

SCHEDULES

SCHEDULE 9

BUILDING SOCIETIES

Transfers of business: distributions and share rights

8 (1) Section 100 (regulated terms etc: distributions and share rights) is amended as follows.

(2) For subsection (8) substitute—

“(8) The terms of a transfer of a society’s business may confer a right to acquire shares in the successor on a member of the society only if the member—

(a) held shares in the society throughout the period of two years ending with the qualifying day, or

(b) on that day, holds deferred shares in the society that are of a class described in the transfer agreement;

and it is unlawful for any right in relation to shares to be conferred in contravention of this subsection.”

(3) In subsection (9), for the words from “who” to “and” substitute

“who—

(a) held shares in the society throughout the period of two years ending with the qualifying day, or

(b) on that day, hold deferred shares in the society that are of a class described in the transfer agreement;

and”.