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STATUTORY INSTRUMENTS

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**2001 No. 2617**

**FINANCIAL SERVICES AND MARKETS**

The Financial Services and Markets Act  
2000 (Mutual Societies) Order 2001

*Made - - - - 18th July 2001*  
*Laid before Parliament 19th July 2001*  
*Coming into force in accordance with article 2*

The Treasury, in exercise of the powers conferred on them by sections 334(1) and (2), 335(1), (2), (3) and (4), 336(1) and (2), 337, 338(1) and (2), 339(1) and (2), 426, 427 and 428(3) of the Financial Services and Markets Act 2000<sup>(1)</sup> and of all other powers enabling them in that behalf, hereby make the following Order:—

PART I

General

**Citation**

1. This Order may be cited as the Financial Services and Markets Act 2000 (Mutual Societies) Order 2001.

**Commencement**

2. This Order comes into force—
- (a) for the purposes of article 8, and for the purposes of article 4(3) and Schedule 2, on 17th August 2001, and
  - (b) for all other purposes, on the day on which section 19 of the 2000 Act (the general prohibition) comes into force.

**Interpretation**

3.—(1) In this Order—

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(1) 2000 c. 8.

“the 2000 Act” means the Financial Services and Markets Act 2000,

“assistant registrar” means an assistant registrar of friendly societies for the central registration area,

“the assistant registrar for Scotland” means the assistant registrar of friendly societies for Scotland,

“the Board” means the Building Societies Investor Protection Board,

“building society” has the same meaning as in the Building Societies Act 1986(2),

“the central office” means the central office of the registry of friendly societies,

“the central registration area” means the area defined by section 4(1)(a) of the Friendly Societies Act 1974(3) (as it had effect immediately before its repeal by the 2000 Act),

“the Chief Registrar” means the Chief Registrar of friendly societies,

“commencement” means the beginning of the day on which section 19 of the 2000 Act comes into force,

“enactment” includes an enactment contained in subordinate legislation within the meaning of the Interpretation Act 1978(4), and

“the last period” means the period beginning with 1st April 2001 and ending at commencement.

(2) In this Order, “transferred function” means any function transferred by article 4 and, in relation to any transferred function, “transferor” means the person from whom the function is transferred and “transferee” means the person to whom it is transferred.

(3) In this Order, unless the context otherwise requires, any reference to an article by number alone is a reference to the article so numbered in this Order.

## PART II

### Transferred functions

#### Transfer of functions

4.—(1) The functions—

(a) of the Chief Registrar, the assistant registrar for Scotland, the assistant registrars and the central office listed in Part I of Schedule 1 to this Order,

(b) of the Friendly Societies Commission listed in Part II of Schedule 1 to this Order, and

(c) of the Building Societies Commission listed in Part III of Schedule 1 to this Order,

are transferred to the Treasury.

(2) All other functions which, immediately before commencement were functions—

(a) of the Chief Registrar, the assistant registrar for Scotland, the assistant registrars or the central office,

(b) of the Friendly Societies Commission, or

(c) of the Building Societies Commission,

are transferred to the Authority, subject to any repeal or amendment made by any provision of this Order or by any other provision of or made under the 2000 Act.

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(2) 1986 c. 53; see the definition in section 119(1).

(3) 1974 c. 46. Section 4(1) was amended by the Friendly Societies Act 1992 (c. 40), Schedule 16, paragraph 2(1).

(4) 1978 c. 30; see the definition in section 21(1).

(3) Schedule 2 makes provision about the application of the 2000 Act in relation to functions transferred (or to be transferred) to the Authority by paragraph (2) above.

(4) For the purposes of the Transfer of Undertakings (Protection of Employment) Regulations 1981<sup>(5)</sup>, paragraph (2) above is to be regarded as giving rise to the transfer of an undertaking by virtue of each of sub-paragraphs (a), (b) and (c) of that paragraph, whether or not it would otherwise be so regarded.

### **Consequential and transitional provisions in relation to transferred functions**

5.—(1) The transfer of any function by virtue of article 4 does not affect the validity of anything done before commencement—

(a) by the transferor in the exercise of the transferred function, or

(b) by any other person in relation to the exercise by the transferor of the transferred function, and any such thing is to have effect for all purposes as if done by (or, as the case may be, in relation to the exercise of the function by) the transferee.

(2) Paragraph (1) also has effect in relation to anything which is in the process of being done at commencement, and any such thing may be carried on and completed by (or, as the case may be, in relation to the exercise of the function by) the transferee.

(3) If, at commencement, a transferor is a party to any legal proceedings in relation to its exercise of any transferred function, the transferee is substituted for the transferor in those proceedings.

(4) If, at commencement, a transferor holds any monies which have been deposited with the transferor as security for any costs in relation to its exercise of any transferred function, the monies are transferred to the transferee at commencement to be held for the same purpose and on the same terms.

(5) This article has effect subject to any transitional provision or saving contained in Schedule 5 to this Order or in any other provision made under the 2000 Act.

### **Requirements to provide documents etc.**

6.—(1) Paragraph (2) applies where, by virtue of any provision of or made under any enactment, a person (“A”) other than a transferor was before commencement required or entitled—

(a) to provide any account, application, list, notice, plan, report, return, or any other document or material (including a copy of any document or material),

(b) to give any explanation or provide any other information, or

(c) to notify, report on, or make representations or a statement on, any matter,

to any transferor, or to any other person (“B”) on behalf of any transferor, in connection with the exercise by the transferor of any function which is transferred by article 4(2) to the Authority, but had not provided that document or material, given that explanation or information, or notified, reported on or made representations on that matter, before commencement.

(2) After commencement A is required or (as the case may be) entitled to provide that document or material, to give that explanation or information, or to notify, report on, or make representations on, that matter, to the Authority (or, as the case may be, to B on behalf of the Authority), but otherwise in the same form and containing the same particulars as would have been required before commencement.

(3) Paragraph (1) has effect no matter how the requirement or entitlement is expressed.

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(5) S.I.1981/1794 as amended by section 33 of the Trade Union Reform and Employment Rights Act 1993 (c. 19) and by S.I. 1987/442, 1995/2587 and 1999/1925.

(4) Where the requirement or entitlement mentioned in paragraph (1) was subject to any provision requiring A to comply with the requirement or exercise the entitlement within a specified time (however expressed), that provision continues to apply in relation to the requirement imposed or entitlement given by paragraph (2), and the time period is to be treated as continuing to run without interruption.

(5) Where any person does anything after commencement in compliance with paragraph (2) in relation to which, if that thing had been done before commencement, a fee would have been payable to the transferor, he is required to pay that fee to the Authority, and the fee (insofar as it is not so paid) may be recovered by the Authority as a debt due to it.

(6) This article is without prejudice to the generality of article 5(1) and (2).

(7) This article has effect subject to any transitional provision or saving contained in Schedule 5 to this Order or in any other provision made under the 2000 Act.

### **Consequential modification of non-statutory provisions**

7.—(1) Where a relevant provision is predicated on the continuing exercise of any transferred function by the transferor, any reference in the provision to the transferor has effect, in relation to any time after commencement, as a reference to the transferee.

(2) Paragraph (3) applies where—

- (a) a relevant provision contains a requirement for consent to be given by the Building Societies Commission before the repayment by a building society of any sum owed by it, and
- (b) the requirement was included in the relevant provision so as to comply with the terms of—
  - (i) an order made under section 45(5) of the Building Societies Act 1986 as that section had effect before the coming into force of section 21 of the Building Societies Act 1997<sup>(6)</sup>,
  - (ii) an order made under section 119(1) of the Building Societies Act 1986<sup>(7)</sup>, or
  - (iii) guidance issued by the Building Societies Commission pursuant to section 45AA of that Act<sup>(8)</sup>.

(3) Unless the context otherwise requires, the requirement has effect, in relation to any time after commencement, as a requirement for consent to be given by the Authority.

(4) Paragraph (5) applies where a relevant provision prohibits the payment or crediting of interest on any sum owed by a building society if the board of directors of the society is of the opinion that—

- (a) there has been a failure on the part of the society to satisfy a criterion of prudent management, set out in section 45(3) of the Building Societies Act 1986<sup>(9)</sup> as it had effect at any time before commencement, relating to the maintenance of adequate reserves and other capital resources, or
- (b) there would be such a failure if the interest was paid or credited.

(5) Unless the context otherwise requires, any reference in that provision to that criterion has effect, in relation to any time after commencement, as a reference to the condition set out in paragraph 4(1) of Schedule 6 to the 2000 Act (adequate resources).

(6) “Relevant provision” means a provision which—

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<sup>(6)</sup> 1997 c. 32.

<sup>(7)</sup> 1986 c. 53; the definition of “deferred shares”.

<sup>(8)</sup> Inserted by the Building Societies Act 1997 (c. 32), section 22.

<sup>(9)</sup> Amended by S.I. 1992/3218, and subsequently substituted by section 21 of the Building Societies Act 1997 (c. 32).

- (a) is contained in the rules of a building society, friendly society or industrial and provident society, or in any other contract, deed or document other than an enactment, and
- (b) has effect before, as well as after, commencement,

but for the purposes only of paragraph (1) above also includes a provision in any document which is provided to the Authority after commencement pursuant to article 6(2).

### **Anticipatory exercise of powers**

**8.—**(1) This article applies where by virtue of any amendment made by Schedule 3 to this Order—

- (a) the Authority will, with effect from commencement, have power to make rules, or have power to give directions as to the form of or particulars to be included in any document or as to the manner in which any application is to be made, or
- (b) the Treasury will, with effect from commencement, have power to make any rules, order or regulations.

(2) Where this article applies, the Authority or the Treasury (as the case may be) may exercise the power referred to in paragraph (1) before commencement for the purposes of bringing the rules, directions, order or regulations into effect at commencement.

(3) In exercising any power before commencement by virtue of paragraph (2), the Authority or the Treasury (as the case may be) are to be treated as being subject to the same requirements or conditions, as to the procedure to be followed in exercising the power or otherwise, as would apply in relation to the exercise of that power if this Order were fully in force.

## **PART III**

### **Dissolutions**

#### **The Building Societies Commission**

**9.—**(1) As soon as practicable after commencement, the Building Societies Commission must lay before the Treasury and before Parliament a report on the discharge of its functions during the last period.

(2) Before the end of the period of seven months beginning at commencement, the Building Societies Commission must send to the Treasury and to the Comptroller and Auditor General a statement of accounts in respect of the last period.

(3) The Comptroller and Auditor General must examine, certify and report on the statement of accounts received by him from the Building Societies Commission under paragraph (2), and lay a copy of the statement and of his report before Parliament.

(4) The Building Societies Commission is to cease to exist on the day after the first day on which paragraphs (1) and (3) have both been complied with.

(5) Immediately before the Building Societies Commission ceases to exist by virtue of paragraph (4), all assets, rights and liabilities which at that time are held or enjoyed by the Commission, or to which at that time it is subject, are transferred to the Treasury, except as provided in paragraphs (7) and (9).

(6) Paragraph (7) applies in relation to income received by the Building Societies Commission under section 2 of the Building Societies Act 1986, in respect of the last period or in relation to applications submitted to it during the last period (“relevant income”).

(7) Insofar as relevant income is not applied before commencement in accordance with section 2 of the Building Societies Act 1986 towards expenses of the Commission, it is to be paid to the Authority.

(8) Paragraph (9) applies where, before commencement—

(a) any fee or charge, or any sum in respect of costs or expenses, was payable to the Building Societies Commission, but

(b) that fee, charge or sum, or any part of it, was not so paid (“the unpaid sum”).

(9) Notwithstanding any amendment, repeal or revocation made by this Order or by any other provision of or made under the 2000 Act, the unpaid sum is payable after commencement to the Authority in substitution for the Commission and (insofar as it is not so paid) may be recovered by the Authority as a debt due to it.

(10) The Authority must, so far as practicable, ensure that—

(a) relevant income paid to it in accordance with paragraph (7), and

(b) any sum paid to it or recovered by it in accordance with paragraph (9),

is used only in connection with any functions of the Authority in relation to building societies or, to the extent that it is not so used, is applied for the benefit of building societies.

### **The Friendly Societies Commission**

**10.**—(1) As soon as practicable after commencement, the Friendly Societies Commission must lay before the Treasury and before Parliament a report on the discharge of its functions during the last period.

(2) Before the end of the period of seven months beginning at commencement, the Friendly Societies Commission must send to the Treasury and to the Comptroller and Auditor General a statement of accounts in respect of the last period.

(3) The Comptroller and Auditor General must examine, certify and report on the statement of accounts received by him from the Friendly Societies Commission under paragraph (2), and lay a copy of the statement and of his report before Parliament.

(4) The Friendly Societies Commission is to cease to exist on the day after the first day on which paragraphs (1) and (3) have both been complied with.

(5) Immediately before the Friendly Societies Commission ceases to exist by virtue of paragraph (4), all assets, rights and liabilities which at that time are held or enjoyed by the Commission, or to which at that time it is subject, are transferred to the Treasury, except as provided in paragraphs (7) and (9).

(6) Paragraph (7) applies in relation to income received by the Friendly Societies Commission under section 2 of the Friendly Societies Act 1992<sup>(10)</sup>, in respect of the last period or in relation to applications submitted to it during the last period (“relevant income”).

(7) Insofar as relevant income is not applied before commencement in accordance with section 2 of the Friendly Societies Act 1992 towards expenses of the Commission, it is to be paid to the Authority.

(8) Paragraph (9) applies where, before commencement—

(a) any fee or charge, or any sum in respect of costs or expenses, was payable to the Friendly Societies Commission, but

(b) that fee, charge or sum, or any part of it, was not so paid (“the unpaid sum”).

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(10) 1992 c. 40.

(9) Notwithstanding any amendment, repeal or revocation made by this Order or by any other provision of or made under the 2000 Act, the unpaid sum is payable after commencement to the Authority in substitution for the Commission and (insofar as it is not so paid) may be recovered by the Authority as a debt due to it.

(10) The Authority must, so far as practicable, ensure that—

- (a) relevant income paid to it in accordance with paragraph (7), and
- (b) any sum paid to it or recovered by it in accordance with paragraph (9),

is used only in connection with any functions of the Authority in relation to friendly societies or, to the extent that it is not so used, is applied for the benefit of friendly societies.

### **The Building Societies Investor Protection Board**

**11.**—(1) As soon as practicable after commencement, the Board must prepare—

- (a) a report on the discharge of its functions during the last period, and
- (b) a statement of accounts showing the state of affairs and income and expenditure of the Board in respect of the last period.

(2) The statement of accounts must be audited by auditors appointed by the Board and the auditors must report to the Board stating whether in their opinion the provisions of paragraph 6(2) of Schedule 5 to the Building Societies Act 1986 (as it had effect immediately before its repeal by this Order) were complied with in respect of the last period.

(3) As soon as practicable after paragraphs (1) and (2) above have been complied with, the Board must publish, in such manner as it thinks appropriate, the report prepared in accordance with paragraph (1)(a) and the statement of accounts prepared in accordance with paragraph (1)(b).

(4) The Board is to cease to exist on the day after paragraph (3) is complied with.

### **The Chief Registrar, assistant registrar for Scotland, and assistant registrars**

**12.**—(1) As soon as practicable after the Building Societies Commission and the Friendly Societies Commission have ceased to exist by virtue of articles 9 and 10, the Chief Registrar must lay before Parliament a report of his proceedings and those of the assistant registrar for Scotland and the assistant registrars, of the principal matters transacted by him and them, and of the valuations returned to him or them, in relation to the period beginning with 1st October 2001 and ending at commencement.

(2) The report which the Chief Registrar is required to make by virtue of paragraph (1) may be combined with the report which he is required to make pursuant to section 6(1) of the Friendly Societies Act 1974<sup>(11)</sup> in respect of the year ending 30th September 2001.

(3) The office of Chief Registrar, the office of assistant registrar for Scotland, and the offices of assistant registrar are to cease to exist on the day after paragraph (1) is complied with.

(4) Immediately before the offices mentioned in paragraph (3) cease to exist by virtue of that paragraph, all assets, rights and liabilities which at that time attach to those offices (including records maintained or held by, and any other assets, rights and liabilities of, the central office) are transferred to the Treasury.

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(11) 1974 c. 46.

## PART IV

### Amendments, repeals etc.

#### **Amendments, repeals, transitional provisions and savings**

**13.**—(1) The enactments specified in Schedule 3 to this Order have effect with the amendments made by that Schedule.

(2) The enactments specified in Schedule 4 to this Order are repealed to the extent specified in that Schedule.

(3) The amendments and repeals made by Schedules 3 and 4 are subject to the transitional provisions and savings contained in Schedule 5 to this Order and to any other transitional provisions or savings made under the 2000 Act.

18th July 2001

*Anne McGuire*  
*Tony McNulty*  
Two of the Lords Commissioners of Her  
Majesty's Treasury



## SCHEDULE 1

Article 4(1)

## FUNCTIONS TRANSFERRED TO THE TREASURY

## PART I

## FUNCTIONS OF THE CHIEF REGISTRAR, ASSISTANT REGISTRAR FOR SCOTLAND, ASSISTANT REGISTRARS AND THE CENTRAL OFFICE

<i>Act</i>	<i>Provision</i>	<i>Function</i>
The Superannuation and other Trust Funds (Validation) Act 1927 c. 41.	Section 8(12)	Making regulations prescribing the qualifications required to be held by an actuary for the purposes of the Act.
The Friendly and Industrial and Provident Societies Act 1968 c. 55.	Section 4(8)(13)	Making regulations substituting any sum or number, and prescribing receipts and payments to be taken into account, for the purposes of section 4(2) of the Act (exemption from obligation to appoint auditor).
	Section 10(1)(14)	Making regulations prescribing maximum rates for remuneration of auditors and reporting accountants.
	Section 13(3)	Making regulations prescribing accounts to be comprised and particulars to be contained in group accounts.
The Friendly Societies Act 1974 c. 46.	Section 31(5)(15)	Making regulations substituting any sum, number or percentage, and prescribing receipts and payments to be taken into account, for the purposes of section 31(2) or (3) of the Act (exemption from obligation to appoint auditor).
	Section 40(1)(16)	Making regulations under section 10 of the Friendly and Industrial and

(12) See the definition of “Actuary”, which was substituted by the Friendly and Industrial and Provident Societies Act 1968 (c. 55) Schedule 1, paragraph 9. The whole Act is repealed by the Social Security Act 1973 (c. 38), section 69(7) and the first entry in Parts I and II of Schedule 28, but no date has been appointed for the coming into force of those repeals.

(13) Section 4 was repealed in part by the Friendly Societies Act 1974 (c. 46), Schedule 11 and amended by S.I. 1996/1738.

(14) Section 10 was amended by S.I. 1996/1738.

(15) By virtue of paragraph 12 of Schedule 16 to the Friendly Societies Act 1992 (c. 40), sections 29 to 45 of the Friendly Societies Act 1974 do not have effect in relation to registered friendly societies and registered branches of such societies, but only in relation to other types of societies registered under the 1974 Act.

(16) Section 40(1) was amended by S.I. 1996/1738.

**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

<i>Act</i>	<i>Provision</i>	<i>Function</i>
		Provident Societies Act 1968 prescribing maximum rates for remuneration of auditors and reporting accountants.
	Section 42(1)	Making regulations specifying class of society or branch for whom application of section 41(1) of the Act is modified (valuation report required every 3 years rather than every 5 years).
	Section 42(2)	Making regulations specifying class of society or branch for whom application of section 41(1) of the Act is modified (valuation report required every 3 years rather than every 5 years in respect of specified class of business).
	Section 47(1)(17)	Prescribing other UK Government securities for the purchase of which, on behalf of its members, a society or branch registered under the Act (and also an industrial and provident society, by virtue of section 11 of the Industrial and Provident Societies Act 1965) may set up a fund.
	Section 86(2)	Making regulations specifying requirements to be complied with in procedure for proxy voting.
The Industrial and Provident Societies Act 1975 c. 41.	Section 2	Making an order substituting sum in section 6(1) of the Industrial and Provident Societies Act 1965 (maximum shareholding of a member of an industrial and provident society) and making related provision.
The Industrial and Provident Societies Act 1978 c. 34.	Section 2	Making an order substituting sums in section 7(3) of the Industrial and Provident Societies Act 1965 (limits on

(17) Securities prescribed under section 47(1) in relation to societies registered under the Friendly Societies Act 1974 are also prescribed in relation to industrial and provident societies, by virtue of section 11(1) of the Industrial and Provident Societies Act 1965 (c. 12), which is amended by paragraph 217 of Schedule 3 to this Order.

**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

<i>Act</i>	<i>Provision</i>	<i>Function</i>
The Credit Unions Act 1979 c. 34.	Section 5(4)(18)	taking deposits at one time or from one depositor) and making related provision.
	Section 9(4) and (5)(19)	Making an order substituting sum in section 5(3) of the Act (maximum shareholding of a member of a credit union).
	Section 11(7)	Making an order substituting amount in section 9(1) of the Act (limit on taking deposits from someone too young to be a member of a credit union) and making related provision.
	Section 13(1)	Making an order specifying maximum period within which loan by credit union must be repaid (section 11(4) of the Act) and maximum rate of interest charged (section 11(5) of the Act).
	Section 14(4)	Making an order authorising manner in which surplus funds of credit union may be invested.
	Section 15(3) and (4)	Making an order specifying maximum rate of dividend payable on shares of credit union.
The Building Societies Act 1986 c. 53.	Schedule 2A paragraph 3(1)(20)	Making regulations prescribing matters mentioned in section 15(2)(a) and (b) of the Act (which relate to requirement to insure against fraud or dishonesty).
The Social Security Contributions and Benefits Act 1992 c. 4.	Schedule 1 paragraph 11(2)	Making rules prescribing form of receipt for discharge of mortgage under paragraph 1 of the Schedule.
		Making regulations prescribing procedure for making amendments to rules of a registered friendly society in compliance with regulations under paragraph 11(1) of

(18) Section 5 was amended by S.I. 1996/1189.

(19) Section 9 was amended by S.I. 1989/2423 and 2001/811.

(20) Schedule 2A was inserted by the Building Societies Act 1997 (c. 32), section 7 and Schedule 2.

