



Building Societies Act 1986

1986 CHAPTER 53

PART VI

POWERS OF CONTROL OF THE COMMISSION

Powers in relation to asset or liability structure requirements

37 Powers in event of breach of limits on assets or liabilities or abuse of purpose of building society

(1) Where—

- (a) by virtue of section 36(11) the powers conferred by this section become exercisable in relation to a building society, or
- (b) the Commission has reason to believe that the purpose or principal purpose of a building society has ceased to be that required by section 5(1) for the establishment of a building society under this Act,

the Commission may present a petition to the High Court for the winding up of the society under the applicable winding up legislation or make an application to the High Court for an order giving directions to the society under subsection (2) below; and the power to present a petition or to make an application for such an order is available to the Commission whether or not it has previously made an application for such an order or presented a petition, as the case may be.

(2) An order under this subsection is an order directing the society—

- (a) in a case where the application is made under subsection (1)(a) above, to carry out the restructuring plan as directed in the order, and
- (b) in a case where the application is made under subsection (1)(b) above, to modify its business as directed in the order.

(3) An order under subsection (2)(b) above may require the society to take certain steps or to refrain from pursuing a particular course of action or to restrict the scope of its business in a particular way.

Status: Point in time view as at 01/02/1991. This version of this provision has been superseded.

Changes to legislation: Building Societies Act 1986, Section 37 is up to date with all changes known to be in force on or before 05 April 2024. 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)

- (4) Where the High Court makes an order under subsection (2) above, the Commission shall give a copy of it to the central office and the central office shall keep the copy in the public file of the society.
- (5) The High Court shall not make an order winding up the society on an application under subsection (1)(b) above unless it is satisfied that the purpose or principal purpose of the society has ceased to be that required by section 5(1) for the establishment of a building society under this Act.
- (6) In the application of this section to a building society whose principal office is in Scotland, references to the High Court shall be read as references to the Court of Session.

Modifications etc. (not altering text)

C1 S. 37(1) modified by S.I. 1986/2168, art. 11

Status:

Point in time view as at 01/02/1991. This version of this provision has been superseded.

Changes to legislation:

Building Societies Act 1986, Section 37 is up to date with all changes known to be in force on or before 05 April 2024. 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.