
DRAFT STATUTORY INSTRUMENTS

2016 No.

The Bank Recovery and Resolution Order 2016

PART 2

Amendments of the Banking Act 2009 and related provision

CHAPTER 2

Building Societies: charges

Building Societies: charges

28.—(1) Where—

- (a) a share transfer instrument makes provision under section 84ZA(2)(a) of the Banking Act 2009⁽¹⁾ for the conversion of a building society into a company (“the successor company”);
- (b) by virtue of that conversion the successor company acquires property or undertaking (within the meaning of section 1161(1) of the Companies Act 2006) which is subject to a charge; and
- (c) the charge is of a kind which would, if it had been created by the company after the acquisition of the property or undertaking, have been capable of being registered under section 859A (charges created by a company)⁽²⁾ of that Act,

section 859C(2) and (3) of the Companies Act 2006 (charges existing on property or undertaking acquired) applies in relation to that charge.

(2) Despite regulation 6 of the Companies Act 2006 (Amendment of Part 25) Regulations 2013⁽³⁾, paragraph (1) applies regardless of the date of creation of the charge.

(3) In relation to a charge to which section 859C(2) and (3) of the Companies Act 2006 applies because of paragraph (1), Part 25 of the Companies Act 2006 has effect as if—

- (a) for sub-paragraphs (i) and (ii) of section 859K(2)(b) there were substituted the words “the unique reference code allocated to the charge”;
- (b) for sub-paragraphs (i) and (ii) of section 859K(3)(b) there were substituted the words “the unique reference code allocated to the charge”;
- (c) section 859K(4) were omitted;
- (d) for section 859L(4)(b) there were substituted—
 - “(b) the registered name and number of the successor company that acquired the property or undertaking subject to the charge;”;
- (e) section 859L(4)(c) were omitted;
- (f) for section 859L(4)(d) there were substituted—

⁽¹⁾ Section 84ZA is inserted by article 20 of this Order.

⁽²⁾ Section 859A was inserted, with sections 859B to 859Q by [S.I. 2013/600](#).

⁽³⁾ [S.I. 2013/600](#).

- “(d) the unique reference code allocated to the charge.”;
- (g) in section 859O(2) the reference to the company that created the charge were a reference to the successor company that acquired the property or undertaking subject to the charge;
- (h) section 859O(3)(b) were omitted;
- (i) for section 859O(3)(c) there were substituted—
 - “(c) the unique reference code allocated to the charge.”.