**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

<i>Act</i>	<i>Provision</i>	<i>Function</i>
		the Schedule (sickness payments).(21)

## PART II

### FUNCTIONS OF THE FRIENDLY SOCIETIES COMMISSION

<i>Act</i>	<i>Provision</i>	<i>Function</i>
The Friendly Societies Act 1974 c. 46.	Section 65A(8)(22)	Making regulations under section 11(7) of the Friendly Societies Act 1992 (manner of carrying on group insurance business etc.) applying to registered friendly societies.
The Friendly Societies Act 1992 c. 40.	Section 5(4)	Making an order varying Schedule 2 (activities of an incorporated friendly society).
	Section 11(7)	Making regulations specifying manner in which group insurance business may be carried on by incorporated friendly societies.
	Section 69(4) and (5)	Making regulations exempting incorporated friendly societies from preparing group accounts.
	Section 70(6)	Making regulations about contents and form of annual accounts.
	Section 71(1)(b)	Making regulations prescribing information to be contained in annual report.
	Section 71(2)(a)	Making regulations prescribing information to be contained in annual report of an incorporated friendly society which has subsidiaries or jointly controls other bodies.
	Section 91(8)	Making regulations providing for regulation of conversion of friendly societies into companies.

(21) The power to make regulations under paragraph 11(1) was transferred from the Secretary of State to the Treasury, and paragraph 11(1) amended, by the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c. 2).

(22) Section 65A was inserted by the Friendly Societies Act 1992 (c. 40), Schedule 16 paragraph 23.

**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

<i>Act</i>	<i>Provision</i>	<i>Function</i>
	Section 93(14)	Making an order prescribing the day on which the transitional period ends (period within which societies must comply with the Act).
	Section 99(3)	Making an order substituting sum in section 99(1) (maximum benefit payable on death under the age of 10).
	Section 112(4)	Making regulations in connection with records which are kept otherwise than in legible form.
	Schedule 3 paragraph 13(4)	Making an order prescribing maximum fee chargeable by incorporated friendly society for providing copies of its statutory documents.
	Schedule 5 paragraph 2(5)	Making an order substituting a sum in paragraph 2(3) or (4) of the Schedule (loan fund).
	Schedule 5 paragraph 3(1)	Prescribing other UK Government securities for the purchase of which, on behalf of its members, an incorporated friendly society may set up a fund.
	Schedule 11 paragraph 16(1)	Making an order prescribing series of monetary amounts (“prescribed bands”) for the purposes of Part II of Schedule 11 (dealings with members of committee of management).
	Schedule 12 paragraph 5(2)	Making regulations prescribing when rules of societies may exclude or limit voting rights of members according to amount of subscriptions.
	Schedule 12 paragraph 7(6)	Making regulations prescribing requirements for procedure to be adopted for proxy voting.
	Schedule 14 paragraph 5(3)	Making regulations specifying descriptions of connections which make auditors ineligible for appointment.

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<i>Act</i>	<i>Provision</i>	<i>Function</i>
	Schedule 14 paragraph 7(4)	Making regulations substituting sum, number or percentage, and prescribing receipts and payments which must be taken into account, for the purposes of paragraph 7(1) and (3) of the Schedule (exemption from requirement for auditor to be a member of a recognised supervisory body).
	Schedule 14 paragraph 17(1)	Making regulations to secure the disclosure of the amount of remuneration of auditors and their associates.
	Schedule 15 paragraph 3(1)(a)	Making regulations to prescribe matters to be dealt with in a statement to members (statements relating to conversion of society into a company).

### PART III

#### FUNCTIONS OF THE BUILDING SOCIETIES COMMISSION

<i>Act</i>	<i>Provision</i>	<i>Function</i>
The Building Societies Act 1986 c. 53.(23)	Section 6(7) and (8)	Making an order modifying or applying section 6(2) and (3) (lending limit) in relation to assets of subsidiary or associated undertakings, and making related provision.
	Section 6A(2)(b) and (5)	Making an order prescribing description and circumstances of creation of equitable interest (for the purposes of determining when a loan is to be treated as secured on land), and making related provision.
	Section 6A(4) and (5)	Making an order providing for provisions of the Act to have effect in relation to loans secured on land outside the EEA with appropriate

(23) The Building Societies Act 1986 (c. 53) has been substantially amended, in particular by the Building Societies Act 1997 (c. 32). Footnotes on these amendments are found in Schedule 3 to this Order.

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<i>Act</i>	<i>Provision</i>	<i>Function</i>
		modifications, and making related provision.
	Section 7(7) and (8)	Making an order modifying or applying section 7(2) and (3) (funding limit) in relation to liabilities of subsidiary or associated undertakings, and making related provision.
	Section 8(12)	Making an order varying subsections (2), (9) and (10) of the section (provision about raising funds and borrowing), and making related provision.
	Section 9A(12)	Making an order substituting an amount or percentage in subsections (2), (3) or (6), or varying subsection (4)(b), of the section (restrictions on certain transactions).
	Section 42B(8)	Making regulations specifying matters of which particulars must be contained in statements under paragraphs 3 and 9 of Schedule 8A.
	Section 60(9) and (16)	Making an order substituting maximum amount which rules of a society may require as shareholding of director, and making related provision.
	Section 61(4) and (5)	Making an order substituting amount, number or percentage in subsections (1) to (3), or varying subsection (3A), of the section (rules as to election of directors), and making related provision.
	Section 64(3)	Making an order substituting any of the amounts in subsection (2) (requisite cash value of assets for the purposes of transactions with directors or persons connected with them).
	Section 65(8)	Making an order to substitute sums in the section (loans to directors or persons connected with them).

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<i>Act</i>	<i>Provision</i>	<i>Function</i>
	Section 68(9)	Making an order substituting amounts in subsections (7) and (8) (exceptions from obligations imposed by the section in relation to transactions with directors or persons connected with them).
	Section 69(5)	Making an order designating relevant services for the purpose of the section (disclosure and record of income of related businesses), and making related provision.
	Section 69(12)	Making an order substituting a sum in the subsection in relation to volume of business.
	Section 72(7) and (8)	Making regulations as to documents to be comprised in annual accounts, and matters to be included in such documents, including modification of Part VIII of the Act, and making related provision.
	Section 73(6) to (8)	Making regulations as to contents and form of annual accounts of a building society.
	Section 74(3) and (4)	Making regulations prescribing contents and form of annual business statement.
	Section 75(1)(b)	Making regulations prescribing information to be contained in the directors' annual report.
	Section 76(3)	Making regulations with respect to the form and content of summary financial statement.
	Section 92A(10)	Making an order substituting percentages in subsections (4) and (5) of the section (acquisition or establishment of new business), and making related provision.
	Section 92A(11)	Making an order varying subsections (5) and (9) of the section, and making related provision.



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<i>Act</i>	<i>Provision</i>	<i>Function</i>
	Section 96(2)	Making regulations authorising payments of compensation to directors or other officers on amalgamation or transfer of engagements.
	Section 96(5)	Making regulations authorising distribution of funds to members on amalgamation or transfer of engagements.
	Section 99(3)	Making regulations authorising payment of compensation to directors or other officers on transfers of business under section 97.
	Section 102(1) and (2)	Making regulations regulating transfers of business under section 97.
	Section 102D(11)	Making regulations prescribing time periods for notices under section 102B(4).
	Section 114(4)	Making regulations about records kept otherwise than in legible form.
	Section 119(1)	Making an order defining class of shares which are “deferred shares” for the purpose of the Act.
	Schedule 2 paragraphs 10A(3) and 10C(6)	Making regulations specifying words or expressions the use of which in a business name requires the Authority’s approval (and specifying bodies whose comments must be sought), and making related provision.
	Schedule 2 paragraphs 10B(5) and 10C(6)	Making regulations as to form and display of notice under paragraph 10B(3) and (4) of the Schedule (notice of registered name and address of society), and making related provision.
	Schedule 2 paragraph 12(4)	Making an order prescribing amount in paragraph 12(1)(b) of the Schedule (maximum amount which may be charged by a building society for

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<i>Act</i>	<i>Provision</i>	<i>Function</i>
		providing copies of its statutory documents).
	Schedule 2 paragraph 20A(13)	Making an order substituting number or sum in paragraph 20A(2) or (7) of the Schedule (members' requisitions of special meetings), and making related provision.
	Schedule 2 paragraph 32(4) and (6)	Making an order varying definitions of "requisite number" or "qualified member" in paragraph 31(2) or descriptions of provisions rendered void by paragraph 31(3) of the Schedule, and making related provision.
	Schedule 2 paragraph 36(1) and (3)	Making an order specifying prescribed amount for the purposes of Part III of the Schedule, and making related provision.
	Schedule 10 paragraph 9(1) and (2)	Making an order prescribing series of numbers or monetary amounts ("prescribed bands") for the purposes of Part II of the Schedule.
	Schedule 11 paragraph 5(1)(b)	Making an order designating bodies of accountants the members of whom are qualified for appointment as auditor of a building society.
	Schedule 15A paragraph 25	Making regulations prescribing the form of receivership accounts for the purposes of section 38 of the Insolvency Act 1986.
	Schedule 15A paragraph 47	Making regulations prescribing the form of receivership accounts for the purposes of article 48 of the Insolvency (Northern Ireland) Order 1989.
	Schedule 17 paragraph 5(1)	Specifying particulars to be given in transfer statement.
	Schedule 17 paragraph 5(2)	Specifying information to be contained in transfer summary.

## SCHEDULE 2

Article 4(3)

### APPLICATION OF FINANCIAL SERVICES AND MARKETS ACT 2000 TO TRANSFERRED FUNCTIONS

#### *Interpretation*

**1.** In this Schedule—

- (a) “mutuals expenditure” means expenditure of the Authority incurred—
  - (i) in carrying out relevant functions, or for any purpose incidental to the carrying out of relevant functions, or
  - (ii) in repaying the principal of, or paying any interest on, any money which it has borrowed and which has been used for the purpose of meeting expenses incurred in relation to its assumption of relevant functions,
- (b) “the mutuals legislation” means the Friendly Societies Act 1974<sup>(24)</sup>, the Building Societies Act 1986<sup>(25)</sup>, the Friendly Societies Act 1992<sup>(26)</sup>, and the enactments relating to industrial and provident societies and credit unions referred to in section 338(1),
- (c) “relevant functions” means functions transferred to the Authority by virtue of article 4(2) (and includes, in relation to any time before commencement, such functions as they are to be transferred with effect from commencement), and
- (d) any reference to a section or Schedule is a reference to that section or Schedule in the 2000 Act.

#### *General*

**2.** For the purposes of section 1(3) and Schedule 1<sup>(27)</sup> (which make general provision in relation to the Authority and its functions), relevant functions are to be treated as functions conferred on the Authority under a provision of the 2000 Act.

**3.** If the Authority maintains arrangements designed to enable it to determine whether persons are complying with requirements imposed on them by or under the mutuals legislation, paragraph 6(2) of Schedule 1 (which permits functions to be performed by a body or person other than the Authority) applies to those arrangements as it applies to arrangements of the kind mentioned in paragraph 6(1) of that Schedule, but does not affect the Authority’s responsibility for relevant functions or for any other matter under the mutuals legislation.

**4.** The Authority’s determination of the general policy and principles by reference to which it performs relevant functions is not to be treated as a general function of the Authority by virtue of subsection (4)(d) of section 2 (functions of the Authority to which the Authority’s general duties apply).

**5.** Section 8 (which requires the Authority to make arrangements for consulting consumers and practitioners on its general policies and practices) does not apply in relation to the Authority’s general policies and practices with respect to the exercise of relevant functions.

**6.** In the application of section 12 (which makes provision for reviews of the economy, efficiency and effectiveness with which the Authority has used its resources in discharging its functions) to relevant functions, section 12(3) is to be read as if, for the words from “pursuing” to the end there were substituted “exercising its functions”.

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<sup>(24)</sup> 1974 c. 46.

<sup>(25)</sup> 1986 c. 53.

<sup>(26)</sup> 1992 c. 40.

<sup>(27)</sup> See the definition of “functions” in paragraph 1(1) of that Schedule.

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7. For the purposes of section 159(1)(28) (interpretation of Chapter III of Part X), relevant functions are not to be treated as functions under the 2000 Act.

8. For the purposes of section 415 (jurisdiction in civil proceedings), relevant functions are to be treated as functions of the Authority under the 2000 Act.

#### *Rules relating to fees*

9. Paragraphs 10 and 11 apply where the Authority—

- (a) makes (or proposes to make) rules under paragraph 17(1) of Schedule 1 which require the payment to the Authority of fees which relate in whole or in part to mutuals expenditure, or
- (b) designates any provisions in accordance with article 4 of the Financial Services and Markets Act 2000 (Transitional Provisions and Savings) (Rules) Order 2001(29) with a view to their having effect after commencement as such rules.

10. In the application of paragraph 17(1) of Schedule 1 to the rules, the reference to fees and charges provided for by any other provision of the 2000 Act includes a reference to fees and charges provided for by any provision of the mutuals legislation.

11. To the extent that the fees relate to mutuals expenditure—

- (a) the making of the rules is not to be treated as a general function of the Authority by virtue of subsection (4)(a) of section 2 (functions of the Authority to which the Authority's general duties apply),
- (b) section 155(2)(c) (requirement to include in consultation a statement that rules are compatible with general duties) (or, in any case covered by paragraph 9(b) above, article 4(2)(f) of the Order referred to in that paragraph) does not apply in relation to the rules, and
- (c) the rules are not to be treated as regulating provisions for the purposes of section 159(1) (interpretation of Chapter III of Part X).

#### *Guidance*

12. For the purposes of sections 157(3) and 158(5) (guidance to regulated persons generally), guidance given to building societies, friendly societies and industrial and provident societies generally or to a class of such societies is to be treated as if given to regulated persons generally or to a class of regulated persons, whether or not those societies would otherwise be “regulated persons” within the meaning of those sections.

13. Paragraph 14 applies where guidance is given by the Authority under section 157 on the operation of a rule of the kind mentioned in paragraph 9 above (whether made as mentioned in sub-paragraph (a) of that paragraph, or designated as mentioned in sub-paragraph (b) of that paragraph).

14. To the extent that the fees required to be paid by the rule relate to mutuals expenditure—

- (a) the giving of the guidance is not to be treated as a general function of the Authority by virtue of subsection (4)(c) of section 2 (functions of the Authority to which the Authority's general duties apply),
- (b) section 155(2)(c) (requirement to include in consultation a statement that rules are compatible with general duties) does not apply in relation to the guidance, and
- (c) the guidance is not to be treated as a regulating provision for the purposes of section 159(1) (interpretation of Chapter III of Part X).

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(28) See the definitions of “practices” and “regulating provisions”.

(29) S.I. 2001/1534.

15. Paragraphs 16 and 17 apply where general guidance is given by the Authority under section 157 with respect to any matter relating to relevant functions, or with respect to any provision of or made under the mutuals legislation, unless paragraph 14 above applies.

16. The giving of the guidance is not to be treated as a general function of the Authority by virtue of subsection (4)(c) of section 2 (functions of the Authority to which the Authority's general duties apply).

17. The guidance is not to be treated as a regulating provision for the purposes of section 159(1) (interpretation of Chapter III of Part X).

### SCHEDULE 3

Article 13(1)

#### ENACTMENTS AMENDED

### PART I

#### FRIENDLY SOCIETIES

##### Amendments to the Friendly Societies Act 1974

1. The Friendly Societies Act 1974(30) is amended as follows.
2. Sections 1, 2, 3, 5 and 6(31) (which make provision for the Chief Registrar, the assistant registrar for Scotland, the assistant registrars and the central office) cease to have effect.
3. In section 12—
  - (a) in subsection (1) for the word “registrar” there is substituted “Authority”, and
  - (b) in subsection (2) the words from “in the” to the end are omitted.
4. In section 15A(1)(32) for the word “registrar” there is substituted “Authority”.
5. In section 16(33)—
  - (a) for subsection (1) there is substituted—

“(1) If the Authority refuses to register a branch, the branch may appeal to the High Court or, in the case of a branch whose registered office is to be situated in Scotland, the Court of Session.”, and
  - (b) in subsection (2)—
    - (i) for the word “registrar” there is substituted “Authority”, and
    - (ii) for the words “section 15” there is substituted “section 15A”.
6. In section 18—
  - (a) for the word “registrar”, wherever it appears, there is substituted “Authority”, and
  - (b) in subsection (2)(b) for the word “he” there is substituted “the Authority”.
7. In section 19 for the word “registrar” there is substituted “Authority”.

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(30) 1974 c. 46.

(31) Section 2 was amended by the Friendly Societies Act 1981 (c. 50), section 1, and the Courts and Legal Services Act 1990 (c. 41), Schedule 10 paragraph 35. Section 6(2) was repealed the Friendly Societies Act 1992 (c. 40), Schedule 16 paragraph 3 and Schedule 22 Part I.

(32) Section 15A was substituted by the Friendly Societies Act 1992, Schedule 16 paragraph 6(1).

(33) Section 16 was amended by the Friendly Societies Act 1992, Schedule 22, Part I.

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8. In section 20—
  - (a) for subsection (1) there is substituted—

“(1) If the Authority refuses to register an amendment of a rule of a registered society or branch, the society or branch may appeal to the High Court or, in the case of a society or branch whose registered office is situated in Scotland, the Court of Session.”, and
  - (b) in subsection (2) for the word “registrar” there is substituted “Authority”.
9. In section 24(34), for the word “registrar”, wherever it appears, there is substituted “Authority”.
10. In section 30A(11)(35) for the word “registrar” there is substituted “Authority”.
11. In section 31—
  - (a) in subsection (2) the words “(not being a collecting society or branch thereof)” are omitted, and
  - (b) in subsection (5) for the words “Chief Registrar, with the consent of the Treasury,” there is substituted “Treasury”.
12. In section 32—
  - (a) for the word “registrar”, wherever it appears, there is substituted “Authority”, and
  - (b) in subsection (3)(b) for the word “him”, both times it appears, there is substituted “the Authority”.
13. In section 32A(4) and (5)(b) for the word “registrar” there is substituted “Authority”.
14. In section 35(5) for the words “registered in” there is substituted “whose registered office is situated in”.
15. In section 36, subsections (2) and (3) are omitted.
16. In section 39C—
  - (a) in the side-note for the word “Registrar’s” there is substituted “Authority’s”,
  - (b) in subsections (1) and (2) for the word “registrar” there is substituted “Authority”, and
  - (c) in subsection (1)(b) for the word “him”, both times it appears, there is substituted “the Authority”.
17. In section 40(1) the words “Chief Registrar with the consent of the” are omitted.
18. In section 41—
  - (a) in subsection (1)—
    - (i) for the word “registrar” in paragraph (b) there is substituted “Authority”, and
    - (ii) for the words “Chief Registrar may prescribe”, there is substituted “Authority may direct”,
  - (b) in subsection (3) for the word “registrar”, both times it appears, there is substituted “Authority”,
  - (c) in subsection (5)—
    - (i) for the words “Chief Registrar” there is substituted “Authority”, and

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(34) Section 24 was substituted by the Friendly Societies Act 1992, Schedule 16 paragraph 9.

(35) By virtue of paragraph 12 of Schedule 16 to the Friendly Societies Act 1992, sections 29 to 45 of the Friendly Societies Act 1974 do not have effect in relation to registered friendly societies and registered branches of such societies, but only in relation to other types of societies registered under the 1974 Act. Sections 30A, 32A and 39C were inserted, and sections 31 and 40 amended, by S.I. [1996/1738](#).

- (ii) for the word “he” there is substituted “it”, and
- (d) in subsection (6)—
  - (i) for the words “Chief Registrar” there is substituted “Authority”,
  - (ii) for the word “his” there is substituted “the Authority's”, and
  - (iii) in paragraph (b) for the word “registrar” there is substituted “Authority”.
- 19.** In section 42—
  - (a) in the side-note the words “of Chief Registrar” are omitted,
  - (b) in subsections (1) and (2) for the words “Chief Registrar” there is substituted “Treasury”,
  - (c) in subsection (2)(a) and (b) for the word “registrar” there is substituted “Authority”,
  - (d) subsection (3) is omitted,
  - (e) in subsection (4)—
    - (i) for the words “Chief Registrar” there is substituted “Authority”,
    - (ii) for the word “he” there is substituted “the Authority”, and
    - (iii) in paragraphs (b)(i) and (b)(ii) for the word “registrar” there is substituted “Authority”, and
  - (f) in subsection (5)—
    - (i) for the words “Chief Registrar” there is substituted “Authority”, and
    - (ii) for the word “him” there is substituted “it”.
- 20.** In section 43~~(36)~~—
  - (a) in subsections (1), (2) and (5) for the word “registrar” there is substituted “Authority”, and
  - (b) in subsection (6) for the words “Chief Registrar may prescribe”, there is substituted “Authority may direct”.
- 21.** In section 47~~(37)~~—
  - (a) in subsection (1) for the words “Chief Registrar” there is substituted “Treasury”, and
  - (b) subsections (3) and (4) are omitted.
- 22.** In section 55(1) for the words “registered at the central office” there is substituted “which is registered by the Authority and the registered office of which is situated in England and Wales”.
- 23.** Section 65~~(38)~~ ceases to have effect.
- 24.** In section 65A~~(39)~~—
  - (a) in subsection (7) for the words “registrar or the Commission” there is substituted “Authority”, and
  - (b) in subsection (8) for the word “Commission” there is substituted “Treasury”.
- 25.** In section 76~~(40)~~—

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**(36)** See note above about the restricted application of sections 29 to 45. Section 43 is modified by S.I. [1987/2132](#) and amended by S.I. [1996/1738](#).

**(37)** Securities prescribed under section 47(1) in relation to societies registered under the Friendly Societies Act 1974 are also prescribed in relation to industrial and provident societies, by virtue of section 11(1) of the Industrial and Provident Societies Act 1965 (c. 12), which is amended by paragraph 217 below.

**(38)** Section 65(1) was repealed by the Friendly Societies Act 1984 (c. 62), section 2(5)(c).

**(39)** Section 65A was inserted by the Friendly Societies Act 1992 (c. 40), Schedule 16 paragraph 23.

**(40)** Section 76 was amended by the Tribunals and Inquiries Act 1992 (c. 35), Schedule 3 paragraph 10, and by the Friendly Societies Act 1992, Schedule 16 paragraph 25 and Schedule 22 Part I.

