
STATUTORY INSTRUMENTS

1992 No. 3218

**The Banking Coordination (Second
Council Directive) Regulations 1992**

PART VIII

AMENDMENTS OF BUILDING SOCIETIES ACT

Constitution

Establishment of building societies

67. At the end of subsection (1) of section 5 of the Building Societies Act⁽¹⁾ (establishment, constitution and powers) there shall be inserted the words “and its principal office is in the United Kingdom”.

Initial authorisation to raise funds and borrow money

68.—(1) In subsection (4) of section 9 of the Building Societies Act (initial authorisation to raise funds and borrow money), the word “and” immediately following paragraph (c) shall be omitted and after that paragraph there shall be inserted the following paragraph—

“(cc) each of the persons who, either alone or with any associate or associates, has a qualifying holding in the society is a fit and proper person to have such a holding; and”.

(2) In subsection (13) of that section—

- (a) in the definition of “the prescribed minimum”, for the words “£100,000” there shall be substituted the words “ecu 1 million (or an amount of equal value denominated wholly or partly in another unit of account)”; and
- (b) the word “and” immediately preceding the definition of “qualifying deferred shares” shall be omitted and after that definition there shall be inserted the following definition—

“‘qualifying holding’, in relation to a building society, means a holding of deferred shares in the society which—

- (a) represents 10 per cent. or more of the qualifying deferred shares in the society;
- (b) entitles the holder to exercise or control the exercise of 10 per cent. or more of the voting power at any general meeting of the society; or
- (c) enables the holder to exercise a significant influence over the management of the society.”