



# Building Societies Act 1986

## 1986 CHAPTER 53

### PART X

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

##### *Mergers*

#### **95 Mergers; provisions supplementing ss. 93 and 94.**

- (1) Part I of Schedule 16 to this Act shall have effect for imposing on building societies proposing to amalgamate or to transfer or undertake engagements requirements to issue statements to their members relating to the proposed amalgamation or transfer.
- (2) Part II of Schedule 16 to this Act shall have effect for imposing requirements for notification by a building society, to its members and to the [<sup>F1</sup>appropriate authority] of the receipt by the society of proposals for a transfer of engagements or an amalgamation.
- (3) Where application is made to the [<sup>F1</sup>appropriate authority] for confirmation of an amalgamation or transfer of engagements it shall, except as provided in [<sup>F2</sup>subsections (4) to (6)] below, confirm the amalgamation or transfer; and Part III of Schedule 16 to this Act shall have effect with respect to the procedure on an application for such confirmation.
- (4) Subject to subsection (5) below, the [<sup>F1</sup>appropriate authority] shall not confirm an amalgamation or transfer of engagements if it considers that—
  - (a) some information material to the members' decision about the amalgamation or transfer was not made available to all the members eligible to vote; or
  - (b) the vote on any resolution approving the amalgamation or transfer does not represent the views of the members eligible to vote; or
  - (c) some relevant requirement of this Act or the rules of any of the societies participating in the amalgamation or transfer was not fulfilled or not fulfilled as regards that society.

*Changes to legislation: Building Societies Act 1986, Section 95 is up to date with all changes known to be in force on or before 28 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) View outstanding changes*

- (5) The [F1appropriate authority] shall not be precluded from confirming an amalgamation or transfer of engagements by virtue only of the non-fulfilment of some relevant requirement of this Act or the rules of a society if it appears to the [F1appropriate authority] that it could not have been material to the members’ decision about the amalgamation or transfer and the [F1appropriate authority] gives a direction that the failure is to be disregarded for the purposes of this section.
- (6) Where the [F1appropriate authority] would be precluded from confirming an amalgamation or transfer of engagements by reason of any of the defects specified in paragraphs (a), (b) and (c) of subsection (4) above, it may direct any building society concerned—
  - (a) to take such steps to remedy the defect or defects, including the calling of a further meeting, as it specifies in the direction; and
  - (b) to furnish the [F1appropriate authority] with evidence satisfying it that it has done so;

and, if the [F1appropriate authority] is satisfied that the steps have been taken and the defect or defects has or have been substantially remedied; the [F1appropriate authority] shall confirm the amalgamation or transfer; but, if it is not so satisfied, it shall refuse its confirmation.

[F3(6A) The PRA must consult the FCA before confirming an amalgamation or transfer, or giving a direction, under this section.

(6B) The PRA must—

- (a) notify the FCA if it confirms an amalgamation or transfer; and
- (b) send the FCA a copy of any direction it gives.]

F4(7) .....

F4(8) .....

F4(9) .....

(10) A failure to comply with a relevant requirement of this Act or any rules of a society shall not invalidate an amalgamation or transfer of engagements; but, if a 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.

(11) In this section “relevant requirement”, with reference to this Act or the rules of a society, means a requirement of section 93 or 94 or this section or of Schedule 16 to this Act or of any rules prescribing the procedure to be followed by the society in approving or effecting an amalgamation or transfer of engagements.

**Textual Amendments**

- F1 Words in s. 95 substituted (1.4.2013) by The Financial Services Act 2012 (Mutual Societies) Order 2013 (S.I. 2013/496), art. 1(1), Sch. 8 para. 39(2) (with Sch. 12)
- F2 Words in s. 95(3) substituted (1.12.1997) by 1997 c. 32, s. 43, Sch. 7 para. 43(1); S.I. 1997/2668, art. 2, Sch. Pt. I(j)(i)(ix)
- F3 S. 95(6A)(6B) inserted (1.4.2013) by The Financial Services Act 2012 (Mutual Societies) Order 2013 (S.I. 2013/496), art. 1(1), Sch. 8 para. 39(3) (with Sch. 12)

---

**Changes to legislation:** Building Societies Act 1986, Section 95 is up to date with all changes known to be in force on or before 28 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) View outstanding changes

---

**F4** S. 95(7)-(9) repealed (1.12.1997) by 1997 c. 32, ss. 43, 46(3), Sch. 7 para. 43(2), **Sch. 9**; S.I. 1997/2668, art. 2, **Sch. Pt. I(j)(l)(ix)(o)(v)**

---

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

**C1** Ss. 93–96 excluded by S.I. 1986/2168, **art. 9(2)(b)(3)**

**Changes to legislation:**

Building Societies Act 1986, Section 95 is up to date with all changes known to be in force on or before 28 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.

[View outstanding changes](#)

**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](#)