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- (a) in subsection (1) for the words “subsection (3A)” there is substituted “subsections (3A) to (3C)”, and
  - (b) after subsection (3B) there is inserted—
    - “(3C) If the rules contain directions by virtue of which a dispute would fall to be determined by the Authority, the dispute shall instead be referred to the county court or, in Scotland, to the sheriff for determination.”.
- 26.** In section 81(1) for the words from “Chief Registrar” to the end there is substituted “Authority”.
- 27.** In section 82(5)(**41**) for the words from “Chief Registrar” to the end there is substituted “Authority”.
- 28.** Section 83(**42**) ceases to have effect.
- 29.** In section 84(**43**)—
- (a) in subsection (2)—
    - (i) for the words “at the central office” there is substituted “by the Authority”,
    - (ii) for the words “central office”, the second time they appear, there is substituted “Authority”, and
  - (b) in subsection (3) for the words from “Chief Registrar” to the end there is substituted “Authority”.
- 30.** In section 84A(6)(**44**) for the words from “Chief Registrar” to the end there is substituted “Authority”.
- 31.** In section 85—
- (a) in subsections (3) and (4) for the word “registrar” there is substituted “Authority”, and
  - (b) in subsection (4) for the word “he” there is substituted “it”.
- 32.** In section 86(**45**)—
- (a) in subsection (2) for the words “Chief Registrar” there is substituted “Treasury”,
  - (b) in subsection (3)—
    - (i) for the words “central office” there is substituted “Authority”, and
    - (ii) for the words “registered there” there is substituted “registered by it”, and
  - (c) in subsection (4)—
    - (i) for the words “central office” the first time they appear, there is substituted “Authority”, and
    - (ii) for the words “at the central office” there is substituted “by the Authority”.
- 33.** In section 87(**46**) for the word “Commission”, where it appears in the side-note and both times it appears in subsection (1), there is substituted “Authority”.

(41) Section 82(5) was amended by the Friendly Societies Act 1992, Schedule 22 Part 1.

(42) Section 83 was amended by the Arbitration Act 1996 (c. 23), Schedule 3 paragraph 29, and the Friendly Societies Act 1992, Schedule 16 paragraph 30.

(43) By virtue of paragraph 31 of Schedule 16 to the Friendly Societies Act 1992, section 84 does not apply to registered friendly societies (but only to other types of society registered under the 1974 Act).

(44) Section 84A was inserted by the Friendly Societies Act 1992, Schedule 16 paragraph 32.

(45) There are amendments to section 86 which are not relevant to this Order.

(46) Section 87 was substituted by the Friendly Societies Act 1992, Schedule 16 paragraph 34. Section 87(1) was extended by the Financial Services Act 1986 (c. 60), Schedule 11 paragraph 26(2).



**34.** In section 90(47)—

(a) for the words—

- (i) from “Chief Registrar” to “for Scotland,” in subsection (1),
  - (ii) “Chief Registrar” in subsection (3), and
  - (iii) “Chief or assistant registrar” in subsections (4), (5) and (7),
- there is substituted “Authority”, and

(b) in subsection (4) for the word “he” there is substituted “it”.

**35.** In section 91(48)—

(a) for subsection (1) there is substituted—

“(1) Subject to the following provisions of this section, the Authority may by notice in writing cancel the registration of a society—

- (a) at the request of the society, if the Authority thinks fit; or
- (b) if the Authority is satisfied that—
  - (i) an acknowledgement of registration has been obtained by fraud or mistake;
  - (ii) the society exists for an unlawful purpose;
  - (iii) the society has wilfully and after notice from the Authority violated any provision of this Act;
  - (iv) the society has ceased to exist; or
  - (v) in the case of a society to which section 37(2) or (3) of the 1992 Act applies, the principal place of business of the society is outside the British Islands.

(1A) The request mentioned in subsection (1)(a) must be evidenced in such way as the Authority may direct.”,

- (b) in subsection (2), for the words from “paragraph (b)” to “hand,” there is substituted “any of sub-paragraphs (i) to (iv) of subsection (1)(b) above in which the Authority might cancel the registration of a society, it may by notice in writing”;
- (c) in subsection (3), for the words “Chief or assistant registrar before its” there is substituted “Authority before the society's”, and
- (d) in subsection (5), for the words from “Chief” to “hand” there is substituted “Authority may by notice in writing”.

**36.** In section 92(2), for paragraphs (a) and (b) there is substituted “to the High Court or, in the case of a society whose registered office is situated in Scotland, to the Court of Session.”.

**37.** In section 93(1)(c)(49)—

- (a) for the words “Chief Registrar” there is substituted “Authority”, and
- (b) the words “of the Commission under” are omitted.

**38.** In section 94—

- (a) in subsection (2)(d) for the words “Chief Registrar”, and
- (b) in subsections (4) and (7) for the word “registrar”,

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(47) By virtue of paragraph 36 of Schedule 16 to the Friendly Societies Act 1992, section 90 does not apply to registered friendly societies (but only to other types of society registered under the 1974 Act).

(48) Section 91 was amended by the Friendly Societies Act 1992, Schedule 16 paragraph 37, and by S.I. 1996/1669; subsections (1) and (2) were extended by the Financial Services Act 1986, Schedule 11 paragraph 26(2).

(49) Section 93(1) was amended by the Friendly Societies Act 1992, Schedule 16, paragraph 38 and by S.I. 1993/3084.

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there is substituted “Authority”.

**39.** In section 95**(50)**—

- (a) in subsection (1) for the words from “Chief Registrar”, the first time they appear, to “investigate”, there is substituted “Authority may appoint one or more competent persons to conduct an investigation on its behalf into”,
- (b) for the words—
  - (i) “Chief Registrar”, wherever they appear in subsections (3) and (4), and
  - (ii) “central office” in subsection (6),
 there is substituted “Authority”,
- (c) for the word “he”, wherever it appears in subsections (3) and (4), there is substituted “it”,
- (d) in subsection (4) for the word “his” there is substituted “its”, and
- (e) subsection (5) is omitted.

**40.** In section 95A**(51)**—

- (a) for the word “Commission”, wherever it appears in subsections (1) and (2), there is substituted “Authority”,
- (b) subsection (3) is omitted, and
- (c) in subsection (4) for the words from “Commission” to “office”, the second time it appears, there is substituted “Authority”.

**41.** In section 97(1) and (2)**(52)**, for the word “registrar” there is substituted “Authority”.

**42.** In section 98**(53)**—

- (a) in subsection (1)(b), for the words “Chief or an assistant registrar” there is substituted “Authority”,
- (b) in subsection (2) the words from “or to any” to the end are omitted,
- (c) in subsection (7)—
  - (i) for the words from “Chief Registrar” to “procurator fiscal” there is substituted “Authority or by the Lord Advocate”, and
  - (ii) for the word “registrar”, the last time it last appears, there is substituted “Authority (or the Lord Advocate, as the case may be)”, and
- (d) subsection (8) is omitted.

**43.** In section 99**(54)**—

- (a) after subsection (4) there is inserted—
  - “(4A) In the application of subsection (4) above to Scotland, the word “summarily” is to be omitted.”, and
- (b) in subsection (6)—
  - (i) the words “, and in the central registration area only by,” are omitted, and
  - (ii) for paragraph (c) there is substituted—

**(50)** By virtue of paragraph 39 of Schedule 16 to the Friendly Societies Act 1992, section 95 does not apply to registered friendly societies (but only to other types of society registered under the 1974 Act).

**(51)** Section 95A was inserted by the Friendly Societies Act 1992, Schedule 16 paragraph 39.

**(52)** Section 97(1) was amended by the Friendly Societies Act 1992, Schedule 16 paragraph 41.

**(53)** Relevant amendments to section 98 are made by the Friendly Societies Act 1992, Schedule 16 paragraph 42.

**(54)** Relevant amendments to section 99 will be made by the Financial Services and Markets Act 2000 (c. 8), Schedule 18 paragraph 4 and Schedule 22, once those provisions are brought into force.

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“(c) in any case, by any member of the society or branch authorised by the Authority; or

(d) except in Scotland, by the Authority;

and (except in Scotland) no other person may institute such proceedings.”.

**44.** In section 101—

(a) in subsection (1) for the words “Chief Registrar or any assistant registrar” there is substituted “Authority”,

(b) at the end of subsection (1) there is inserted—

“(1A) In the application of subsection (1) to Scotland, the reference to the Authority is to be read as a reference to the Lord Advocate.”, and

(c) in subsection (2) for the words “Chief or any assistant registrar” there is substituted “Authority”.

**45.** For section 104 there is substituted—

**“104A Fees for inspection or copying of documents.**

**104A.** Before the Authority allows any person to inspect any document held by it in connection with this Act, or provides any person with a copy of any such document (or part of such document), it may charge that person a reasonable fee.”.

**46.** In section 109—

(a) in subsection (1)—

(i) in paragraph (b) for the words “for registration” there is substituted “by the Authority for the registration of any society or document (including any amendment to any document) under this Act, the Industrial and Provident Societies Act 1965, the Building Societies Act 1986, or the Friendly Societies Act 1992, or otherwise for sealing any document for the purposes of this Act or any of those Acts”,

(ii) in paragraph (c) for the word “registrar” there is substituted “Authority under this Act”, and

(iii) in paragraph (d) for the word “registrar” there is substituted “Authority”,

(b) in subsection (2)—

(i) for the words “, the Secretary of State or the Chief Registrar” there is substituted “or the Secretary of State”, and

(ii) the words “9 or” are omitted, and

(c) subsection (3) is omitted.

**47.** In section 110(55)—

(a) for subsections (1) and (2) there is substituted—

“(1) Any document bearing the seal or stamp of the Authority shall be received in evidence without further proof.

(2) Any document purporting to have been signed by a person authorised to do so on behalf of the Authority, and every document purporting to be signed by any inspector or public valuer under this Act, shall, in the absence of any evidence to the contrary, be received in evidence without proof of the signature.

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(55) Section 110(2) was amended by the Friendly Societies Act 1992, Schedule 16, paragraph 47.

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(2A) In subsections (1) and (2), “document” means any document issued, received or created by the Authority (or, as the case may be, by any inspector or public valuer under this Act) for the purposes of or in connection with this Act.”, and

(b) in subsection (3)—

(i) for the word “registrar”, both times it appears, there is substituted “Authority”, and

(ii) for the words “the Chief Registrar may direct” there is substituted “it considers appropriate”.

**48.** In section 111(**56**)—

(a) in subsection (1)—

(i) after the definition of “annual return”, there is inserted—

““the Authority” means the Financial Services Authority;”,

(ii) the definitions of “the central registration area”, “collecting society” and “Commission” are omitted,

(iii) in the definition of “Gazette” in paragraph (a) for the words “the central registration area” there is substituted “England and Wales, the Channel Islands or the Isle of Man”, and

(iv) in the definition of “Treasury regulations” the words “and approved” are omitted, and

(b) for subsection (3) there is substituted—

“(3) Any reference in this Act to the seal of the Authority is a reference to the seal provided for in regulations made under section 109(1)(b) (and not to the Authority’s common seal).”.

**49.** In Schedule 2(**57**)—

(a) in paragraph 3(2) for the words “approved group insurance business, as defined in section 65 of this Act”, there is substituted “group insurance business”,

(b) in paragraph 7 for the word “registrar”, there is substituted “Authority”, and

(c) in paragraph 15 for the words from “Chief Registrar” to “registrar for Scotland,” there is substituted “Authority”.

**50.** In Schedule 9(**58**), paragraph 22 is omitted.

#### **Amendments to the Friendly Societies Act 1981**

**51.** The Friendly Societies Act 1981(**59**) (which repealed section 2(1) of the Friendly Societies Act 1974) ceases to have effect.

#### **Amendments to the Friendly Societies Act 1984**

**52.** In section 2 of the Friendly Societies Act 1984(**60**), subsection (5) is omitted.

#### **Amendments to the Friendly Societies Act 1992**

**53.** The Friendly Societies Act 1992(**61**) is amended as follows.

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(56) Relevant amendments to section 111 are made by the Friendly Societies Act 1992, Schedule 16 paragraph 48.

(57) By virtue of paragraph 51(2) of Schedule 16 to the Friendly Societies Act 1992, paragraphs 7 and 15 of Schedule 2 do not apply to registered friendly societies (but only to other types of society registered under the 1974 Act). There are other amendments to Schedule 2 which are not relevant to this Order.

(58) Schedule 9 has been repealed in part but those repeals are not relevant to this Order.

(59) 1981 c. 50.

(60) 1984 c. 62. Section 2(5) was repealed in part by the Income and Corporation Taxes Act 1988 (c. 1) Schedule 31.

(61) 1992 c. 40.

54. For Part I (62), there is substituted—

**“PART I  
FUNCTIONS OF THE AUTHORITY**

**Functions of the Financial Services Authority in relation to friendly societies.**

1.—(1) The Financial Services Authority (“the Authority”) has the following functions under this Act and the 1974 Act in relation to friendly societies—

- (a) to secure that the purposes of each friendly society are in conformity with this Act and any other enactment regulating the purposes of friendly societies;
- (b) to administer the system of regulation of the activities of friendly societies provided for by or under this Act and the 1974 Act; and
- (c) to advise and make recommendations to the Treasury and other government departments on any matter relating to friendly societies.

(2) The Authority also has, in relation to such societies, the other functions conferred on it by or under this Act or any other enactment.”.

55. In section 5—

- (a) in subsection (3) for the words “central office” there is substituted “Authority”, and
- (b) in subsection (4) for the words “Commission may by order made with the consent of the Treasury” there is substituted “Treasury may by order”.

56. In section 6, for the words “central office”, both times they appear, there is substituted “Authority”.

57. In section 11—

- (a) in subsection (5) for the word “Commission” there is substituted “Authority”, and
- (b) in subsection (7) for the word “Commission” there is substituted “Treasury”.

58. In section 14—

- (a) the words “or (4)”, wherever they appear, are omitted,
- (b) in subsection (3)(a) for the words “section 48 below applies” there is substituted “rules in respect of margins of solvency, made by the Authority under section 138 of the Financial Services and Markets Act 2000, apply”,
- (c) in subsection (3)(b) for the words “that section” there is substituted “such rules”,
- (d) subsection (4) is omitted,
- (e) for the word “Commission” in subsections (5), (6) and (10) there is substituted “Authority”,
- (f) subsection (11) is omitted, and
- (g) in subsection (12)—
  - (i) for the words “central office” there is substituted “Authority”, and
  - (ii) for the words “such a notice” there is substituted “any notice served on a society under subsection (6) or (10) above”.

59. In section 20 for the words—

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(62) Section 1 was amended by S.I. 1994/1984.

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- (a) “central office”, wherever they appear, and
- (b) “Commission” in subsection (10),

there is substituted “Authority”.

**60.** In section 21(2), for the words “central office”, both times they appear, there is substituted “Authority”.

**61.** In section 22(2)(**63**) for the word “Commission” there is substituted “Authority”.

**62.** In section 24(6), for the word “Commission”, both times it appears, there is substituted “Authority”.

**63.** In section 25(4), for the words “central office”, both times they appear, there is substituted “Authority”.

**64.** In section 26(**64**)—

(a) in subsection (1)—

- (i) for the words “central office”, the first time they appear, there is substituted “Authority”, and
- (ii) for the words “the central office”, the second time they appear, there is substituted “it”,

(b) in subsection (2)—

- (i) for the words “central office”, the first time they appear, there is substituted “Authority”, and
- (ii) for the words “the central office”, the second time they appear, there is substituted “it”,

(c) in subsections (3) and (4), for the words “central office”, wherever they appear, there is substituted “Authority”,

(d) in subsection (8) for the words “in writing signed by the central office” there is substituted “by written notice given by the Authority to the society”, and

(e) in subsection (9) for the words “central office” there is substituted “Authority”.

**65.** In section 29 for the words “central office”, wherever they appear, there is substituted “Authority”.

**66.** In section 37(5) to (7), for the word “Commission”, wherever it appears, there is substituted “Authority”.

**67.** In the cross-heading before section 51, for the word “Commission” there is substituted “Authority”.

**68.** Section 51 ceases to have effect.

**69.** In section 52(**65**)—

- (a) in subsections (1), (3) and (7) for the word “Commission” there is substituted “Authority”, and
- (b) in subsection (6) for the words from “Commission” to the end there is substituted “Authority shall keep a copy of the order in the public file of the society.”.

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(63) Section 22 was extended by paragraph 26(2) of Schedule 11 to the Financial Services Act 1986 (c. 60).

(64) Section 26(2) was amended by S.I. 1996/1669.

(65) Section 52 was extended by the Financial Services Act 1986 (c. 60), Schedule 11 paragraph 26(2) and amended by S.I. 1994/1984. It will be further amended by the Financial Services and Markets Act 2000, Schedule 18 paragraph 15 and Schedule 22, once those provisions are brought into force.

70. Sections 52A(66) and 53 cease to have effect.
71. In section 54—
- (a) in subsections (2), (3) and (7) for the word “Commission”, wherever it appears, there is substituted “Authority”,
  - (b) in subsection (4) for the words from “when” to the end there is substituted—  
“that the society is to comply with it—
    - (a) immediately on receipt of a final notice in relation to the direction;
    - (b) before the end of such period as may be specified in the direction, beginning with the giving of a final notice in relation to the direction; or
    - (c) on the happening of an event subsequent to the giving of such a notice.”,
  - (c) for subsection (6) there is substituted—  
“(6) The Authority may by written notice to the society—
    - (a) vary a direction under this section at the request of the society; or
    - (b) revoke a direction under this section.”,
  - (d) subsection (8) is omitted,
  - (e) in subsection (9)—
    - (i) for the words “Commission shall send to the central office” there is substituted “Authority shall keep”,
    - (ii) at the end of paragraph (b) there is inserted—  
“(ba) of a final notice varying a direction under this section;”, and
    - (iii) the words “and the central office shall keep a copy” are omitted, and
  - (f) at the end of subsection (9) there is inserted—  
“(10) “Final notice” means a final notice given under section 390 of the Financial Services and Markets Act 2000, as applied by section 58A(6) below.”.
72. In section 55(2) for the word “Commission” there is substituted “Authority”.
73. In section 55A(67) the following are omitted—
- (a) subsection (1),
  - (b) in subsection (2), the definition of “notifiable voting rights”, and
  - (c) subsection (3).
74. Sections 56, 57 and 57A(68) cease to have effect.
75. For sections 58 to 61(69) and the cross-heading before section 58 there is substituted—

*“Notices, hearings and appeals*

**58A Notices, hearings and appeals.**

- (1) If the Authority proposes—

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(66) Section 52A was inserted by [S.I.1994/1984](#) and amended by [S.I. 1997/2849](#).

(67) Section 55A was inserted by [S.I.1994/1984](#).

(68) Sections 57 and 57A (originally inserted by [S.I 1993/2519](#)) were substituted by [S.I.1994/1984](#).

(69) Section 59 was amended by the Judicial Pensions and Retirement Act 1993 (c. 8), Schedule 6 paragraph 68, and sections 59 and 60 were amended by [S.I. 1999/678](#). The functions of the Secretary of State under sections 59 and 60, so far as exercisable in or as regards Scotland, have been transferred to the Scottish Ministers by [S.I. 1999/1750](#).

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- (a) to give a direction to a society under section 54 or section 55, or to vary such a direction other than at the request of the society, or
- (b) to give a direction in relation to a society under section 90,

it must give the society a warning notice.

(2) The warning notice must set out the terms of the direction which the Authority proposes to give and, in the case of a proposal to give a direction under section 54 or 55, any provisions which the Authority proposes to include in the direction by virtue of section 54(4) (including that provision as applied by section 55(3)).

(3) If the Authority decides—

- (a) to give a direction to a society under section 54 or section 55, or to vary such a direction other than at the request of the society, or
- (b) to give a direction in relation to a society under section 90,

it must give the society a decision notice.

(4) The decision notice must set out the terms of the direction which the Authority has decided to give and, in the case of a decision to give a direction under section 54 or 55, any provisions to be included in the direction by virtue of section 54(4) (including that provision as applied by section 55(3)).

(5) A society to whom a decision notice is given under this section may refer the matter to the Financial Services and Markets Tribunal.

(6) Part XXVI of the Financial Services and Markets Act 2000 (notices) is to be treated as applying in respect of warning notices and decision notices given under this section as it applies in respect of warning notices and decision notices given under that Act, subject to subsection (8) below.

(7) The provisions of Part IX of the Financial Services and Markets Act 2000 (hearings and appeals) are to be treated as applying in respect of references to the Financial Services and Markets Tribunal made under this section as they apply in respect of references made to that Tribunal under that Act.

(8) In the application of Part XXVI of that Act in respect of warning notices and decision notices given under this section—

- (a) section 388(1)(e)(i) (which requires a decision notice to indicate any right given under that Act to refer a decision to the Tribunal) is to be read as if, for the words “this Act”, there were substituted “the Friendly Societies Act 1992”;
- (b) section 388(2) (which makes provision for the type of action to which a decision notice may relate if it was preceded by a warning notice) is to be read as if, for the word “Part”, there were substituted “section”;
- (c) section 390(4) (which provides for the content of a final notice about an order) is to be read as if—
  - (i) for the words “an order” there were substituted “a direction”, and
  - (ii) for the words “the order”, in both places where they appear, there were substituted “the direction”; and
- (d) section 392 (application of sections 393 (third party rights) and 394 (access to Authority material)) is to be read as if—
  - (i) paragraph (a) of that section contained a reference to a warning notice given under subsection (1) above, and
  - (ii) paragraph (b) of that section contained a reference to a decision notice given under subsection (3) above.”.



