him (whether or not the society makes any enquiry into his eligibility before making the distribution).]

#### **Textual Amendments**

- F1** Ss. 102B-102D inserted (21.3.1997 with application as mentioned in [s. 2\(2\)](#) of the amending Act) by [1997 c. 41, s. 1\(1\)](#)

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

- C1** Ss. 97-102D: power to modify conferred (16.1.2009) by [Building Societies \(Funding\) and Mutual Societies \(Transfers\) Act 2007 \(c. 26\), ss. 3, 6\(2\)](#); [S.I. 2009/36, art. 2](#)
- C2** Ss. 97-102D applied (with modifications) (5.3.2009) by [The Mutual Societies \(Transfers\) Order 2009 \(S.I. 2009/509\), arts. 1\(2\), 3-18](#)

#### **Marginal Citations**

- M1** [1835 c. 62.](#)

**Status:**

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**Changes to legislation:**

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