



# Building Societies Act 1986

## 1986 CHAPTER 53

### PART X

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

##### *Mergers*

### 93 Amalgamations.

- (1) Any two or more buildings societies desiring to amalgamate may do so by establishing a building society as their successor in accordance with this section and Schedule 16 to this Act
- (2) In order to establish a building society as their successor the societies desiring to amalgamate must—
  - [<sup>F1</sup>(a) agree the purpose or principal purpose of their successor to be that of making loans which are secured on residential property and are funded substantially by its members, and agree upon the extent of its powers, in a memorandum which complies with the requirements of Schedule 2 to this Act;]
  - (b) agree upon the rules for the regulation of their successor which comply with the requirements of that Schedule;
  - [<sup>F2</sup>(c) each approve the terms of the amalgamation by two resolutions which also approve the memorandum and the rules of their successor and of which—
    - (i) one is passed as a shareholding members' resolution, and
    - (ii) the other is passed as a borrowing members' resolution,in accordance with the applicable provisions of that Schedule;]
  - (d) make a joint application to the [<sup>F3</sup>Authority] for confirmation of the amalgamation and send to the [<sup>F4</sup>Authority three] copies of the rules and of the memorandum, each copy signed by the secretary of each of the societies.
- (3) If the [<sup>F5</sup>Authority] confirms the amalgamation under section 95, [<sup>F6</sup>and] is satisfied, as regards the proposed successor, of the matters relating to its rules, its purpose and

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powers and its name as to which it must, under paragraph 1 of Schedule 2 to this Act, be satisfied before it registers a society, [<sup>F7</sup>it] shall—

- (a) register the successor society,
  - (b) issue to it a certificate of incorporation, specifying a date (“the specified date”) as from which the incorporation takes effect,
  - (c) retain and register one copy of the memorandum and of the rules,
  - (d) return another copy to the secretary of the successor, together with a certificate of registration, and
  - (e) keep another copy, together with a copy of the certificate of incorporation and of the certificate of registration of the memorandum and the rules, in the public file of the successor society.
- (4) On the specified date all the property, rights and liabilities of each of the societies whose amalgamation was confirmed by the [<sup>F8</sup>Authority] (whether or not capable of being transferred or assigned) shall by virtue of this subsection be transferred to and vested in the society so incorporated as their successor.
- (5) On the specified date, each of the societies to which the successor succeeds shall be dissolved by virtue of this subsection; but the transfer effected by subsection (4) above shall be deemed to have been effected immediately before the dissolution.
- <sup>F9</sup>(6) If, on the specified date, each of the societies whose amalgamation was confirmed by the Authority has permission under Part IV of the Financial Services and Markets Act 2000 to accept deposits, the Authority shall, with effect from that date, give their successor such permission under that Part as it considers appropriate, and shall notify the successor of the permission by giving the successor a decision notice.
- (6A) Part XXVI of the Financial Services and Markets Act 2000 applies to a decision notice given under this section as it applies to a decision notice given under subsection (9) of section 52 of that Act by virtue of paragraph (a) of that subsection, except that—
- (a) section 390 (final notices) does not apply, and
  - (b) for the purposes of section 391 (publication) the decision notice is to be treated as if it were a final notice rather than a decision notice.
- (6B) The giving of permission pursuant to subsection (6) above is to be treated for the purposes of section 55 of the Financial Services and Markets Act 2000 (right to refer matters to the [<sup>F10</sup>Upper Tribunal]) as if it were the determination of an application made by the successor under Part IV of that Act, and Part IX of that Act (hearings and appeals) applies accordingly (but subject to subsection (6C) below).
- (6C) In the application of Part IX of that Act by virtue of subsection (6B) above, [<sup>F11</sup>section 133A(4)] (which prevents the Authority from taking action specified in a decision notice until after any reference and appeal) is omitted.]

<sup>F12</sup>(7) .....

#### Textual Amendments

- F1** S. 93(2)(a) substituted (1.12.1997) by 1997 c. 32, s. 43, **Sch. 7 para. 41(a)**; S.I. 1997/2668, art. 2, **Sch. Pt. I(j)(i)(viii)**
- F2** S. 93(2)(c) substituted (1.12.1997 in specified cases and for specified purposes and otherwise in accordance with art. 2(2)(3)(5) of S.I. 1997/2668) by 1997 c. 32, ss. 43, 47(3), **Sch. 7 para. 4(4)1(b)**; S.I. 1997/2668, art. 2, **Sch. Pt. II(w)(z)(xxv)**

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- F3** Words in s. 93(2)(d) substituted (17.8.2001 for specified purposes and otherwise 1.12.2001) by S.I. 2001/2617, art. 13(1), **Sch. 3 Pt. II, para. 177(a)(i)** (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(a)**
- F4** Words in s. 93(2)(d) substituted (17.8.2001 for specified purposes and otherwise 1.12.2001) by S.I. 2001/2617, art. 13(1), **Sch. 3 Pt. II para. 177(a)(ii)** (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(a)**
- F5** Word in s. 93(3) substituted (17.8.2001 for specified purposes and otherwise 1.12.2001) by S.I. 2001/2617, art. 13(1), **Sch. 3 Pt. II para. 177(b)(i)** (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(a)**
- F6** Word in s. 93(3) substituted (17.8.2001 for specified purposes and otherwise 1.12.2001) by S.I. 2001/2617, art. 13(1), **Sch. 3 Pt. II para. 177(b)(ii)** (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(a)**
- F7** Word in s. 93(3) inserted (17.8.2001 for specified purposes and otherwise 1.12.2001) by S.I. 2001/2617, art. 13(1), **Sch. 3 Pt. II, para. 177(b)(iii)** (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(a)**
- F8** Word in s. 93(4) substituted (17.8.2001 for specified purposes and otherwise 1.12.2001) by S.I. 2001/2617, art. 13(1), **Sch. 3 Pt. II para. 177(c)** (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(a)**
- F9** S. 93(6)-(6C) substituted (17.8.2001 for specified purposes and otherwise 1.12.2001) by S.I. 2001/2617, art. 13(1), **Sch. 3 Pt. II, para. 177(d)** (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(a)**
- F10** Words in s. 93(6B) substituted (6.4.2010) by The Transfer of Tribunal Functions Order 2010 (S.I. 2010/22), art. 1(2)(e), **Sch. 2 para. 8(a)** (with Sch. 5)
- F11** Words in s. 93(6C) substituted (6.4.2010) by The Transfer of Tribunal Functions Order 2010 (S.I. 2010/22), art. 1(2)(e), **Sch. 2 para. 8(b)** (with Sch. 5)
- F12** S. 93(7) repealed (1.12.2001) (with saving in S.I. 2001/2967, **arts. 1(2), 9(1)(c)**) by S.I. 2001/2617, **arts. 2(b), 13(2)** Sch. 4; S.I. 2001/3538, **art. 2(1)**

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

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

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