**76.** In section 62(70)

- (a) in subsection (1), for the word “Commission”, there is substituted “Authority”,
- (b) in subsection (3), for the word “Commission”, wherever it appears, there is substituted “Authority”,
- (c) after subsection (3) there is inserted—
  - “(3A) Subject to subsection (2) above, any person authorised for the purpose by the Authority (“an authorised officer”) may, on producing evidence of his authority, require a friendly society or a subsidiary of, or body jointly controlled by, an incorporated friendly society—
    - (a) to furnish to him forthwith such specified information as the Authority considers it needs for the purposes of its supervisory functions;
    - (b) to produce to him forthwith such documents or other material as the Authority considers it needs for those purposes;
    - (c) to provide to him forthwith such explanations of specified matters as the Authority considers it needs for those purposes.”,
- (d) in subsection (4)—
  - (i) for the words “Commission has power” there is substituted “Authority has power, or by virtue of subsection (3A) above an authorised officer has power,”, and
  - (ii) for the word “Commission”, the second and third time it appears, there is substituted “Authority or authorised officer”,
- (e) in subsection (5)—
  - (i) for the words “Commission has power” there is substituted “Authority has power, or by virtue of subsection (3A) above an authorised officer has power,” and
  - (ii) for the word “Commission”, the second and third time it appears, there is substituted “Authority or authorised officer”,
- (f) subsection (5A) is omitted, and
- (g) in subsection (8)—
  - (i) after the words “subsection (3),” there is inserted “(3A),”,
  - (ii) for the word “Commission”, the first time it appears, there is substituted “Authority or an authorised officer”, and
  - (iii) for the word “Commission”, the second time it appears, there is substituted “Authority or authorised officer”.

**77.** After section 62 there is inserted—

**“Entry of premises under warrant under section 176 of the Financial Services and Markets Act 2000.**

**62A.**—(1) A justice of the peace may issue a warrant under section 176 of the Financial Services and Markets Act 2000 if satisfied on information on oath given by or on behalf of the Authority, an authorised officer within the meaning of section 62(3A) above, or a person appointed as an investigator under section 65(1) below or as an inspector under section 66(1) below, that there are reasonable grounds for believing that the first or second set of conditions below is satisfied.

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(70) Section 62(4) was amended and section 62(5A) inserted by S.I. 1994/1984. Section 62 was extended by the Financial Services Act 1986 (c. 60), Schedule 11 paragraph 26(2).

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- (2) The first set of conditions is that—
  - (a) there are on the premises specified in the warrant information, documents or other material in relation to which a requirement has been imposed on any person under section 62(3), (3A), (4) or (5) above or section 67(3) below, or which it is the duty of any person to produce under section 65(3) or 67(2) below, and
  - (b) that person has failed (wholly or in part) to comply with that requirement or, having been requested to do so, has failed (wholly or in part) to comply with that duty.
- (3) The second set of conditions is that—
  - (a) there are on the premises specified in the warrant information, documents or other material in relation to which a requirement could be imposed on any person under section 62(3), (3A), (4) or (5) above or section 67(3) below, or which any person could be requested to produce in compliance with the duty imposed on them by section 65(3) or 67(2) below, and
  - (b) if such a requirement were imposed, or such a request made,—
    - (i) it would not be complied with, or
    - (ii) any information, documents or other material to which it related would be removed, tampered with or destroyed.”.

78. For sections 63 and 64(71) there is substituted—

**“63A Disclosure of information.**

- (1) For the purposes of sections 348 to 353 of the Financial Services and Markets Act 2000 (restrictions on disclosure of confidential information)—
  - (a) information to which this section applies is to be treated as confidential information; and
  - (b) in relation to such information, each of the following is a primary recipient—
    - (i) the Authority;
    - (ii) any person who is or has been employed by the Authority; and
    - (iii) any person appointed by the Authority to carry out functions under this Act or the 1974 Act.
- (2) This section applies to information which—
  - (a) relates to the business or other affairs of a friendly society, a registered branch of a friendly society or any other person;
  - (b) was received by a primary recipient (within the meaning of subsection (1)(b)) for the purposes of, or in the discharge of, any functions of the Authority under any provision made by or under this Act or the 1974 Act; and
  - (c) is not excluded information by virtue of subsection (4).
- (3) It is immaterial for the purposes of subsection (2) whether or not the information was received—
  - (a) by virtue of a requirement to provide it imposed by or under this Act;
  - (b) for other purposes as well as purposes mentioned in that subsection.
- (4) Information is excluded information if—

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(71) Section 64 was amended by the Pensions Act 1995 (c. 26), Schedule 3 paragraph 20, the Bank of England Act 1998 (c. 11), Schedule 5 paragraph 68, and by S.I. 1992/1315, 1994/1984, 1996/1669 and 1997/2781.

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- (a) it has been made available to the public by virtue of being disclosed in any circumstances in which, or for any purposes for which, disclosure is not precluded by section 348 of the Financial Services and Markets Act 2000 (restrictions on disclosure of confidential information); or
- (b) it is in the form of a summary or collection of information so framed that it is not possible to ascertain from it information relating to any particular person.”.

**79.** In section 65(72)—

- (a) for the word “Commission”, where it appears in the side-note, both times it appears in subsection (1) and where it appears in subsection (6), there is substituted “Authority”, and
- (b) the following are omitted—
  - (i) subsections (1A) and (3A), and
  - (ii) in subsections (2), (3) and (5) the words “or (1A)”.

**80.** In section 66(73) for the word “Commission”, wherever it appears, there is substituted “Authority”.

**81.** In section 67(74)—

- (a) for the word “Commission”, wherever it appears, there is substituted “Authority”,
- (b) in subsection (8)(b) the words “and on payment of the prescribed fee” are omitted, and
- (c) after subsection (8) there is inserted—

“(8A) The Authority may charge a reasonable fee for furnishing to any person a copy of a report under subsection (8)(b) above.”.

**82.** Sections 67A to 67D(75) cease to have effect.

**83.** In section 68 the following are omitted—

- (a) in the cross-heading before the section, the words “and systems”,
- (b) in the side-note, the words “and systems of business control”,
- (c) in subsection (1), paragraph (b) and the word “and” immediately preceding it,
- (d) subsections (4) to (7),
- (e) in subsection (10) the words “and such systems of control and of inspection and report are established and maintained”, and
- (f) subsection (11).

**84.** In section 69(4) for the words “Commission may by regulations made with the consent of the Treasury” there is substituted “Treasury may by regulations”.

**85.** In section 70(6) for the words “Commission shall, by regulations made with the consent of the Treasury,” there is substituted “Treasury shall by regulations”.

**86.** In section 71(1)(b) and (2)(a), the words “Commission with the consent of the” are omitted.

**87.** In section 73(2), paragraph (b) is omitted.

**88.** In section 74 for the words—

- (a) “Commission or the central office” in subsections (2), (3) and (4)(b), and
- (b) “Commission or central office” in subsection (4)(a),

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(72) Section 65 was extended by the Financial Services Act 1986, Schedule 11 paragraph 26(2), and amended by S.I. 1994/1984.

(73) Section 66 was extended by the Financial Services Act 1986, Schedule 11 paragraph 26(2).

(74) There are amendments to section 67 which are not relevant to this Order.

(75) Sections 67A to 67D were inserted by S.I. 1994/1984, and section 67B was amended by S.I. 1997/2849.

there is substituted “Authority”.

**89.** In section 76(4) and (6)(b), for the words “Commission or to the central office” there is substituted “Authority”.

**90.** In section 77(1)(a)—

- (a) for the words “Commission or the central office” there is substituted “Authority”, and
- (b) the words “or their” are omitted.

**91.** In section 78—

(a) for subsections (1) and (2) there is substituted—

“(1) The committee of management of a friendly society shall in each year—

- (a) lay before the society, at the annual general meeting, copies of the annual accounts for the last financial year, the report of the committee of management for that year and the auditors' report on those accounts; and
- (b) send to the Authority, not later than 30th June or 14 days before the annual general meeting, whichever is earlier, two copies of those accounts and reports.

(2) The committee of management of a registered branch shall in each year—

- (a) lay before the branch, at the annual general meeting, copies of the annual accounts for the last financial year and the auditors' report on those accounts; and
- (b) send to the Authority, not later than 30th June or 14 days before the annual general meeting, whichever is earlier, two copies of those accounts and that report.”,

- (b) in subsections (3) and (4) for the word “Commission” there is substituted “Authority”, and
- (c) in subsection (8) for the words “central office shall keep” there is substituted “Authority shall keep one of”.

**92.** Section 79(76) ceases to have effect.

**93.** In section 80, after subsection (1) there is inserted—

“(1A) Nothing in subsection (1) above or in rules of a kind mentioned in that subsection prevents any person, in accordance with the scheme for which Part XVI of the Financial Services and Markets Act 2000 provides (the ombudsman scheme), from having a complaint dealt with under such a scheme before, or instead of, arbitration.”.

**94.** In section 81(2) for the word “Commission”, both times it appears, there is substituted “Authority”.

**95.** In section 85—

- (a) in subsections (2) and (3) for the word “Commission” there is substituted “Authority”,
- (b) at the end of subsection (4) there is inserted—

“(4A) If, on the transfer date, each of the societies whose amalgamation was confirmed by the Authority has a permission under Part IV of the Financial Services and Markets Act 2000, 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.

(4B) 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—

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(76) Section 79 was amended by S.I. 1996/1669.

- (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.

(4C) The giving of permission pursuant to subsection (4A) 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 Financial Services and Markets 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 (4D) below).

(4D) In the application of Part IX of that Act by virtue of subsection (4C) above, section 133(9) (which prevents the Authority from taking action specified in a decision notice until after any reference and appeal) is omitted.”, and

- (c) in subsection (5) for the words “central office” there is substituted “Authority”.

**96.** In section 86—

- (a) in subsections (2)(e) and (3)(b), for the word “Commission” there is substituted “Authority”,
- (b) in subsection (4)—
  - (i) for the word “Commission” there is substituted “Authority” and
  - (ii) for the words “the central office” there is substituted “it”, and
- (c) in subsections (6) and (7) for the words “central office” there is substituted “Authority”.

**97.** In section 87(77)—

- (a) in subsection (2)(b) for the words from “under” to “above” there is substituted “required by rules made by the Authority under section 138 of the Financial Services and Markets Act 2000 to maintain the margin of solvency required by such rules”, and
- (b) in subsections (2) and (3) for the word “Commission”, wherever it appears, there is substituted “Authority”.

**98.** In section 88(78) for the word “Commission”, wherever it appears, there is substituted “Authority”.

**99.** In section 89—

- (a) in the side-note and subsections (1) to (6), for the word “Commission”, wherever it appears, there is substituted “Authority”, and
- (b) in subsection (7), for the words from “Commission” to “copy” there is substituted “Authority shall keep a copy of any direction given under this section”.

**100.** In section 90—

- (a) in the side-note and subsections (1) to (3), for the word “Commission”, wherever it appears, there is substituted “Authority”,
- (b) in subsection (3), after “by” there is inserted “paragraph 11 or”,
- (c) in subsection (4) for the words from the beginning to “(b)” there is substituted “At the same time as giving a warning notice to the society in accordance with section 58A(1) in relation to its proposal to give a direction, the Authority shall”,
- (d) in subsections (5) to (7) for the word “Commission”, wherever it appears, there is substituted “Authority”,

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(77) Section 87(2) was amended by S.I. [1994/1984](#) and [1997/2849](#).

(78) Section 88(1) was amended by S.I. [1994/1984](#) and [1997/2849](#).

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- (e) at the beginning of subsection (7) there is inserted “Before the Authority decides whether to give the society a decision notice in accordance with section 58A(3),”.
- (f) in subsection (8) for the words from “Commission” to “who” there is substituted “If the Authority gives a direction it shall keep a copy of that direction and”, and
- (g) in subsections (10) and (11) for the words “central office” there is substituted “Authority”.

**101.** Section 90A(79) ceases to have effect.

**102.** In section 91—

- (a) in subsection (2) for the word “Commission” there is substituted “Authority”,
- (b) in subsection (4)—
  - (i) for the words “at the central office” there is substituted “by the Authority”, and
  - (ii) for the words “central office”, the second time they appear, there is substituted “Authority”,
- (c) in subsection (5) for the words “central office” there is substituted “Authority”,
- (d) in subsection (6) for the word “Commission” there is substituted “Authority”, and
- (e) in subsection (8) for the words “Commission, with the consent of the Treasury,” there is substituted “Treasury”.

**103.** In section 93(80)—

- (a) in subsections (5) to (13) for the words—
  - (i) “Commission”, and
  - (ii) “central office”,wherever they appear, there is substituted “Authority”, and
- (b) in subsection (14) for the words “Commission, with the consent of the Treasury, prescribes” there is substituted “Treasury prescribe”.

**104.** Sections 97 and 98 cease to have effect.

**105.** In section 99—

- (a) in subsection (1) the words “or an industrial assurance company” are omitted,
- (b) in subsection (3) for the words “Commission may, with the consent of the Treasury,” there is substituted “Treasury may”, and
- (c) subsection (4) is omitted.

**106.** Section 100 ceases to have effect.

**107.** In section 103(81)—

- (a) in the side-note for the words “Parts V and” there is substituted “Part”,
- (b) in subsection (1)—
  - (i) for the word “Commission” there is substituted “Authority”,
  - (ii) the words “by order” are omitted,
  - (iii) the words “V or” are omitted,
  - (iv) after “Act” there is inserted “, or any provision of regulations made for the purposes of that Part”,

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(79) Section 90A was inserted by S.I. 1994/1984.

(80) Section 93(5) was amended by S.I. 1996/1188.

(81) Subsections (4) to (9) were inserted by S.I. 1996/1188.

- (v) for the word “order” the second time it appears there is substituted “direction”,
- (c) in subsection (2) for the words “An order” there is substituted “A direction”,
- (d) in subsection (3)—
  - (i) for the words “An order” there is substituted “A direction”,
  - (ii) for the word “Commission”, both times it appears, there is substituted “Authority”, and
  - (iii) for the word “order”, the second time it appears, there is substituted “direction”,
- (e) subsections (4) to (6) are omitted,
- (f) in subsection (7)—
  - (i) for the word “Commission” there is substituted “Authority”, and
  - (ii) for the words “subsection (4) above” there is substituted “this section”, and
- (g) in subsection (9)—
  - (i) for the words “Commission shall provide to the central office” there is substituted “Authority shall keep”,
  - (ii) for the words “subsection (4) above” there is substituted “this section”, and
  - (iii) the words “and the central office shall keep the copy” are omitted.

**108.** In section 104—

- (a) in subsections (1) and (3), for the words “central office” there is substituted “Authority”, and
- (b) for the words—
  - (i) “on payment of the fee prescribed under section 114 below” in subsection (1)(b), and
  - (ii) “on payment of the fee so prescribed” in subsection (2),there is substituted “subject to paragraph (2A) below”, and
- (c) after subsection (2) there is inserted—

“(2A) The Authority may charge a reasonable fee for making the public file available to any person for inspection under subsection (1)(b) above, or for furnishing any person with a copy of any documents or records under subsection (2) above.”.

**109.** In section 107(82), for the word “Commission”, wherever it appears, there is substituted “Authority”.

**110.** For section 111(1) there is substituted—

“(1) Any document bearing the seal or stamp of the Authority shall be received in evidence without further proof.

(1A) Any document purporting to have been signed by a person authorised to do so on behalf of the Authority, and every document purporting to be signed by any inspector or public valuer under this Act, shall, in the absence of any evidence to the contrary, be received in evidence without proof of the signature.

(1B) In subsections (1) and (1A), “document” means any document issued, received or created by the Authority (or, as the case may be, by any inspector or public valuer under this Act) for the purposes of or in connection with this Act.”.

**111.** In section 112(4)—

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(82) There are amendments to section 107 that are not relevant to this Order.

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- (a) for the words “Commission may, by regulations made with the consent of the Treasury,” there is substituted “Treasury may by regulations”, and
- (b) for the words “it considers” there is substituted “they consider”.

**112.** In section 113(1) for the words “Commission and the central office” there is substituted “Authority”.

**113.** For section 114 there is substituted—

**“114 Form of documents.**

(1) The Authority may, by directions under this section, make provision with respect to the form of, and the particulars to be included in, any document to be sent to it under this Act or the 1974 Act.

(2) The directions have effect subject to any other provision of or made under this Act.”.

**114.** In section 117(1)(**83**), in the definition of “insurance business”, after the word “but” there is inserted “, except for the purposes of sections 87 and 88 above.”.

**115.** In section 119(**84**)

- (a) in subsection (1)—
  - (i) in the definition of “actuary” for the words “the qualifications prescribed by regulations under section 44 above” there is substituted “such qualifications, if any, as may be specified in rules made by the Authority under section 340 of the Financial Services and Markets Act 2000 (and subsections (3) to (6) of that section apply in relation to an actuary appointed by virtue of any provision of this Act as they apply in relation to an actuary appointed in compliance with such rules)”,
  - (ii) after the definition of “annuities on human life”, there is inserted—

““the Authority” means the Financial Services Authority;”,
  - (iii) in the definition of “appointed actuary” for the words “under section 44 above” there is substituted “in accordance with rules made under section 340 of the Financial Services and Markets Act 2000”,
  - (iv) in the definition of “appropriate actuary”—
    - (A) in paragraph (a) for the words “the duty imposed by section 44(1) above” there is substituted “a duty imposed by rules made by the Authority under section 340 of the Financial Services and Markets Act 2000”, and
    - (B) in paragraph (b) for the word “that” there is substituted “such a”,
  - (v) the definitions of “the central office”, “the Chief Registrar”, “collecting society”, “the Commission”, “the criteria of prudent management”, and “notifiable voting rights” are omitted,
  - (vi) in the definition of “the public file” for the words “central office” there is substituted “Authority”, and
  - (vii) the definition of “valuation regulations” is omitted, and
- (b) after subsection (1) there is inserted—

“(1AA) Any reference in this Act to the seal of the Authority is a reference to the seal provided for in regulations made under section 109(1)(b) of the Friendly Societies Act 1974 (and not to the Authority’s common seal).”.

(83) There are amendments to section 117(1) which are not relevant to this Order.

(84) The definition of “notifiable voting rights” in section 119(1) was inserted by S.I. 1994/1984. There are other amendments to section 119 which are not relevant to this Order.



- 116.** Section 119B(**85**) ceases to have effect.
- 117.** In section 121(1) the words “or the Commission” are omitted.
- 118.** Section 122 ceases to have effect.
- 119.** Schedule 1(**86**) ceases to have effect.
- 120.** In Schedule 3(**87**)
- (a) for the words “central office”, wherever they appear, there is substituted “Authority”,
  - (b) in paragraph 1(4) the words “is satisfied that the Commission” are omitted,
  - (c) in paragraph 1(5) the following are omitted—
    - (i) the words “and authorised”, and
    - (ii) the words from “and in this sub-paragraph” to the end, and
  - (d) in paragraph 13(4) for the words “Commission prescribes”, there is substituted “Treasury prescribe”.
- 121.** In Schedule 4, in paragraph 2(5) and (6) for the words “central office”, wherever they appear, there is substituted “Authority”.
- 122.** In Schedule 5—
- (a) in paragraph 2(5) for the words “Commission may by order made with the consent of the Treasury” there is substituted “Treasury may by order”, and
  - (b) in paragraph 3(1) for the word “Commission” there is substituted “Treasury”.
- 123.** In Schedule 10—
- (a) in paragraph 3(1)(c) for the words “central office” there is substituted “Financial Services Authority”,
  - (b) in paragraph 3(2), before paragraph (a) there is inserted—
    - “(aa) every reference to a company registered in Scotland shall have effect as a reference to an incorporated friendly society whose registered office is situated in Scotland;”
  - (c) in paragraph 4(1), for the words “central office”, both times they appear, there is substituted “Authority”,
  - (d) in paragraphs 24(3) and 54(3), for the words “central office”, both times they appear in each, there is substituted “Authority”, and
  - (e) in paragraphs 32, 34(3), 35(1) and (2), 62, 64(3) and 65(1) and (2), for the word “Commission”, there is substituted “Authority”.
- 124.** In Schedule 11, in paragraph 16(1) for the words “Commission, with the consent of the Treasury,” there is substituted “Treasury”.
- 125.** In Schedule 12—
- (a) in paragraphs 3(2) and (3) for the word “Commission” there is substituted “Authority”, and
  - (b) in paragraphs 5(2) and 7(6) for the word “Commission” there is substituted “Treasury”.
- 126.** Schedules 13 to 13C(**88**) cease to have effect.

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(85) Section 119B was inserted by S.I. 1994/1984 and amended by S.I. 1997/2849.

(86) The functions of the Treasury under paragraphs 4 and 5 of Schedule 1 were transferred to the Minister for the Civil Service by S.I. 1995/269.

(87) Paragraphs 1 and 2 were amended by S.I. 1996/1669, and paragraph 9(2) repealed by S.I. 1996/1188.

(88) Schedule 13 was amended and Schedules 13A, 13B and 13C inserted by S.I. 1994/1984. Schedules 13B and 13C were amended by S.I. 1997/2849.

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**127.** In Schedule 14—

- (a) in paragraph 3(1) for the word “Commission”, both times it appears, there is substituted “Authority”,
- (b) in paragraph 5(3) for the word “Commission” there is substituted “Treasury”,
- (c) in paragraph 7—
  - (i) in sub-paragraph (1) after the words “friendly society” there is inserted “or of a registered branch”,
  - (ii) sub-paragraph (1)(d), and the word “and” immediately preceding it, are omitted,
  - (iii) sub-paragraph (2) is omitted,
  - (iv) in sub-paragraph (4) for the words “Commission, with the consent of the Treasury,” there is substituted “Treasury”, and
  - (v) in sub-paragraphs (6) and (7) for the word “Commission” there is substituted “Authority”,
- (d) in paragraph 9—
  - (i) for the word “Commission” in the cross-heading and in sub-paragraphs (1) and (6) there is substituted “Authority”, and
  - (ii) for sub-paragraph (3) there is substituted—
    - “(3) Where a direction is given to a society or branch under this paragraph the Authority shall place a copy of the direction in the public file of the society.
    - (3A) Where a society or branch receives a report under sub-paragraph (1)(b) above, it shall within 21 days send a copy of it to the Authority to be placed in the public file.”,
- (e) in paragraphs 10(2), 12(4), 14(2) and 14(7) for the words “central office” there is substituted “Authority”,
- (f) in paragraph 16(2) for the word “Commission”, both times it appears, there is substituted “Authority”, and
- (g) in paragraph 17(1) for the word “Commission” there is substituted “Treasury”.

