
Changes to legislation: There are currently no known outstanding effects for the Building Societies Act 1997, SCHEDULE 5. (See end of Document for details)

SCHEDULES

SCHEDULE 5

Section 30(3).

INFORMATION ABOUT TRANSFERS OR PROPOSED TRANSFERS OF BUSINESS

PART I

[PART I OF SCHEDULE 17 TO 1986 ACT]

“ISSUE OF STATEMENT OR SUMMARY TO MEMBERS

Preliminary

- 1 In this Part of this Schedule—
- “prescribed matters” in relation to any transfer of the business of a building society to its successor, means the matters relating to the transfer, the society, its officers, members or depositors, or the successor, which are prescribed in regulations made under paragraph 5(1) below;
 - “transfer statement”, in relation to a transfer of business by a building society, means the statement with respect to the transfer which may be sent or handed to members of the society under paragraph 2 below;
 - “transfer summary”, in relation to a transfer of business by a building society, means the summary of the transfer statement which may be sent to members of the society under that paragraph.

Duty to send transfer statements or summaries to members

- 2 A building society which desires to transfer its business shall, in accordance with this Part of this Schedule, send a transfer statement, or a transfer summary, to every member entitled to notice of a meeting of the society.
- 3 (1) A transfer statement, in relation to a transfer of business by a building society, shall contain—
- (a) the particulars required, in relation to the prescribed matters, by the regulations made under paragraph 5(1) below, and
 - (b) particulars of any other matters required by the Commission in the case of the particular transfer,
- with or without other particulars regarding the transfer.
- (2) A transfer summary, in relation to a transfer of business by a building society, shall contain—
- (a) the information required by the regulations made under paragraph 5(2) below, and
 - (b) any other information required by the Commission in the case of the particular transfer,

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with or without other particulars regarding the transfer.

- 4 (1) Subject to sub-paragraph (3) below, a building society shall, in relation to a transfer of business, include a transfer statement, or a transfer summary, in or with the notice to be sent to its members of the meeting of the society at which the requisite transfer resolutions are to be moved.
- (2) Subject to sub-paragraph (3) below, where a building society sends a transfer summary, a transfer statement—
- (a) shall be handed forthwith and free of charge to any member to whom the summary was sent who asks for such a statement at an office or branch of the society; and
 - (b) shall be sent forthwith and free of charge to any such member who asks for such a statement otherwise than at such an office or branch.
- (3) No transfer statement shall be sent or handed to a member unless its contents, so far as they concern the prescribed matters or any matter of which particulars are required to be given under paragraph 3(1)(b) above, have been approved by the Commission.
- 5 (1) The Commission, with the consent of the Treasury, may make regulations for the purpose of specifying, as prescribed matters, the matters of which transfer statements are to give particulars; and the regulations may also require particulars to be given of any alternatives to the particular transfer which were available to the society making the transfer.
- (2) The Commission, with the consent of the Treasury, may make regulations for the purpose of specifying the information which transfer summaries are to give.
- (3) Any power to make regulations under this paragraph is exercisable by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.”

PART II

[PART IA OF SCHEDULE 17 TO 1986 ACT]

“ NOTIFICATION OF PROPOSALS FOR TRANSFERS OF BUSINESS

Preliminary

- 5A In this Part of this Schedule—
- “requisite particulars”, in relation to a transfer proposal, means the particulars required by paragraph 5B(2) below to be given in a transfer proposal notification;
- “transfer”, in relation to a building society, means a transfer of the whole of its business to a company under section 97;
- “transfer proposal”, in relation to a building society, means a proposal in writing by a company for a transfer by the society to the company, with or without terms for the transfer; and “proposer” has a corresponding meaning;
- “transfer proposal notification” means a notification containing the requisite particulars of a transfer proposal;
- “transfer resolutions”, in relation to a building society, means the resolutions required for the approval of a transfer by the society under section 97.

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Duty to notify members

- 5B (1) Subject to sub-paragraph (3) below, it shall be the duty of a building society receiving a transfer proposal to send, in accordance with this Part of this Schedule, a transfer proposal notification in respect of the proposal to every member entitled to notice of a meeting of the society.
- (2) A transfer proposal notification must contain the following particulars—
- (a) the fact that a transfer proposal has been made, and
 - (b) the identity of the proposer;
- with or without other particulars regarding the proposal.
- (3) Sub-paragraph (1) above does not require a transfer proposal notification to be sent to members if the proposer has requested in writing that the requisite particulars are to be treated as confidential; and, where such a request is made and is at a later date withdrawn in writing, the society receiving the proposal shall, for the purposes of this Part of this Schedule, treat the proposal as having been received on that date instead of any earlier date.
- 5C A building society shall include in or with every notice of its annual general meeting a transfer proposal notification with respect to any transfer proposal, other than a proposal of which notice has already been given under this paragraph—
- (a) received by it during the period of 12 months ending with the ninth month of the last financial year of the society before that meeting; or
 - (b) treated by paragraph 5B(3) above as having been received by it during the last three months of that financial year;
- and the society may also include, under this paragraph, a transfer proposal notification with respect to any proposal received, or treated as received, by it after the end of either period.

Duty to notify central office

- 5D (1) Where a building society sends a transfer proposal notification to its members under paragraph 5C above in connection with a meeting of the society, it shall send a copy of the notification to the central office at least 14 days before the date of the meeting.
- (2) The central office shall keep the copy of a transfer proposal notification received by it from a building society in the public file of that society.

Penalty

- 5E If default is made by a building society in complying with paragraph 5C or 5D above, 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.”

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