**128.** In Schedule 15(**89**)—

- (a) in paragraphs 1 and 2 for the word “Commission”, wherever it appears, there is substituted “Authority”,
- (b) in paragraph 3(1)—
  - (i) in sub-paragraph (a) the words “Commission with the consent of the” are omitted, and
  - (ii) in sub-paragraph (b) for the word “Commission” there is substituted “Authority”,
- (c) in paragraph 4 for the word “Commission” there is substituted “Authority”,
- (d) in the title of Part II of the Schedule, for the word “Commission” there is substituted “Authority”,
- (e) in paragraph 5(1)—
  - (i) for the word “Commission”, the first time it appears, there is substituted “Authority”, and
  - (ii) for the words “may be prescribed” to the end, there is substituted “the Authority may direct”,

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(89) Schedule 15 was amended by S.I. [1993/2519](#), [1994/1984](#), [1996/1188](#), [1997/2871](#) and [1997/2849](#).

- (f) in paragraph 5(3) to (6) for the word “Commission”, wherever it appears, there is substituted “Authority”,
- (g) in paragraph 5(8)—
  - (i) for the words “Commission shall provide to the central office” there is substituted “Authority shall keep”, and
  - (ii) the words “and the central office shall keep the copy” are omitted,
- (h) in paragraphs 6 to 10, for the word “Commission”, wherever it appears (including in the cross-heading before paragraph 8), there is substituted “Authority”,
- (i) in paragraph 8(2)(b) the words “, by notice to the central office,” are omitted.
- (j) paragraph 9(2)(c) is omitted,
- (k) in paragraph 10(1), after sub-paragraph (b) there is inserted—
  - “or
  - (c) from confirming a conversion by reason of paragraph 11 below,”,
- (l) in paragraph 10(2)—
  - (i) after “meeting,” there is inserted “or (as the case may be) to remove the risk referred to in paragraph 11 below,” and
  - (ii) after “remedied,” there is inserted “or (as the case may be) that the risk has been removed,”,
- (m) the cross-heading before paragraph 11 is omitted,
- (n) for paragraph 11 there is substituted—

“**11.** The Authority shall not confirm an amalgamation, transfer of engagements or conversion unless it is satisfied that there is no substantial risk that the successor society, the proposed transferee, or the company into which the society is converted, will not have—

  - (a) such permission (if any) under Part IV of the Financial Services and Markets Act 2000, or
  - (b) such permission (if any) under paragraph 15 of Schedule 3 to that Act (as a result of qualifying for authorisation under paragraph 12 of that Schedule),

as will enable it to carry on the business which it will have as a result of the amalgamation, transfer or conversion without contravening section 19 of that Act (the general prohibition).”,
- (o) in paragraphs 12 and 13, for the word “Commission”, wherever it appears, there is substituted “Authority”,
- (p) in paragraph 13(1) for sub-paragraphs (a) and (b) there is substituted “possess the margin of solvency required by rules made by the Authority under section 138 of the Financial Services and Markets Act 2000.”,
- (q) in paragraph 13(3) for the words “and paragraph 14 below do” there is substituted “does”,
- (r) paragraph 14 is omitted,
- (s) in paragraphs 15 and 15A, for the word “Commission”, wherever it appears, there is substituted “Authority”,
- (t) in paragraph 15—
  - (i) sub-paragraph (2)(a) is omitted, and
  - (ii) in sub-paragraph (2)(b) the word “also” is omitted,

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- (u) in paragraph 15A, sub-paragraph (2)(a) is omitted, and
- (v) paragraph 16 is omitted.

**129.** In Schedule 16(**90**), paragraphs 3, 30 and 47 are omitted.

**130.** Schedules 17 to 19(**91**) cease to have effect.

## PART II BUILDING SOCIETIES

### *Amendments to the Building Societies Act 1986*

**131.** The Building Societies Act 1986(**92**) is amended as follows.

**132.** For Part I(**93**), there is substituted—

## “PART I FUNCTIONS OF THE AUTHORITY

### **Functions of the Financial Services Authority in relation to building societies.**

**1.**—(1) The Financial Services Authority (“the Authority”) has the following functions under this Act in relation to building societies—

- (a) to secure that the principal purpose of building societies remains that of making loans which are secured on residential property and are funded substantially by their members;
- (b) to administer the system of regulation of building societies provided for by or under this Act; and
- (c) to advise and make recommendations to the Treasury and other government departments on any matter relating to building societies.

(2) The Authority also has, in relation to such societies, the other functions conferred on it by or under this Act or any other enactment.”

**133.** In section 5(**94**)—

- (a) in subsection (2) for the words “central office” there is substituted “Authority”, and
- (b) in subsection (4A)(a) for the word “Commission” there is substituted “Authority”.

**134.** In section 6(**95**)—

- (a) in subsection (5)(a) for the word “Commission” there is substituted “Authority”,
- (b) in subsection (7) for the words “Commission may, with the consent of the Treasury,” there is substituted “Treasury may”,
- (c) in subsection (8)(c) for the word “Commission” there is substituted “Treasury”, and

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(90) Paragraph 30 of Schedule 16 was repealed in part by the Arbitration Act 1996 (c. 23) Schedule 4.

(91) Schedule 17 was amended by the Policyholders' Protection Act 1997 (c. 18), Schedule 4.

(92) 1986 c. 53.

(93) Sections 1 and 4 were amended by the Building Societies Act 1997 (c. 32), Schedule 7 paragraphs 1 and 2 and Schedule 9.

(94) Section 5 was amended by the Building Societies Act 1997, sections 1 and 3.

(95) Section 6 was substituted by the Building Societies Act 1997, section 4.

(d) in subsection (15) for the word “Commission” there is substituted “Authority”.

**135.** In section 6A(96)—

- (a) in subsection (2)(b) the words “Commission with the consent of the” are omitted,
- (b) in subsection (4)—
  - (i) for the words “Commission may, with the consent of the Treasury,” there is substituted “Treasury may”, and
  - (ii) for the words “the Commission”, the second time they appear, there is substituted “them”, and
- (c) in subsection (5) for the word “Commission” there is substituted “Treasury”.

**136.** In section 7(97)—

- (a) in subsection (5)(a) for the word “Commission” there is substituted “Authority”,
- (b) in subsection (7) for the words “Commission may, with the consent of the Treasury,” there is substituted “Treasury may”, and
- (c) in subsection (8) for the word “Commission” there is substituted “Treasury”.

**137.** In section 8(98)—

- (a) in subsection (3) for the word “Commission”, both times it appears, there is substituted “Authority”, and
- (b) in subsection (12)—
  - (i) for the words “Commission may, with the consent of the Treasury,” there is substituted “Treasury may”, and
  - (ii) for the word “Commission”, the second time it appears, there is substituted “Treasury”.

**138.** In section 9A(99)—

- (a) in subsection (12)—
  - (i) for the words from the beginning to “Treasury,” there is substituted “The Treasury may”, and
  - (ii) for the words “it thinks” there is substituted “they think”, and
- (b) in subsection (13)(b) the words “or, as the case may be, the Commission” are omitted.

**139.** Sections 24 to 31(100) cease to have effect.

**140.** In the title of Part VI for the word “Commission” there is substituted “Authority”.

**141.** In section 36(101)—

- (a) for the word “Commission”, wherever it appears, there is substituted “Authority”, and
- (b) subsection (14) is omitted.

**142.** In section 36A(102)—

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(96) Section 6A was inserted by the Building Societies Act 1997, section 5.

(97) Section 7 was substituted by the Building Societies Act 1997, section 8.

(98) Section 8 was substituted by the Building Societies Act 1997, section 9.

(99) Section 9A was inserted by section 10 of the Building Societies Act 1997 and amended by S.I. 2001/1826.

(100) Sections 25A and 29A were inserted, and other amendments to sections 24 to 29 made, by S.I. 1995/1442. Section 27A was inserted, and other amendments to sections 24 to 31 made, by the Building Societies Act 1997, Schedule 7. Section 25 was further amended by the Banking Act 1987 (c. 22), Schedule 6, section 28 by S.I. 1989/2405, and section 31 by S.I. 1996/1669.

(101) Section 36 was substituted by the Building Societies Act 1997, section 13.

(102) Section 36A was inserted by the Building Societies Act 1997, section 14.

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- (a) in subsection (1) for the words “Commission may serve on the society a notice of the Commission’s intention to” there is substituted “Authority may”,
- (b) in subsection (4) for the word “Commission” there is substituted “Authority”,
- (c) for subsection (5) there is substituted—

“(5) If the Authority proposes to issue a prohibition order under this section it must give the society a warning notice.

(5A) If the Authority decides to issue a prohibition order under this section it must give the society a decision notice, and may issue the order at the same time as or after giving the decision notice.

(5B) A warning notice or decision notice about a prohibition order under this section must set out the terms of the order which the Authority proposes (or has decided) to make, including any saving or transitional provisions to be included in it.

(5C) Part XXVI of the Financial Services and Markets Act 2000 (notices) is to be treated as applying in respect of warning notices and decision notices given under this section as it applies in respect of warning notices and decision notices given under that Act, subject to subsection (5D) below.

(5D) In the application of Part XXVI of that Act in respect of warning notices and decision notices given under this section—

- (a) section 388(1)(e) is to be omitted,
  - (b) section 388(2) (which makes provision for the type of action to which a decision notice may relate if it was preceded by a warning notice) is to be read as if, for the word “Part”, there were substituted the word “section”,
  - (c) section 390 (final notices) is to be omitted, and
  - (d) for the purposes of section 391 (publication) a decision notice given under this section is to be treated as if it were a final notice rather than a decision notice.”,
- (d) for subsection (6) there is substituted—
- “(6) If the Authority issues a prohibition order under this section it shall serve the order on the society, and shall keep a copy of the order in the public file of the society.”,
- (e) in subsection (7) the words “made and” are omitted, and
- (f) in subsections (10) to (12) for the word “Commission”, wherever it appears, there is substituted “Authority”.

**143.** In section 37(**103**)—

- (a) for the word “Commission”, wherever it appears, there is substituted “Authority”, and
- (b) in subsection (4) for the words “give a copy of it to the central office and the central office shall keep the copy” there is substituted “keep a copy of the order”.

**144.** Sections 41, 42 and 42A(**104**) cease to have effect.

**145.** In section 42B(**105**)—

- (a) in subsection (1) for the words “for which an authorisation is in force, the Commission” there is substituted “which has a permission under Part IV of the Financial Services and Markets Act 2000 to accept deposits, the Authority”,
- (b) for subsection (2) there is substituted—

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(103) Section 37 was substituted by the Building Societies Act 1997, section 15.

(104) Sections 41 and 42 were amended by the Building Societies Act 1997, Schedule 7 paragraphs 12 and 13 and Schedule 9 and by S.I. 1992/3218, 1996/1669. Section 42A was inserted by the Building Societies Act 1997, section 16.

(105) Section 42B was inserted by the Building Societies Act 1997, section 17.

“(2) If it appears to the Authority that a society has failed to comply with a direction under subsection (1), the Authority may exercise its power under section 45 of the Financial Services and Markets Act 2000 in relation to the society (power to vary or cancel a Part IV permission on the Authority’s own initiative).

(2A) Subsection (2) does not affect the Authority’s ability to exercise that power, in relation to the society, on any other ground.”,

- (c) in subsections (3), (4) and (5), for the word “Commission”, wherever it appears, there is substituted “Authority”,
- (d) subsection (6) is omitted, and
- (e) in subsection (8) for the words “Commission, with the consent of the Treasury,” there is substituted “Treasury”.

**146.** In section 42C(**106**)—

- (a) for the side-note there is substituted “Variation and revocation of transfer directions”,
- (b) in subsection (1)—
  - (i) the words “shall be given by notice in writing and” are omitted, and
  - (ii) for the word “Commission”, there is substituted “Authority”, and
- (c) subsections (2) and (3) are omitted.

**147.** Sections 43 to 45A(**107**) cease to have effect.

**148.** For sections 46 to 49(**108**) and the cross-heading before section 46 there is substituted—

*“Notices, hearings and appeals*

**46A Notices, hearings and appeals.**

- (1) If the Authority proposes—
  - (a) to give a direction to a society under section 36(3), (5), (6), (7) or (10), or
  - (b) to give a direction to a society under section 42B(1), other than a direction varying a previous direction with the agreement of the society concerned,it must give the society a warning notice.
- (2) The warning notice must set out the terms of the direction which the Authority proposes to give.
- (3) If the Authority decides—
  - (a) to give a direction to a society under section 36(3), (5), (6), (7) or (10), or
  - (b) to give a direction to a society under section 42B(1), other than a direction varying a previous direction with the agreement of the society concerned,it must give the society a decision notice.

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(106) Section 42C was inserted by the Building Societies Act 1997, section 18.

(107) Sections 43 and 44 were amended by the Building Societies Act 1997, Schedule 7 paragraphs 14 and 15, and by S.I. 1992/3218, 1995/1442, 1995/3275, 1996/1669, and 2000/2952. Sections 43A and 43B were inserted, section 45 substituted, and section 45AA inserted, by the Building Societies Act 1997, sections 19 to 22. Section 45A was inserted by S.I. 1992/3218 and amended by S.I. 1995/3275 and 2000/2952.

(108) Section 46 was substituted by the Building Societies Act 1997, section 23. Section 47 was amended by the Courts and Legal Services Act 1990 (c. 41), Schedule 10 paragraph 68, the Judicial Pensions and Retirement Act 1993 (c. 8), Schedule 6 paragraph 64, the Building Societies Act 1997, section 24, and by S.I. 1999/678. The functions of the Secretary of State under section 47(2) are transferred, insofar as exercisable in or as regards Scotland, to the Scottish Ministers by S.I. 1999/1750. Section 48 was amended by the Tribunals and Inquiries Act 1992 (c. 53), Schedule 4 Part I.

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(4) The decision notice must set out the terms of the direction which the Authority has decided to give.

(5) A society to whom a decision notice is given under this section may refer the matter to the Financial Services and Markets Tribunal.

(6) Part XXVI of the Financial Services and Markets Act 2000 (notices) is to be treated as applying in respect of warning notices and decision notices given under this section as it applies in respect of warning notices and decision notices given under that Act, subject to subsection (8) below.

(7) The provisions of Part IX of the Financial Services and Markets Act 2000 (hearings and appeals) are to be treated as applying in respect of references to the Financial Services and Markets Tribunal made under this section as they apply in respect of references made to that Tribunal under that Act.

(8) In the application of Part XXVI of that Act in respect of warning notices and decision notices given under this section—

- (a) section 388(1)(e)(i) (which requires a decision notice to indicate any right given under that Act to refer a decision to the Tribunal) is to be read as if, for the words “this Act”, there were substituted “the Building Societies Act 1986”;
- (b) section 388(2) (which makes provision for the type of action which may be proposed in a decision notice which was preceded by a warning notice) is to be read as if, for the word “Part”, there were substituted “section”;
- (c) section 390(4) (which provides for the content of a final notice about an order) is to be read as if—
  - (i) for the words “an order” there were substituted “a direction”, and
  - (ii) for the words “the order”, in both places where they appear, there were substituted “the direction”;
- (d) section 392 (application of sections 393 (third party rights) and 394 (access to Authority material)) is to be read—
  - (i) as if paragraph (a) of that section contained a reference to a warning notice given under subsection (1) above, and
  - (ii) as if paragraph (b) of that section contained a reference to a decision notice given under subsection (3) above.”.

**149.** Section 50(**109**) ceases to have effect.

**150.** In section 52(**110**)—

- (a) in subsection (1) for the words from “Commission” to the end, there is substituted “Authority of any of its functions under Part I, sections 36, 36A, 37, 42B, 42C and 46A, Part X and section 107.”,
- (b) in subsection (5) for the word “Commission”, wherever it appears, there is substituted “Authority”,
- (c) in subsection (5A)—
  - (i) for the words from “the Commission”, the first time they appear, to “authority, to” there is substituted “any person authorised for the purpose by the Authority (“an authorised officer”) may, on producing evidence of his authority,”, and

**(109)** Section 50 was amended by the Broadcasting Act 1990 (c. 42), Schedule 20 paragraph 44.

**(110)** Section 52 was amended by the Building Societies Act 1997, Schedule 7 paragraph 17 and Schedule 9, and by S.I. 1992/3218.



- (ii) in paragraphs (a), (b) and (c), for the word “Commission” there is substituted “Authority”,
  - (d) in subsection (6)—
    - (i) for the word “Commission”, the first time it appears, there is substituted “Authority”,
    - (ii) for the word “person”, the first time it appears, there is substituted “officer”, and
    - (iii) for the words “Commission or authorised person”, both times they appear, there is substituted “Authority or authorised officer”,
  - (e) in subsection (9)—
    - (i) for the words “Commission or an authorised person” there is substituted “Authority or an authorised officer”, and
    - (ii) for the words “Commission or authorised person” there is substituted “Authority or authorised officer”, and
  - (f) in subsection (13) for the word “Commission” there is substituted “Authority”.
- 151.** For section 52A(**111**) there is substituted—

**“52B Entry of premises under warrant under section 176 of the Financial Services and Markets Act 2000.**

(1) A justice of the peace may issue a warrant under section 176 of the Financial Services and Markets Act 2000 if satisfied on information on oath given by or on behalf of the Authority, an authorised officer within the meaning of section 52(5A) above, or a person appointed as an investigator under section 55(1) below or as an inspector under section 56(1) below, that there are reasonable grounds for believing that the first or second set of conditions below is satisfied.

- (2) The first set of conditions is that—
  - (a) there are on the premises specified in the warrant information, documents or other material in relation to which a requirement has been imposed on any person under section 52(5), (5A) or (6) above or section 57(3) below, or which it is the duty of any person to produce under section 55(3) or 57(2) below, and
  - (b) that person has failed (wholly or in part) to comply with the requirement or, having been requested to do so, has failed (wholly or in part) to comply with that duty.
- (3) The second set of conditions is that—
  - (a) there are on the premises specified in the warrant information, documents or other material in relation to which a requirement could be imposed on any person under section 52(5), (5A) or (6) above or section 57(3) below, or which any person could be requested to produce in compliance with the duty imposed on them by section 55(3) or 57(2) below, and
  - (b) if such a requirement were imposed, or such a request made,—
    - (i) it would not be complied with, or
    - (ii) any information, documents or other material to which it related would be removed, tampered with or destroyed.”.

**152.** For section 53(**112**) there is substituted—

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(111) Section 52A was inserted by the Building Societies Act 1997, Schedule 7 paragraph 18.

(112) Section 53 was amended by the Banking Act 1987 (c. 22), Schedule 6 paragraph 26, the Pensions Act 1995 (c. 26), Schedule 3 paragraph 16 and Schedule 7, Part I, the Building Societies Act 1997, Schedule 7 paragraph 19, the Bank of England Act 1998 (c. 11), Schedule 5 paragraph 64, and by S.I. 1990/1504, 1992/3218, 1996/1669, 2000/2952.

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**“53A Disclosure of information.**

(1) For the purposes of sections 348 to 353 of the Financial Services and Markets Act 2000 (restrictions on disclosure of confidential information)—

- (a) information to which this section applies is to be treated as confidential information; and
- (b) in relation to such information, each of the following is a primary recipient—
  - (i) the Authority;
  - (ii) any person who is or has been employed by the Authority; and
  - (iii) any person appointed by the Authority to carry out functions under this Act.

(2) This section applies to information which—

- (a) relates to—
  - (i) the business or other affairs of a building society or other body, or its or their plans for future development; or
  - (ii) any person who is or has been, or has been appointed (or, in the case of a director, nominated or proposed as), an officer of a building society or other body;
- (b) was received by a primary recipient (within the meaning of subsection (1)(b)) for the purposes of, or in the discharge of, any functions of the Authority under any provision made by or under this Act; and
- (c) is not excluded information by virtue of subsection (4).

(3) It is immaterial for the purposes of subsection (2) whether or not the information was received—

- (a) by virtue of a requirement to provide it imposed by or under this Act;
- (b) for other purposes as well as purposes mentioned in that subsection.

(4) Information is excluded information if—

- (a) it has been made available to the public by virtue of being disclosed in any circumstances in which, or for any purposes for which, disclosure is not precluded by section 348 of the Financial Services and Markets Act 2000; or
- (b) it is in the form of a summary or collection of information so framed that it is not possible to ascertain from it information relating to any particular person.”

**153.** In section 54(113)—

- (a) in the side-note and in subsections (1) and (2), for the word “Commission”, wherever it appears, there is substituted “Authority”, and
- (b) subsections (3) to (6) are omitted.

**154.** In sections 55 to 57(114), and in the side-note to section 55, for the word “Commission”, wherever it appears, there is substituted “Authority”.

**155.** In section 57—

- (a) in subsection (8)(b) the words “and on payment of the prescribed fee” are omitted, and
- (b) after subsection (8) there is inserted—

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(113) Section 54 was amended by the Building Societies Act 1997 (c. 32), Schedule 7 paragraph 20, the Banking Act 1987 (c. 22), Schedule 6 paragraph 26(5) and Schedule 7 Part I, the Bank of England Act 1998 (c. 11), Schedule 5 paragraph 64, and by S.I. 1992/3218 and 1996/1669.

(114) Sections 55 to 57 were amended by the Building Societies Act 1997, Schedule 7 paragraphs 21 to 23.

“(8A) The Authority may charge a reasonable fee for furnishing to any person a copy of a report under subsection (8)(b) above.”.

**156.** In section 59(6) for the words “central office”, both times they appear, there is substituted “Authority”.

**157.** In section 60(**115**)—

- (a) in subsection (4), after the word “subsections” there is inserted “(4A),”,
- (b) after subsection (4) there is inserted—

“(4A) A person in relation to whom there is in force a prohibition order made under section 56(2) of the Financial Services and Markets Act 2000 shall not be eligible to be elected as a director of a building society.”,

- (c) for the word “Commission” in subsections (9) and (16) there is substituted “Treasury”, and
- (d) for the words “it considers” in subsection (16) there is substituted “they consider”.

**158.** In section 61(**116**)—

- (a) in subsection (4)—
  - (i) for the word “Commission”, the first time it occurs, there is substituted “Treasury”,
  - (ii) for the words “it thinks” there is substituted “they think”, and
  - (iii) for the words “Commission may, with the consent of the Treasury,” there is substituted “Treasury may”,
- (b) in subsection (5) for the words “Commission considers”, there is substituted “Treasury consider”, and
- (c) for the words—
  - (i) “Commission”, in subsection (9), and
  - (ii) “central office”, both times they appear in subsection (13),there is substituted “Authority”.

**159.** In section 64(3)—

- (a) for the words “Commission may, by order made with the consent of the Treasury,” there is substituted “Treasury may by order”, and
- (b) for the words “it thinks” there is substituted “they think”.

**160.** In section 65(8), for the words from “Commission” to “Treasury” there is substituted “Treasury may by order made by statutory instrument”.

**161.** In section 68(**117**)—

- (a) in subsection (5) for the words—
  - (i) “Commission” and
  - (ii) “central office”there is substituted “Authority”, and
- (b) in subsection (9)—
  - (i) for the words “Commission may, by order made with the consent of the Treasury,” there is substituted “Treasury may by order”, and

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(115) There are amendments to section 60 which are not relevant to this Order.

(116) Section 61 is amended by the Building Societies Act 1997, section 28, and S.I. 1999/3032.

(117) There are amendments to section 68 which are not relevant to this Order.

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(ii) for the words “it thinks” there is substituted “they think”.

**162.** In section 69(**118**)—

(a) in subsection (5)—

(i) for the word “Commission” there is substituted “Treasury”, and

(ii) for the words “it considers” there is substituted “they consider”,

(b) in subsection (8) for the word “Commission” there is substituted “Authority”,

(c) in subsection (12) for the word “Commission” there is substituted “Treasury”,

(d) in subsection (14) for the words—

(i) “Commission” and

(ii) “central office”

there is substituted “Authority”, and

(e) in subsection (16)—

(i) the words from the beginning to “and” are omitted, and

(ii) for the words “such an order” there is substituted “an order made under subsection (5) or (12) above”.

**163.** In section 71(**119**) the following are omitted—

(a) in the side-note, and in the cross-heading before the section, the words “and systems of business control, etc.”,

(b) in subsection (1), paragraph (b) and the word “and” immediately preceding it,

(c) subsections (4) to (7),

(d) in subsection (10) the words from “and such” to “maintained”, and

(e) subsection (11).

**164.** In section 72(7) for the words “Commission may by regulations made with the consent of the Treasury” there is substituted “Treasury may by regulations”.

**165.** In section 73(7) for the words “Commission shall, by regulations made with the consent of the Treasury,” there is substituted “Treasury shall by regulations”.

**166.** In section 74(3) for the words “Commission prescribes by regulations made with the consent of the Treasury” there is substituted “Treasury prescribe by regulations”.

**167.** In section 75(1)(b)(**120**) the words “Commission with the consent of the” are omitted.

**168.** In section 76(**121**)—

(a) in subsection (3) for the words “Commission may, by regulations made with the consent of the Treasury,” there is substituted “Treasury may by regulations”,

(b) for subsection (8) there is substituted—

“(8) Not later than 21 days before the date of the annual general meeting at which the accounts and reports are to be considered, the society shall send one copy of the documents to which this subsection applies to every member of the society who is entitled to receive notice of the meeting, and two copies of the documents to which this subsection applies to the Authority.

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(118) Section 69 is amended by the Building Societies Act 1997, Schedule 7 paragraph 27.

(119) Relevant amendments to section 71 are in the Building Societies Act 1997, Schedule 7 paragraph 29 and Schedule 9.

(120) Section 75(1) was amended by the Building Societies Act 1997, Schedule 7 paragraph 32.

(121) Section 76 was amended by the Building Societies Act 1997, Schedule 7 paragraph 33.

- (8A) The documents to which subsection (8) applies are—
- (a) the summary financial statement, and
  - (b) where subsection (8) extends under section 78(6) to the auditors' report also, the auditors' report.”, and
- (c) in subsection (12) for the words “central office shall keep the copy” there is substituted “Authority shall keep one of the copies”.
- 169.** In section 79(1), paragraph (b) is omitted.
- 170.** In section 81—
- (a) in the side-note, for the words “members, Commission and central office” there is substituted “members and the Authority”,
  - (b) in subsection (2)—
    - (i) for the words “a copy” there is substituted “two copies”, and
    - (ii) for the words “Commission and to the central office” there is substituted “Authority”,
  - (c) in subsection (3) for the word “Commission” there is substituted “Authority”, and
  - (d) in subsection (7) for the words “central office shall keep the copy” there is substituted “Authority shall keep one of the copies”.
- 171.** Section 82(**122**) ceases to have effect.
- 172.** In the heading to Part IX, the words “Complaints and” are omitted.
- 173.** Sections 83, 83A and 84(**123**) cease to have effect.
- 174.** In sections 87 to 89 and 91(**124**), for the words—
- (a) “Commission”, and
  - (b) “central office”,
- wherever they appear, there is substituted “Authority”.
- 175.** In section 89—
- (a) in subsection (1)—
    - (i) in paragraph (d) for the words from “granted” to “enactment” there is substituted “given permission under Part IV of the Financial Services and Markets Act 2000 to accept deposits”, and
    - (ii) for paragraph (e) there is substituted—
      - “(e) the society’s permission under Part IV of the Financial Services and Markets Act 2000 to accept deposits has been cancelled (and no such permission has subsequently been given to it);”, and
  - (b) in subsection (4), paragraph (a) is omitted.
- 176.** In section 92A(**125**)—
- (a) in subsection (10)—

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(122) Section 82 was amended by the Building Societies Act 1997, Schedule 7 paragraph 35 and Schedule 9, and by S.I. [1991/1729](#), [1996/1669](#).

(123) Section 83 was substituted, and section 83A inserted, by the Building Societies Act 1997, sections 34 and 35. Section 84 was amended by that Act, Schedule 7 paragraph 36 and Schedule 9.

(124) Sections 87 and 89 were amended by the Building Societies Act 1997, Schedule 7 paragraphs 38 and 39.

(125) Section 92A was inserted by the Building Societies Act 1997, section 29.

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- (i) for the words “Commission may, with the consent of the Treasury,” there is substituted “Treasury may”,
  - (ii) for the word “it” there is substituted “them”, and
  - (iii) for the word “Commission”, the second time it appears, there is substituted “Treasury”, and
- (b) in subsection (11)—
- (i) for the words “Commission may, with the consent of the Treasury,” there is substituted “Treasury may”, and
  - (ii) for the word “Commission”, the second time it appears, there is substituted “Treasury”.

**177.** In section 93(126)—

- (a) in subsection (2)(d)—
  - (i) for the word “Commission” there is substituted “Authority”, and
  - (ii) for the words “central office four” there is substituted “Authority three”,
- (b) in subsection (3)—
  - (i) for the word “Commission” there is substituted “Authority”,
  - (ii) for the words “the central office, if it” there is substituted “and”, and
  - (iii) before the word “shall” there is inserted “it”,
- (c) in subsection (4) for the word “Commission” there is substituted “Authority”,
- (d) for subsection (6) there is substituted—

“(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 Financial Services and Markets 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, section 133(9) (which prevents the Authority from taking action specified in a decision notice until after any reference and appeal) is omitted.”, and
- (e) subsection (7) is omitted.

**178.** In section 94(127)—

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(126) Section 93 was amended by the Building Societies Act 1997, Schedule 7 paragraph 41.

(127) Section 94 was amended by the Building Societies Act 1997, Schedule 7 paragraph 42.

- (a) in subsections (5)(b) and (7)(a), for the word “Commission” there is substituted “Authority”,
  - (b) in subsection (8)—
    - (i) for the word “Commission” there is substituted “Authority”, and
    - (ii) for the words “the central office” there is substituted “it”, and
  - (c) in subsection (9) for the words “central office” there is substituted “Authority”.
- 179.** In section 95(**128**)—
- (a) in subsection (2) for the words “central office”, and
  - (b) in subsections (3) to (6) for the word “Commission”, wherever it appears,
- there is substituted “Authority”.
- 180.** In section 96(**129**)—
- (a) in subsections (2) and (5) for the words “Commission, with the consent of the Treasury,” there is substituted “Treasury”, and
  - (b) in subsection (6) for the word “Commission”, both times it appears, there is substituted “Authority”.
- 181.** In sections 97 and 98(**130**) for the words—
- (a) “central office” and
  - (b) “Commission”,
- wherever they appear, there is substituted “Authority”.
- 182.** In section 99(3) for the words “Commission, with the consent of the Treasury,” there is substituted “Treasury”.
- 183.** In section 100(7) for the word “Commission”, both times it appears, there is substituted “Authority”.
- 184.** In section 101(6)(**131**) the definition of “the Authority” is omitted.
- 185.** In section 102(**132**)—
- (a) in subsection (1) for the words “Commission, with the consent of the Treasury,” there is substituted “Treasury”, and
  - (b) in subsection (2) the words “and the Banking Act 1987” are omitted.
- 186.** In section 102D(11)(**133**) for the words “Commission may with the consent of the Treasury” there is substituted “Treasury may”.
- 187.** In section 103—
- (a) for the words “central office”, wherever they appear, there is substituted “Authority”, and

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(128) Section 95 was amended by the Building Societies Act 1997, Schedule 7 paragraph 43 and Schedule 9.

(129) Section 96 was amended by the Building Societies Act 1997, Schedule 7 paragraph 44.

(130) Section 97 was amended by the Building Societies Act 1997, Schedule 7 paragraph 45 and Schedule 9 and by the Building Societies (Distributions) Act 1997 (c. 41), section 1. Section 98 was amended by the Banking Act 1987 (c. 22), Schedule 6 paragraph 26, and by the Building Societies Act 1997, section 30.

(131) Section 101 was substituted by the Building Societies Act 1997, section 41 and amended by the Bank of England Act 1998 (c. 11), Schedule 5 paragraph 38.

(132) Section 102 was amended by the Banking Act 1987, Schedule 6 paragraph 26, and by the Building Societies (Distributions) Act 1997, section 1(3).

(133) Section 102D was inserted by the Building Societies (Distributions) Act 1997, section 1(1).

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- (b) in subsection (2)(a) for the words “is not an authorised society” there is substituted “does not have permission under Part IV of the Financial Services and Markets Act 2000 to accept deposits”.

**188.** In section 104A(1)(**134**) the words “and after consultation with the Commission” are omitted.

**189.** In section 106—

- (a) in subsection (1) for the words “central office” there is substituted “Authority”,
- (b) in subsections (1)(b) and (2) for the words “on payment of the prescribed fee” there is substituted “subject to subsection (3) below”, and
- (c) after subsection (2) there is inserted—

“(3) The Authority may charge a reasonable fee for making the public file available to any person for inspection under subsection (1)(b) above, or for furnishing any person with a copy of any documents or records under subsection (2) above.”.

**190.** In sections 107 and 111(**135**) for the word “Commission”, wherever it appears, there is substituted “Authority”.

**191.** In section 112(**136**), subsection (2) is omitted.

**192.** For section 113(1) there is substituted—

“(1) Any document bearing the seal or stamp of the Authority shall be received in evidence without further proof.

(1A) Any document purporting to have been signed by a person authorised to do so on behalf of the Authority shall, in the absence of any evidence to the contrary, be received in evidence without proof of the signature.

(1B) In subsections (1) and (1A), “document” means any document issued, received or created by the Authority for the purposes of or in connection with this Act.”.

**193.** In section 114(4)—

- (a) for the words “Commission may, by regulations made with the consent of the Treasury,” there is substituted “Treasury may by regulations”, and
- (b) for the words “it considers” there is substituted “they consider”.

**194.** In section 115(**137**)—

- (a) in subsection (1) for the words “Commission and the central office” there is substituted “Authority”, and
- (b) subsection (1A) is omitted.

**195.** For section 116 there is substituted—

**“116 Form of documents.**

(1) The Authority may, by directions under this section, make provision with respect to the form of, and the particulars to be included in, any document to be sent to it under this Act.

(2) The directions have effect subject to any other provision of or made under this Act.”.

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(134) Section 104A was inserted by the Building Societies Act 1997, section 42.

(135) There are amendments to sections 107 and 111 which are not relevant to this Order.

(136) Section 112(2) was amended by the Building Societies Act 1997, Schedule 7 paragraph 51.

(137) Section 115(1A) was inserted by S.I. [1992/3218](#).



- 196.** Section 118A(**138**) ceases to have effect.
- 197.** In section 119(**139**)—
- (a) in subsection (1)—
    - (i) the definition of “authorisation” is omitted,
    - (ii) before the definition of “borrowing members' resolution”, there is inserted—  
““the Authority” means the Financial Services Authority;”,
    - (iii) the definitions of “the central office”, “the Chief Registrar”, “the Commission”, and “the criteria of prudent management” are omitted,
    - (iv) in the definition of “deferred shares”, for the words “Commission, with the consent of the Treasury,” there is substituted “Treasury”,
    - (v) the definition of “Investor Protection Board” is omitted,
    - (vi) the definition of “non-EEA laws” (including the words up to “construed accordingly;”) is omitted,
    - (vii) in the definition of “officially notified”, for the words “central office” there is substituted “Authority”,
    - (viii) the definition of “prescribed” is omitted, and
    - (ix) in the definition of “the public file”, for the words “central office” there is substituted “Authority”,
  - (b) after that subsection there is inserted—  
“(1A) Any reference in this Act to the seal of the Authority is a reference to the seal provided for in regulations made under section 109(1)(b) of the Friendly Societies Act 1974 (and not to the Authority’s common seal).”, and
  - (c) in subsection (4)—
    - (i) for the words “sections 9A(7) and 83A(7)” there is substituted “section 9A(7)”, and
    - (ii) for the word “Commission” there is substituted “Authority”.
- 198.** Section 123 ceases to have effect.
- 199.** Schedule 1(**140**) ceases to have effect.
- 200.** In Schedule 2(**141**)—
- (a) for the words “central office”, wherever they appear, there is substituted “Authority”,
  - (b) in paragraph 1(1)(c) for the word “four” there is substituted “three”,
  - (c) in paragraph 3(3) the words “the Commission or” are omitted,
  - (d) in paragraph 10A(2), (3)(a), and (4)(b) for the word “Commission” there is substituted “Authority”,
  - (e) in paragraphs 10A(3) and 10B(5) for the words “Commission may, with the consent of the Treasury,” there is substituted “Treasury may”,

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(138) Section 118A was inserted by S.I. [1992/3218](#).

(139) Relevant amendments to section 119 are made by the Building Societies Act 1997, Schedule 7 paragraphs 51 and 53 and S.I. [1996/1669](#).

(140) Schedule 1 was amended by the Parliamentary and Health Service Commissioners Act 1987 (c. 39), Schedule 2, and the Building Societies Act 1997, Schedule 7 paragraph 55. The functions of the Treasury under paragraphs 5 and 6 were transferred to the Minister for the Civil Service by S.I. [1995/269](#).

(141) Schedule 2 was amended by the Building Societies (Joint Account Holders) Act 1995 (c. 5), sections 1(2) and 2(2), the Building Societies Act 1997, sections 2, 3, 25, 26, 36 and 37, Schedule 1, Schedule 7 paragraphs 56 and 57 and Schedule 9, and by S.I. [1997/2714](#), [1997/2840](#), [1999/3031](#) and [1999/3033](#).

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- (f) in paragraph 10C(6) for the words “Commission thinks” there is substituted “Treasury think”,
- (g) in paragraph 12(4) for the words “Commission prescribes” there is substituted “Treasury prescribe”,
- (h) in paragraph 15—
  - (i) in sub-paragraph (1)(a) for the words “authorisation revoked under section 43” there is substituted “permission under Part IV of the Financial Services and Markets Act 2000 to accept deposits cancelled”,
  - (ii) in sub-paragraph (1)(b) for the words “been re-authorised under section 44” there is substituted “subsequently been given such permission”,
  - (iii) for the word “Commission”, wherever it appears in sub-paragraphs (2) to (4), there is substituted “Authority”,
  - (iv) sub-paragraph (2)(c) and the word “and” immediately preceding it are omitted,
  - (v) after sub-paragraph (2) there is inserted—
    - “(2A) The Authority may charge a reasonable fee for considering an application under sub-paragraph (2) above.”, and
  - (vi) sub-paragraphs (9) to (11) are omitted,
- (i) in paragraph 20(3) and (5)(b) for the word “Commission” there is substituted “Authority”,
- (j) in paragraph 20A(12) for the word “Commission” there is substituted “Authority”,
- (k) in paragraph 20A(13)—
  - (i) for the words “Commission may, with the consent of the Treasury,” there is substituted “Treasury may”,
  - (ii) for the word “it” there is substituted “them”, and
  - (iii) for the word “Commission”, the second time it appears, there is substituted “Treasury”,
- (l) in paragraph 30(4)—
  - (i) for the word “Commission”, the first time it appears, there is substituted “Authority”, and
  - (ii) for the words “the Commission”, the second time they appear, there is substituted “it”,
- (m) in paragraph 30(6)—
  - (i) the words “, after consultation with the Commission,” are omitted, and
  - (ii) for the words “it thinks” there is substituted “they think”,
- (n) in paragraph 31(7) for the word “Commission” there is substituted “Authority”,
- (o) in paragraph 32(4) for the word “Commission” there is substituted “Treasury”, and
- (p) in paragraph 36(1) for the words “Commission, with the consent of the Treasury, by order specifies” there is substituted “Treasury by order specify”.

**201.** In Schedule 2A(142), in paragraph 3(1) for the words “Chief Registrar” there is substituted “Treasury”.

**202.** Schedules 5 and 6(143) cease to have effect.

(142) Schedule 2A was inserted by the Building Societies Act 1997 (c. 32), section 7 and Schedule 2.

(143) Schedule 5 was amended by the Building Societies Act 1997, Schedule 7 paragraph 58 and by S.I. 1991/1997. Schedule 6 was amended by S.I. 1995/1442.

**203.** Schedule 7A(**144**) ceases to have effect.

**204.** In Schedule 8A(**145**)—

- (a) for the word “Commission”, wherever it appears, there is substituted “Authority”, and
- (b) in paragraphs 3(3)(a) and 9(3)(a) for the words “the notice of confirmation under section 42C(2)(b)” there is substituted “a final notice given by the Authority under section 390 of the Financial Services and Markets Act 2000”.

**205.** In Schedule 10(**146**), in paragraph 9(1) for the words “Commission, with the consent of the Treasury,” there is substituted “Treasury”.

**206.** In Schedule 11(**147**)—

- (a) for the word “Commission”, wherever it appears except in paragraph 5(1)(b), there is substituted “Authority”,
- (b) in paragraph 5(1)(b) the words “Commission made with the consent of the” are omitted, and
- (c) in paragraphs 6(2) and 7(3)(a) for the words “central office” there is substituted “Authority”.

**207.** Schedules 12 and 13(**148**) cease to have effect.

**208.** In Schedule 14(**149**)—

- (a) for the words—
  - (i) “Commission” in paragraphs 1(5) and 6(1) and (2), and
  - (ii) “central office” wherever it appears in paragraph 3 or the preceding-cross-heading, there is substituted “Authority”, and
- (b) paragraph 7 is omitted.

**209.** In Schedule 15(**150**)—

- (a) in paragraph 3(1)(b) for the words “central office” there is substituted “Financial Services Authority”,
- (b) in paragraph 3(2), before paragraph (a) there is inserted—
  - “(aa) every reference to a company registered in Scotland shall have effect as a reference to a building society whose registered office is situated in Scotland;”,
- (c) in paragraph 4(1), for the words “central office”, both times they appear, there is substituted “Authority”,
- (d) in paragraphs 12(2) and 40(2) the words from “(including” to “Act)” are omitted,
- (e) in paragraphs 21(3) and 48(3), for the words “central office”, both times they appear in each, there is substituted “Authority”, and
- (f) in paragraphs 29, 31(3), 32(1) and (2), 55A, 55C(3) and 55D(1) and (2), for the word “Commission”, there is substituted “Authority”.

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(144) Schedule 7A was inserted by the Building Societies Act 1997, section 13 and Schedule 3.

(145) Schedule 8A was inserted by the Building Societies Act 1997, section 17 and Schedule 4.

(146) There are amendments to Schedule 10 which are not relevant to this Order.

(147) Schedule 11 was amended by the Building Societies Act 1997, Schedule 7 paragraph 61, and by S.I. 1991/1997 and 1995/2723.

(148) Schedules 12 and 13 were amended by the Building Societies Act 1997, section 34, Schedule 7 paragraphs 62 and 63 and Schedule 9.

(149) Relevant amendments to Schedule 14 were made by the Building Societies Act 1997, Schedule 7 paragraph 64.

(150) Schedule 15 was amended by the Companies Act 1989 (c. 40), sections 211 and Schedule 24, the Building Societies Act 1997, Schedule 7 paragraph 65, and S.I. 1989/2405.

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**210.** In Schedule 15A(151)—

- (a) in paragraph 2(1)(b) for the words “central office” there is substituted “Financial Services Authority”,
- (b) in paragraph 2(2), before paragraph (a) there is inserted—
  - “(aa) every reference to a company registered in Scotland shall have effect as a reference to a building society whose registered office is situated in Scotland;”,
- (c) in paragraph 3(1) for the words “central office”, both times they appear, there is substituted “Authority”,
- (d) after paragraph 5 there is inserted—
  - “**5A.** In this Schedule, “scheme manager” has the same meaning as in the Financial Services and Markets Act 2000.”,
- (e) in paragraphs 9A, 10(1), 11 and 15 for the word “Commission”, wherever it appears, there is substituted “Authority”,
- (f) in paragraph 16(2) the words “or paragraph (a) of the seventh criterion in section 45(3) of this Act” are omitted,
- (g) paragraph 16(4) is omitted,
- (h) in paragraph 21(1)(a)—
  - (i) for the words “central office” there is substituted “Authority”, and
  - (ii) for the words “Commission and the Investor Protection Board” there is substituted “scheme manager”,
- (i) in paragraph 23(1) for the words “Commission and to the Investor Protection Board” there is substituted “Authority and to the scheme manager”,
- (j) in paragraph 24(a) for the words “Commission or Investor Protection Board” there is substituted “Authority or the scheme manager”,
- (k) in paragraph 24(b) for the words “Commission or that Board” there is substituted “Authority or the scheme manager”,
- (l) in paragraph 25 for the word “Commission” there is substituted “Treasury”,
- (m) in paragraphs 32(1), 33 and 37 for the word “Commission”, wherever it appears, there is substituted “Authority”,
- (n) in paragraph 38(2) the words “or paragraph (a) of the seventh criterion in section 45(3) of this Act” are omitted,
- (o) paragraph 38(4) is omitted,
- (p) in paragraph 43(1)(a)—
  - (i) for the words “central office” there is substituted “Authority”, and
  - (ii) for the words “Commission and the Investor Protection Board” there is substituted “scheme manager”,
- (q) in paragraph 45(1)(a) for the words “Commission and to the Investor Protection Board” there is substituted “Authority and to the scheme manager”,
- (r) in paragraph 46(a) for the words “Commission or Investor Protection Board” there is substituted “Authority or the scheme manager”,
- (s) in paragraph 46(b) for the words “Commission or that Board” there is substituted “Authority or the scheme manager”, and

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(151) Schedule 15A was inserted by the Building Societies Act 1997, section 39 and Schedule 6, and amended by the Insolvency Act 2000 (c. 39), Schedule 2 Part II.

(t) in paragraph 47 for the word “Commission” there is substituted “Treasury”.

**211.** In Schedule 16(**152**)—

(a) for the words—

- (i) “Commission”, and
- (ii) “central office”,

wherever they appear (including in the cross-heading which appears before paragraph 5 of the Schedule and the heading to Part III of the Schedule), there is substituted “Authority”, and

(b) for the word “prescribe” in paragraph 7 there is substituted “direct”.

**212.** In Schedule 17(**153**)—

- (a) for the word “Commission”, wherever it appears (including in the title of Part II of the Schedule) except in paragraphs 5(1) and (2), there is substituted “Authority”,
- (b) in paragraphs 5(1) and (2) for the words “Commission, with the consent of the Treasury,” there is substituted “Treasury”,
- (c) in paragraph 5D and in the cross-heading before it, for the words “central office”, wherever they appear, there is substituted “Authority”, and
- (d) in paragraph 6 for the word “prescribe” there is substituted “direct”.

### **Amendments to the Building Societies Act 1997**

**213.** In the Building Societies Act 1997(**154**) the following provisions cease to have effect—

- (a) section 16,
- (b) sections 19 to 24,
- (c) sections 32(**155**) to 35,
- (d) section 44,
- (e) Schedule 3,
- (f) in Schedule 7, paragraphs 1, 3 to 15, 18 to 20, 29(2), 35, 36, 51, 55, 58, 62, 63 and 64(5), and
- (g) in Schedule 8, paragraphs 1 to 3.

## **PART III**

### **INDUSTRIAL AND PROVIDENT SOCIETIES**

#### **Amendments to the Industrial and Provident Societies Act 1965**

**214.** The Industrial and Provident Societies Act 1965(**156**) is amended as follows.

**215.** For the words—

- (i) “the appropriate registrar”,
- (ii) “that registrar”,

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(152) Schedule 16 was amended by the Building Societies Act 1997, Schedule 7 paragraph 66 and Schedule 9.

(153) Schedule 17 was amended by the Building Societies Act 1997, section 30 and Schedule 5.

(154) 1997 c. 32.

(155) Section 32 was amended by the Bank of England Act 1998 (c. 11), Schedule 5 paragraph 43.

(156) 1965 c. 12.

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- (iii) “the chief registrar” , and
- (iv) “the central office” ,

wherever they appear (unless provision is made below for them to be omitted or otherwise amended), there is substituted “the Authority”.

**216.** In section 5(**157**)—

- (a) in subsection (3)(b) for sub-paragraphs (i) and (ii) there is substituted “of the Authority.”, and
- (b) in subsection (5) for the word “he”, both times it occurs, there is substituted “the Authority”.

**217.** In section 11(1)(**158**) for the words “chief registrar or some other person appointed by him for the purpose” there is substituted “Treasury”.

**218.** In section 16(1)(**159**)—

- (a) in subsection (1) for the words “writing under his hand or seal or, in Scotland,” there is substituted “in writing”,
- (b) in paragraph (a) for the word “his” there is substituted “the Authority's”,
- (c) in paragraph (b) for the word “he”, both times it occurs, there is substituted “the Authority”, and
- (d) in paragraph (c)—
  - (i) the words “with the approval of the Treasury—” are omitted,
  - (ii) in sub-paragraph (i)—
    - (A) for the word “his” there is substituted “the Authority's”, and
    - (B) for the words “a registrar” there is substituted “the Authority”, and
  - (iii) in sub-paragraphs (ii) and (iii) for the word “him” there is substituted “the Authority”.

**219.** In section 16(4)—

- (a) for the word “him”, both times it appears, there is substituted “the Authority”,
- (b) for the word “he”, the first time it appears, there is substituted “the Authority”, and
- (c) for the word “he”, the second time it appears, there is substituted “it”.

**220.** In section 17—

- (a) in subsection (1)—
  - (i) the words “with the approval of the Treasury”, the first time they appear, are omitted,
  - (ii) for the words “writing under his hand or seal” there is substituted “notice in writing”, and
  - (iii) in paragraph (b) the words “with the approval of the Treasury, but” are omitted,
- (b) in subsection (2) for the words “writing under his hand or seal” there is substituted “notice in writing”, and
- (c) subsection (6) is omitted.

**221.** In section 18—

- (a) in subsection (1)(a) for the word “he” there is substituted “the Authority”, and

(157) Relevant amendments to section 5 are made by the Welsh Language Act 1993 (c. 38).

(158) Section 11(1) was amended by the Friendly Societies Act 1974 (c. 46), Schedule 9 paragraph 8.

(159) Section 16(1) was amended by S.I. 1996/1738.

(b) in subsection (2), for paragraphs (a) and (b) there is substituted “to the High Court or, in the case of a society whose registered office is situated in Scotland, to the Court of Session”.

**222.** In section 39(3)(**160**) for the word “he” there is substituted “it”.

**223.** In section 44(4) for the words from the beginning to “may” there is substituted “Any person authorised for the purpose by the Authority may, on producing evidence of his authority,”.

**224.** In section 47(1) and (2), for the word “he” there is substituted “it”.

**225.** In section 48(**161**)—

- (a) for the word “him”, both times it appears, there is substituted “it”,
- (b) for the word “he”, wherever it appears, there is substituted “it”, and
- (c) for the word “his” there is substituted “its”.

**226.** In section 49—

- (a) in subsection (1) the words “, with the consent of the Treasury” are omitted,
- (b) in subsection (3) for the word “he” there is substituted “it”, and
- (c) subsection (7) is omitted.

**227.** In section 50(4) for the word “him” there is substituted “it”.

**228.** In section 52(**162**) the following are omitted—

- (a) in subsection (2) the words “or bearing the signature of the assistant registrar for Scotland, as the case may require,” and
- (b) in subsection (4) the words “or, under the direction of the chief registrar, by the assistant registrar for Scotland”.

**229.** In section 55(**163**)—

- (a) in paragraph (a)(i) the words “within the meaning of this Act” are omitted, and
- (b) after paragraph (a)(i) there is inserted—
  - “(ia) any reference in those provisions to a company registered in Scotland shall have effect as a reference to a society registered under this Act whose registered office is situated in Scotland;”.

**230.** In section 60(**164**)—

- (a) in subsection (1) before “(4)” there is inserted “(2A),”,
- (b) after subsection (1) there is inserted—
  - “(1A) Nothing in subsection (1) above or in rules of a kind mentioned in that subsection prevents any person, in accordance with the scheme for which Part XVI of the Financial Services and Markets Act 2000 provides (the ombudsman scheme), from having a complaint dealt with under such a scheme before, or instead of, determination in the manner directed in the rules.”,
- (c) after subsection (2) there is inserted—

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(160) Section 39(3) was repealed in part by S.I. 1996/1738.

(161) There are amendments to section 48 which are not relevant to this Order.

(162) Section 52(2) was amended by the Companies Consolidation (Consequential Provisions) Act 1985 (c. 9), Schedule 2.

(163) Section 55 was amended by the Insolvency Act 1986 (c. 45), Schedule 14.

(164) Relevant amendments to section 60 are made by the Friendly Societies Act 1992 (c. 40), section 83 and the Arbitration Act 1996 (c. 23), Schedule 3 paragraph 20 and Schedule 4.

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“(2A) If the rules contain directions by virtue of which a dispute would fall to be determined by the Authority, the dispute shall instead be referred to the county court or, in Scotland, to the sheriff for determination.”,

(d) in subsection (8)—

(i) for paragraph (a) there is substituted—

“(a) a county court or, in Scotland, the sheriff shall have power to order the expenses of determining the dispute to be paid either out of the funds of the society or by such parties to the dispute as it thinks fit;”,

(ii) in paragraph (b) for the words “might have been granted by a registrar to whom the dispute had been referred” there is substituted “the court considers necessary for the just and expeditious disposal of the dispute”, and

(iii) paragraph (c) is omitted, and

(e) in subsection (9) for the words “or registrar to whom” there is substituted “to which”.

**231.** In section 61(b) the words “or any assistant registrar” are omitted.

**232.** In section 66—

(a) in subsection (1)—

(i) the words “, and in England and Wales only by,” are omitted,

(ii) for sub-paragraph (iii) of paragraph (a) there is substituted—

“(iii) other than in Scotland, the Authority;”,

(iii) for paragraph (c) there is substituted—

“(c) in any other case—

(i) any person aggrieved; or

(ii) other than in Scotland, the Authority;

and (except in Scotland) no other person may institute such proceedings.”, and

(b) in subsection (2)—

(i) for the words “a registrar or procurator-fiscal” there is substituted “the Authority or by the Lord Advocate”, and

(ii) for the words “appropriate registrar” there is substituted “Authority (or the Lord Advocate, as the case may be)”.

**233.** In section 67(1) the words “or any other registrar” are omitted.

**234.** Before section 71 there is inserted—

**“Fees for inspection or copying of documents.**

**70A.** Before the Authority allows any person to inspect any document held by it in connection with this Act, or provides any person with a copy of any such document (or part of such document), it may charge that person a reasonable fee.”

**235.** For section 72(2)(165) there is substituted—

“(2) Any document bearing the seal or stamp of the Authority shall be received in evidence without further proof.

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(165) Section 72(2) was repealed in part by the Friendly and Industrial and Provident Societies Act 1968 (c. 55), Schedule 2.



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(3) Any document purporting to have been signed by a person authorised to do so on behalf of the Authority, and every document purporting to be signed by any inspector under this Act, shall, in the absence of any evidence to the contrary, be received in evidence without proof of the signature.

(4) In subsections (2) and (3), “document” means any document issued, received or created by the Authority (or, as the case may be, by any inspector under this Act) for the purposes of or in connection with this Act, the Industrial and Provident Societies Act 1967 or the Friendly and Industrial and Provident Societies Act 1968.”.

**236.** Section 73 ceases to have effect.

**237.** Section 74(**166**) is renumbered as subsection (1) of that section and—

(a) after the definition of “amendment” there is inserted—

““the Authority” means the Financial Services Authority;”,

(b) in the definition of “Gazette”, in paragraphs (a) and (b) for the words “or its rules are recorded” there is substituted “or the society carries on business”, and

(c) at the end there is inserted—

“(2) Any reference in this Act to the seal of the Authority is a reference to the seal provided for in regulations made under section 109(1)(b) of the Friendly Societies Act 1974 (and not to the Authority’s common seal), and any reference to a document sealed by the Authority is a reference to a document sealed with that seal.”.

**238.** In section 76(1)—

(a) for the words from “central office” to “is the appropriate registrar” there is substituted “Authority to be recorded by it and have been so recorded, then, for the purposes of the operation of this Act in Great Britain and the Channel Islands”, and

(b) for the words “appropriate registrar for that area” there is substituted “Authority”.

#### **Amendments to the Industrial and Provident Societies Act 1967**

**239.** The Industrial and Provident Societies Act 1967(**167**) is amended as follows.

**240.** In section 1(**168**)—

(a) for the words “central office”, wherever they appear, there is substituted “Authority”,

(b) for the words “chief registrar”, wherever they appear, there is substituted “Authority”,

(c) for subsection (2)(b) there is substituted—

“(b) such fee as may be required by rules made in accordance with paragraph 17 of Schedule 1 to the Financial Services and Markets Act 2000.”,

(d) in subsection (3)(c) for the word “determined” there is substituted “required”, and

(e) in subsection (5) for the word “he” there is substituted “it”.

**241.** In section 3(**169**)—

(a) in subsection (2)(b) for the words “registrar under this Act”, and

(b) in subsection (2)(c) for the word “registrar”, the second time it appears,

there is substituted “Authority”.

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(166) There are amendments to section 74 which are not relevant to this Order.

(167) 1967 c. 48.

(168) Section 1 was amended by S.I. 1996/1738.

(169) Section 3 was substituted by the Companies Consolidation (Consequential Provisions) Act 1985 (c. 9), section 26.

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**242.** In section 4(**170**)—

- (a) for the word “registrar”, wherever it appears, there is substituted “Authority”,
- (b) for subsection (1)(c) there is substituted—
  - “(c) such fee as may be required by rules made in accordance with paragraph 17 of Schedule 1 to the Financial Services and Markets Act 2000.”,
- (c) in subsection (2)—
  - (i) for the words “Chief Registrar”, both times they appear, there is substituted “Authority”, and
  - (ii) for the word “he” there is substituted “it”, and
- (d) in subsection (3)(c) for the words from “determined” to the end there is substituted “required by rules made in accordance with paragraph 17 of Schedule 1 to the Financial Services and Markets Act 2000.”.

**243.** In section 5(**171**) for the word “registrar”, both times it appears, there is substituted “Authority”.

**244.** In section 6, subsection (1) is omitted.

**245.** In section 7—

- (a) in subsection (1), before the word ““prescribed”” there is inserted ““the Authority””, and
- (b) in subsection (2)—
  - (i) for the words “70 to 73” there is substituted “70A, 71 and 72”, and
  - (ii) for the words “regulations, documents, registrars and the central office” there is substituted “regulations and documents”.

#### **Amendments to the Friendly and Industrial and Provident Societies Act 1968**

**246.** The Friendly and Industrial and Provident Societies Act 1968(**172**) is amended as follows.

**247.** In section 3A(11)(**173**) for the word “registrar” there is substituted “Authority”.

**248.** In section 4(**174**)—

- (a) in subsections (5), (6) and (7) for the word “registrar” there is substituted “Authority”,
- (b) in subsection (7)(b) for the word “him”, both times it appears, there is substituted “the Authority”, and
- (c) in subsection (8) the words “Chief Registrar with the consent of the” are omitted.

**249.** In section 4A(4) and (5)(b)(**175**) for the word “registrar” there is substituted “Authority”.

**250.** In section 7(**176**) the following are omitted—

- (a) in subsection (1) the words “Subject to the next following subsection,”, and
- (b) subsections (2) and (3).

**251.** In section 9C(**177**)—

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(170) Section 4 was amended by the Companies (Floating Charges and Receivers) (Scotland) Act 1972 (c. 67), section 10, the Companies Consolidation (Consequential Provisions) Act 1985 (c. 9), section 26, and by S.I. 1996/1738.

(171) Section 5 was amended by the Companies (Floating Charges and Receivers) (Scotland) Act 1972 (c. 67), section 10, and by the Companies Consolidation (Consequential Provisions) Act 1985 (c. 9), section 26.

(172) 1968 c. 55.

(173) Section 3A was inserted by S.I. 1996/1738.

(174) Section 4 was repealed in part by the Friendly Societies Act 1974 (c. 46), Schedule 11 and amended by S.I. 1996/1738.

(175) Section 4A was inserted by S.I. 1996/1738.

(176) Section 7 was repealed in part by the Friendly Societies Act 1974, Schedule 11, and amended by S.I. 1991/1997.

(177) Section 9C was inserted by S.I. 1996/1738.

- (a) in subsection (1) for the word “ registrar” there is substituted “Authority”, and
  - (b) in subsection (1)(b) for the word “him”, both times it appears, there is substituted “the Authority”.
- 252.** In section 10(1)(**178**) the words “Chief Registrar with the consent of the” are omitted.
- 253.** In section 11(**179**)—
- (a) in subsection (1) for the words “appropriate registrar”, and
  - (b) in subsection (3) for the words “chief registrar”,
- there is substituted “Authority”.
- 254.** In section 12(3)(**180**) for the words “appropriate registrar” there is substituted “Authority”.
- 255.** In section 13—
- (a) in subsection (3) for the words “Chief Registrar” there is substituted “Treasury”,
  - (b) in subsection (4) for the words “Chief Registrar” there is substituted “Authority”, and
  - (c) in subsections (6) and (7) for the words “appropriate registrar” there is substituted “Authority”.
- 256.** In section 14(**181**) for the words “Chief Registrar”, wherever they appear, there is substituted “Authority”.
- 257.** Section 17(**182**) ceases to have effect.
- 258.** In section 18(**183**) for the word “registrar” there is substituted “Authority”.
- 259.** In section 19, subsection (3) is omitted.
- 260.** In section 21(1)(**184**)—
- (a) the definition of “collecting society” is omitted, and
  - (b) in the definition of “Scottish society”, before the words “in Scotland” there is inserted “whose registered office is situated”.
- 261.** In section 23(4), paragraph (a) is omitted.

#### **Amendments to the Industrial and Provident Societies Act 1975**

- 262.** In section 2 of the Industrial and Provident Societies Act 1975(**185**)—
- (a) in subsection (1)—
    - (i) for the words “chief registrar” there is substituted “Treasury”, and
    - (ii) the words “, with the consent of the Treasury,” are omitted,
  - (b) in subsection (2) for the words “chief registrar” there is substituted “Treasury”, and
  - (c) in subsection (4) the words from “and the Statutory Instruments Act 1946” to the end are omitted.

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(178) Section 10 was amended by S.I. [1996/1738](#).

(179) Section 11 was repealed in part by the Friendly Societies Act 1974, Schedule 11, and amended by S.I. [1996/1738](#).

(180) Section 12 was repealed in part by the Friendly Societies Act 1974, Schedule 11.

(181) Section 14(3A) to (3C) were inserted by S.I. [1996/1738](#).

(182) Section 17 was amended by the Friendly Societies Act 1974, Schedule 9 paragraph 22, and Schedule 11.

(183) Section 18 was amended by S.I. [1996/1738](#).

(184) Section 21 was repealed in part by the Friendly Societies Act 1974, Schedule 11.

(185) [1975 c. 41](#).

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### Amendments to the Industrial and Provident Societies Act 1978

- 263.** In section 2 of the Industrial and Provident Societies Act 1978**(186)**—
- (a) in subsection (1)—
    - (i) for the words “chief registrar” there is substituted “Treasury”, and
    - (ii) the words “, with the consent of the Treasury,” are omitted,
  - (b) in subsection (2) for the words “chief registrar” there is substituted “Treasury”, and
  - (c) in subsection (4) the words from “and the Statutory Instruments Act 1946” to the end are omitted.

## PART IV

### CREDIT UNIONS

#### Amendments to the Credit Unions Act 1979

- 264.** The Credit Unions Act 1979**(187)** is amended as follows.
- 265.** In section 1**(188)**—
- (a) in subsections (1), (4) and (5) for the words “appropriate registrar” there is substituted “Authority”, and
  - (b) in subsection (5) for the word “he”, both times it appears, there is substituted “it”.
- 266.** In section 2, subsection (6) is omitted.
- 267.** In section 3(3)(b) for the words “chief registrar” there is substituted “Authority”.
- 268.** In section 4(1) for the words “appropriate registrar”, both times they appear, there is substituted “Authority”.
- 269.** In section 5**(189)**—
- (a) in subsection (4) for the words “chief registrar may, by order made with the consent of the Treasury,” there is substituted “Treasury may by order”, and
  - (b) in subsection (10) for the words “appropriate registrar” there is substituted “Authority”.
- 270.** In section 6**(190)**—
- (a) in subsection (3) the words “after consultation with the chief registrar,” are omitted,
  - (b) in subsection (5)—
    - (i) for the words “appropriate registrar” there is substituted “Authority”, and
    - (ii) for the word “he” there is substituted “it”, and
  - (c) in subsection (6)—
    - (i) for the words “appropriate registrar” there is substituted “Authority”, and
    - (ii) for the word “him” there is substituted “it”.

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**(186)** 1978 c. 34.

**(187)** 1979 c. 34.

**(188)** Section 1 was amended by S.I. 1996/1189.

**(189)** Section 5 was inserted by S.I. 1996/1189.

**(190)** Section 6(2) to 6 will be repealed by the Financial Services and Markets Act 2000 (c. 8), Schedule 18 paragraph 21, and Schedule 22, once those provisions are brought into force. There are other amendments to section 6 which are not relevant to this Order.

**271.** In section 9(**191**)—

- (a) in subsection (4) for the words “chief registrar may, by order made with the consent of the Treasury,” there is substituted “Treasury may by order”, and
- (b) in subsection (5) for the words “chief registrar” there is substituted “Treasury”.

**272.** In section 10(2) for the words “chief registrar” there is substituted “Authority”.

**273.** In section 11(7) the words “chief registrar with the consent of the” are omitted.

**274.** In section 11(6C) as inserted by section 11B(5)(**192**) (modified application of section 11 in relation to credit unions holding a certificate of approval under section 11C), for the words “appropriate registrar” there is substituted “Authority”.

**275.** In section 11C—

- (a) for the words “appropriate registrar”, wherever they appear, there is substituted “Authority”,
- (b) in subsection (1), for the word “him” there is substituted “the Authority”,
- (c) in subsections (3), (4) and (5)(a), for the word “he”, each time it appears, there is substituted “it”, and
- (d) in subsections (5)(a) and (b), for the word “him” there is substituted “the Authority”.

**276.** In section 11D(1)—

- (a) for the words “appropriate registrar” there is substituted “Authority”, and
- (b) for the word “him” there is substituted “it”.

**277.** In section 13(1) the words “chief registrar with the consent of the” are omitted.

**278.** In section 14(4) the words “chief registrar with the consent of the” are omitted.

**279.** In section 15(**193**)—

- (a) for the words—
  - (i) “appropriate registrar” in subsection (1), and
  - (ii) “chief registrar” in subsection (2)(c),there is substituted “Authority”, and
- (b) in subsection (3) the words “chief registrar with the consent of the” are omitted, and
- (c) in subsection (4) for the words “chief registrar” there is substituted “Treasury”.

**280.** In section 16(3)—

- (a) for the words “appropriate registrar” both times they appear there is substituted “Authority”, and
- (b) for the word “his” there is substituted “its”.

**281.** In section 17—

- (a) in subsections (1) and (2) for the words “appropriate registrar” there is substituted “Authority”, and
- (b) in subsection (1)—
  - (i) for the word “his”, where it appears the first time, there is substituted “its”, and

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(191) Section 9 was amended by S.I. 1989/2423 and 2001/811.

(192) Sections 11B to 11D were inserted by S.I. 1996/1189. They will be repealed by the Financial Services and Markets Act 2000, Schedule 18 paragraph 23, and Schedule 22, once those provisions are brought into force.

(193) There are amendments to section 15 which are not relevant to this Order.

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(ii) for paragraphs (a) and (b) there is substituted “shall apply also in connection with the exercise of its functions under this Act”.

**282.** In sections 18 to 23, for the words “chief registrar” or (as the case may be) “appropriate registrar”, wherever they appear, there is substituted “Authority”.

**283.** In section 18(1) for the words “he may, with the consent of the Treasury,” there is substituted “it may”.

**284.** In section 19—

(a) in subsection (1) for the words “he may, with the consent of the Treasury,” there is substituted “it may”, and

(b) in subsection (4) the words “with the consent of the Treasury” are omitted.

**285.** In section 20(2) for the word “him”, both times it appears, there is substituted “the Authority”.

**286.** In section 21(3) for the word “his” there is substituted “its”.

**287.** For section 29 there is substituted—

**“29 Orders and regulations.**

(1) Any power to make an order or regulations conferred on the Treasury by any provision of this Act shall be exercisable by statutory instrument.

(2) A statutory instrument made under this Act shall be subject to annulment in pursuance of a resolution of either House of Parliament.”

**288.** Section 30 ceases to have effect.

**289.** In section 31(2)—

(a) for the words “70 to” there is substituted “70A, 71, 72 and”, and

(b) the words “, meaning of “chief registrar”, etc.” are omitted.

**290.** In section 32—

(a) in subsection (1)(a) for the words from “Wales” to “assistant registrar for Scotland” there is substituted “Wales, or (as the case may be) Scotland, to credit unions registered by the Authority”,

(b) in subsection 1(b) for the words “at the central office or by the assistant registrar for Scotland” there is substituted “by the Authority”, and

(c) in subsection (2)(b) for the words “chief registrar, the central office and the assistant registrar for Scotland” there is substituted “Authority”.

**291.** In Schedule 2—

(a) for the words “chief registrar”, wherever they appear, there is substituted “Authority”,

(b) in paragraph 1 for the words “he” and “him”, wherever they appear, there is substituted “it”,

(c) in paragraph 2—

(i) for the words “he” and “him”, wherever they appear, there is substituted “the Authority”, and

(ii) for the word “it” there is substituted “the credit union”,

(d) in paragraph 3(2) for the word “he” there is substituted “it”, and

(e) in paragraph 6 for the word “him” there is substituted “it”.

## SCHEDULE 4

Article 13(2)

## REPEALS

Chapter	Short title	Extent of repeal <sup>(194)</sup>
<b>1965 c. 12.</b>	<b>The Industrial and Provident Societies Act 1965.</b>	<p>In section 16(1)(c), the words “with the approval of the Treasury—”.</p> <p>In section 17, in subsection (1) the words “with the approval of the Treasury” (the first time they appear), in subsection (1) (b) the words “with the approval of the Treasury, but”, and subsection (6).</p> <p>In section 49, in subsection (1) the words “, with the consent of the Treasury”, and subsection (7).</p> <p>In section 52, in subsection (2) the words “or bearing the signature of the assistant registrar for Scotland, as the case may require,” and in subsection (4) the words “or, under the direction of the chief registrar, by the assistant registrar for Scotland”.</p> <p>In section 55 (a)(i) the words “within the meaning of this Act”.</p> <p>Section 60(8)(c).</p> <p>In section 61(b) the words “or any assistant registrar”.</p> <p>In section 66(1) the words “, and in England and Wales only by,”.</p> <p>In section 67(1), the words “or any other registrar”.</p> <p>Section 73.</p>
<b>1967 c. 48.</b>	<b>The Industrial and Provident Societies Act 1967.</b>	Section 6(1).

<sup>(194)</sup> Where provisions referred to in this Schedule have been inserted, substituted or amended, details are given in the footnotes in Schedule 3 to this Order.

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<b>Chapter</b>	<b>Short title</b>	<b>Extent of repeal(194)</b>
<b>1968 c. 55.</b>	<b>The Friendly and Industrial and Provident Societies Act 1968.</b>	<p>In section 4(8), the words “Chief Registrar with the consent of the”.</p> <p>In section 7, in subsection (1) the words “Subject to the next following subsection,” and subsections (2) and (3).</p> <p>In section 10(1), the words “Chief Registrar with the consent of the”.</p> <p>Section 17.</p> <p>Section 19(3).</p> <p>In section 21(1), the definition of “collecting society”.</p> <p>In section 23(4), paragraph (a).</p>
<b>1974 c. 46.</b>	<b>The Friendly Societies Act 1974.</b>	<p>Sections 1, 2, 3, 5 and 6.</p> <p>In section 12(2), the words from “in the” to the end.</p> <p>In section 31(2) the words “(not being a collecting society or branch thereof)”.</p> <p>Section 36(2) and (3).</p> <p>In section 40(1), the words “Chief Registrar with the consent of the ”.</p> <p>In section 42, the words “of Chief Registrar” in the side-note, and subsection (3).</p> <p>Section 47(3) and (4).</p> <p>Section 65.</p> <p>Section 83.</p> <p>In section 93(1)(c) the words “of the Commission under”.</p> <p>Section 95(5).</p> <p>Section 95A(3).</p> <p>In section 98, in subsection (2) the words from “or to any” to the end, and subsection (8).</p>

(194) Where provisions referred to in this Schedule have been inserted, substituted or amended, details are given in the footnotes in Schedule 3 to this Order.



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Chapter	Short title	Extent of repeal(194)
		In section 99(6) the words “, and in the central registration area only by,”.
		In section 109, in subsection (2) the words “9 or”, and subsection (3).
		In section 111(1) the definitions of “the central registration area”, “collecting society” and “Commission”, and in the definition of “Treasury regulations” the words “and approved”.
		In Schedule 9, paragraph 22.
<b>1975 c. 41.</b>	<b>The Industrial and Provident Societies Act 1975.</b>	In section 2(1) the words “, with the consent of the Treasury,”.
		In section 2(4) the words from “and the Statutory Instruments Act 1946” to the end.
<b>1978 c. 34.</b>	<b>The Industrial and Provident Societies Act 1978.</b>	In section 2(1) the words “, with the consent of the Treasury,”.
		In section 2(4) the words from “and the Statutory Instruments Act 1946” to the end.
<b>1979 c. 34.</b>	<b>The Credit Unions Act 1979.</b>	Section 2(6).
		In section 6(3), the words “after consultation with the chief registrar,”.
		In section 11(7), the words “chief registrar with the consent of the”.
		In section 13(1), the words “chief registrar with the consent of the”.
		In section 14(4), the words “chief registrar with the consent of the”.
		In section 15(3), the words “chief registrar with the consent of the”.

(194) Where provisions referred to in this Schedule have been inserted, substituted or amended, details are given in the footnotes in Schedule 3 to this Order.

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Chapter	Short title	Extent of repeal(194)
		In section 19(4) the words “with the consent of the Treasury”.
		Section 30.
		In section 31(2), the words “, meaning of “chief registrar”, etc.”.
<b>1981 c. 50.</b>	<b>The Friendly Societies Act 1981.</b>	The whole Act.
<b>1984 c. 62.</b>	<b>The Friendly Societies Act 1984.</b>	Section 2(5).
<b>1986 c. 53.</b>	<b>The Building Societies Act 1986.</b>	In section 6A(2)(b), the words “Commission with the consent of the”.
		In section 9A(13)(b) the words “or, as the case may be, the Commission”.
		Sections 24 to 31.
		Section 36(14).
		In section 36A(7), the words “made and”.
		Sections 41, 42 and 42A.
		Section 42B(6).
		In section 42C, in subsection (1) the words “shall be given by notice in writing and”, and subsections (2) and (3).
		Sections 43 to 45A.
		Section 50.
		In section 54, subsections (3) to (6).
		In section 57(8)(b) the words “and on payment of the prescribed fee”.
		In section 69(16) the words from the beginning to “and”.
		In section 71, in the cross-heading before the section and in the side-note the words “and systems of business

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Chapter	Short title	Extent of repeal(194)
		control, etc.”, in subsection (1) paragraph (b) and the word “and” immediately preceding it, subsections (4) to (7), in subsection (10) the words from “and such” to “maintained”, and subsection (11).
		In section 75(1)(b), the words “Commission with the consent of the”.
		In section 79(1), paragraph (b).
		Section 82.
		In the heading to Part IX, the words “Complaints and”.
		Sections 83, 83A and 84.
		Section 89(4)(a).
		Section 93(7).
		In section 101(6), the definition of “the Authority”.
		In section 102, the words “and the Banking Act 1987”.
		In section 104A(1) the words “and after consultation with the Commission”
		Section 112(2).
		Section 115(1A).
		Section 118A.
		In section 119(1) the definitions of “authorisation”, “the central office”, “the Chief Registrar”, “the Commission”, “the criteria of prudent management”, “Investor Protection Board”, “non-EEA laws” (including the words up to “construed accordingly;”), and “prescribed”.
		Section 123.
		Schedule 1.
		In Schedule 2, in paragraph 3(3) the words “the Commission or”, in paragraph

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Chapter	Short title	Extent of repeal <sup>(194)</sup>
1992 c. 40.	<b>The Friendly Societies Act 1992.</b>	<p>15 sub-paragraph (2)(c) and the word “and” immediately preceding it, and sub-paragraphs (9) to (11), and in paragraph 30(6) the words “, after consultation with the Commission,”.</p> <p>Schedules 5 and 6.</p> <p>Schedule 7A.</p> <p>In Schedule 11, in paragraph 5(1)(b) the words “Commission made with the consent of the”.</p> <p>Schedules 12 and 13.</p> <p>In Schedule 14, paragraph 7.</p> <p>In Schedule 15, in paragraphs 12(2) and 40(2) the words from “(including” to “Act”.</p> <p>In Schedule 15A, in paragraph 16(2) the words “or paragraph (a) of the seventh criterion in section 45(3) of this Act”, paragraph 16(4), in paragraph 38(2) the words “or paragraph (a) of the seventh criterion in section 45(3) of this Act”, and paragraph 38(4).</p> <p>In section 14, the words “or (4)” wherever they appear, and subsections (4) and (11).</p> <p>Section 36A.<sup>(195)</sup></p> <p>Section 51.</p> <p>Sections 52A and 53.</p> <p>In section 54, subsection (8), and in subsection (9) the words “and the central office shall keep a copy”.</p> <p>In section 55A, subsection (1), in subsection (2) the definition of “notifiable voting rights”, and subsection (3).</p>

<sup>(194)</sup> Where provisions referred to in this Schedule have been inserted, substituted or amended, details are given in the footnotes in Schedule 3 to this Order.

<sup>(195)</sup> Section 36A is omitted from the Friendly Societies Act 1992 by virtue of paragraph 5 of Schedule 18 to the Financial Services and Markets Act 2000 (c. 8), but is not repealed by Schedule 22 to that Act.

**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

Chapter	Short title	Extent of repeal(194)
		Sections 56, 57 and 57A.
		Section 62(5A).
		In section 65, subsections (1A) and (3A), and in subsections (2), (3) and (5) the words “or (1A)”.
		In section 67(8)(b) the words “and on payment of the prescribed fee”.
		Sections 67A to 67D.
		In section 68, in the cross-heading before the section the words “and systems”, in the side-note the words “and systems of business control”, in subsection (1) paragraph (b) and the word “and” immediately preceding it, subsections (4) to (7), in subsection (10) the words “and such systems of control and of inspection and report are established and maintained”, and subsection (11).
		In section 71(1)(b) and (2)(a), the words “Commission with the consent of the”.
		Section 73(2)(b).
		In section 77(1)(a) the words “or their”.
		Section 79.
		Section 90A.
		Sections 97 and 98.
		In section 99, in subsection (1) the words “or an industrial assurance company”, and subsection (4).
		Section 100.
		In section 103, in subsection (1) the words “by order” and the words “V or”, subsections (4) to (6), and in subsection (9) the words “and

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Chapter	Short title	Extent of repeal(194)
		the central office shall keep the copy”.
		In section 114, subsections (2) and (3).
		In section 119(1), the definitions of “the central office”, “the Chief Registrar”, “collecting society”, “the Commission”, “the criteria of prudent management”, “notifiable voting rights” and “valuation regulations”.
		Section 119B.
		In section 121(1) the words “or the Commission”.
		Section 122.
		Schedule 1.
		In Schedule 3, in paragraph 1(4) the words “is satisfied that the Commission”, and in paragraph 1(5) the words “and authorised” and the words from “and in this sub-paragraph” to the end.
		Schedules 13 to 13C.
		In Schedule 14, in paragraph 7, sub-paragraph (1)(d) and the word “and” immediately preceding it, and sub-paragraph (2).
		In Schedule 15, in paragraph 3(1)(a) the words “Commission with the consent of the”, in paragraph 5(8) the words “and the central office shall keep the copy”, in paragraph 8(2)(b) the words “, by notice to the central office,”, paragraph 9(2)(c), the cross-heading before paragraph 11, paragraph 14, paragraph 15(2)(a), in paragraph 15(2) (b) the word “also”, paragraph 15A(2)(a), and paragraph 16.

(194) Where provisions referred to in this Schedule have been inserted, substituted or amended, details are given in the footnotes in Schedule 3 to this Order.

Chapter	Short title	Extent of repeal(194)
<b>1997 c. 32.</b>	<b>The Building Societies Act 1997.</b>	<p>In Schedule 16, paragraphs 3, 30 and 47.</p> <p>Schedules 17 to 19.</p> <p>Sections 16, 19 to 24, 32 to 35 and 44.</p> <p>Schedule 3.</p> <p>In Schedule 7, paragraphs 1, 3 to 15, 18 to 20, 29(2), 35, 36, 51, 55, 58, 62, 63 and 64(5).</p> <p>In Schedule 8, paragraphs 1 to 3.</p>

## SCHEDULE 5

Article 13(3)

### TRANSITIONAL PROVISIONS AND SAVINGS

#### Provisions about proof of documents etc.

1. The repeal or amendment by this Order of any provision mentioned in paragraph 2 below (provisions concerning the proof or effect of documents sealed or stamped, or purporting to have been signed or certified, by bodies or the holders of offices which cease to exist by virtue of this Order) does not affect the operation of the provision in relation to documents sealed, stamped or purporting to have been signed or certified before commencement, by a person in relation to whose seal, stamp, signature or certificate (as the case may be) the provision applied.

2. The provisions are—

- (a) sections 84(2) and 110 of the Friendly Societies Act 1974(196),
- (b) sections 67(9), 91(4), 107(3), and 111(1) of the Friendly Societies Act 1992(197),
- (c) sections 57(9), 111(3) and 113(1) of the Building Societies Act 1986(198), and
- (d) section 72(2) of the Industrial and Provident Societies Act 1965(199).

#### Friendly Societies Act 1974

3. The following transitional provisions and savings are to have effect in relation to provisions in the Friendly Societies Act 1974.

4. Sections 1 to 3(200) (the Registry of Friendly Societies) are to be treated as if they continued to have effect, for the purposes of article 12 of this Order, until such time as the office of Chief

(194) Where provisions referred to in this Schedule have been inserted, substituted or amended, details are given in the footnotes in Schedule 3 to this Order.

(196) 1974 c. 46. Section 110(2) was amended by the Friendly Societies Act 1992 (c. 40), Schedule 16, paragraph 47.

(197) 1992 c. 40.

(198) 1986 c. 53.

(199) 1965 c. 12. Section 72(2) was repealed in part by the Friendly and Industrial and Provident Societies Act 1968 (c. 55), Schedule 2.

(200) Section 2 was amended by the Friendly Societies Act 1981 (c. 50), section 1, and the Courts and Legal Services Act 1990 (c. 41), Schedule 10 paragraph 35.

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Registrar, the office of assistant registrar for Scotland, and the offices of assistant registrar cease to exist by virtue of article 12(3).

5. Section 47(3) (amendment, for the purposes of the section, of rules of a society or branch existing on 25th April 1940) is to be treated as if it continued to have effect in relation to any rule registered in accordance with that subsection before commencement.

6. For the purposes of section 98(7) (time limit on bringing summary proceedings for an offence under the Act), where at any time before commencement information concerning an offence was known to the Chief Registrar, the assistant registrar for Scotland or any assistant registrar, that information is to be treated as having been known at that time to the Authority.

7. Section 111(3) (which provides a definition of “registrar”) is to be treated as if it continued to have effect, for the purposes of section 15(1) (which relates to acknowledgements of registration issued by the registrar), insofar as that provision continues to be relevant for the purposes of sections 15(2) or 17(201).

### **Friendly Societies Act 1992**

8. The following transitional provisions and savings are to have effect in relation to provisions in the Friendly Societies Act 1992.

9. Subsections (1) to (3), (6) and (9) of section 1 (the Friendly Societies Commission) are to be treated as if they continued to have effect, for the purposes of article 10 of this Order, until such time as the Friendly Societies Commission ceases to exist by virtue of article 10(4).

10. For the purposes of—

- (a) the application of section 62(202) (powers to obtain information and documents etc.) to any notice which was given or requirement which was imposed under that section at any time before commencement, and
- (b) the application of section 65(203) (investigations) to an investigation by a person who was appointed under that section at any time before commencement,

any question as to whether something is needed or desirable for the purposes of the Authority’s supervisory functions is to be determined as if the Authority’s supervisory functions included any functions which were exercised by the Friendly Societies Commission at that time under the Act as it then had effect.

11. Section 63A (as substituted by paragraph 78 of Schedule 3 to this Order) (disclosure of information) also applies to any information which—

- (a) is information to which that section would not otherwise apply;
- (b) immediately before commencement was restricted information within the meaning of section 63 of the Friendly Societies Act 1992 as it then had effect; and
- (c) is not excluded information within the meaning of section 63A(4);

and, for the purposes of paragraph (c) above, section 63A(4) is to be read as if, in relation to any time before commencement, the reference to section 348 of the Financial Services and Markets Act 2000 were a reference to section 63 of the Friendly Societies Act 1992.

12. For the purposes of section 63A as it applies by virtue of paragraph 11 above, a person who holds the information is to be treated as a primary recipient of the information if he was a primary

(201) The substitution of section 15A for section 15, and the repeal of section 17, by the Friendly Societies Act 1992 (c. 40), Schedule 16 paragraphs 1 and 6 and Schedule 22 Part I, did not affect the operation of those provisions in relation to an acknowledgement of registration issued by the registrar under section 15(1).

(202) Section 62 was amended by S.I. 1994/1984.

(203) Section 65 was amended by S.I. 1994/1984.



recipient for the purposes of section 63, and any other person who holds the information is to be treated as having obtained it directly or indirectly from a primary recipient.

**13.** For the purposes of section 107(1) (time limit on bringing summary proceedings for an offence under the Act), where at any time before commencement information concerning an offence was known to the Commission, that information is to be treated as having been known at that time to the Authority; and a certificate may be given by the Authority under section 107(3) in relation to the date on which such information came to the knowledge of the Commission.

**14.** In section 119 (interpretation) the definition of “the Commission” is to be treated as if it continued to have effect, for the purposes of article 10 of this Order, until such time as the Friendly Societies Commission ceases to exist by virtue of article 10(4).

**15.** Section 122 (expenses to be paid out of money provided by Parliament) is to be treated as if it continued to have effect, for the purposes of paragraph (a) of that section, until such time as the Friendly Societies Commission ceases to exist by virtue of article 10(4), and any expenses incurred by the Commission which are attributable to the provisions of this Order are to be treated for the purposes of that section as if they were attributable to the provisions of the Friendly Societies Act 1992.

**16.** Schedule 1(204) (the Friendly Societies Commission) is to be treated as if it continued to have effect, for the purposes of article 10 of this Order, until such time as the Friendly Societies Commission ceases to exist by virtue of article 10(4).

### **Building Societies Act 1986**

**17.** The following transitional provisions and savings are to have effect in relation to provisions in the Building Societies Act 1986.

**18.** Subsections (1) to (3), (6), and (7) of section 1 (the Building Societies Commission) are to be treated as if they continued to have effect, for the purposes of article 9 of this Order, until such time as the Building Societies Commission ceases to exist by virtue of article 9(4).

**19.** In section 24 (Building Societies Investor Protection Board), in subsection (1) the words up to “Board”, and subsection (2), are to be treated as if they continued to have effect, for the purposes of article 11 of this Order, until such time as the Board ceases to exist by virtue of article 11(4).

**20.** For the purposes of—

- (a) the application of section 52(205) (powers to obtain information and documents etc.) to any notice which was given or requirement which was imposed under that section at any time before commencement, and
- (b) the application of section 55(206) (investigations) to an investigation by a person who was appointed under that section at any time before commencement,

any question as to whether something is needed or desirable for the purposes of the Authority’s supervisory functions is to be determined as if the Authority’s supervisory functions included functions which were exercised by the Building Societies Commission at that time under any provision which was then mentioned in paragraph (a) or (b) of section 52(1).

**21.** Section 53A (as substituted by paragraph 152 of Schedule 3 to this Order) (disclosure of information) also applies to any information which—

- (a) is information to which that section would not otherwise apply;

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(204) The functions of the Treasury under paragraphs 4 and 5 of Schedule 1 were transferred to the Minister for the Civil Service by S.I. 1995/269.

(205) Section 52 was amended by the Building Societies Act 1997 (c. 32), Schedule 7 Paragraph 17 and Schedule 9, and by S.I. 1992/3218.

(206) Section 55 was amended by the Building Societies Act 1997, Schedule 7 paragraph 21.

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- (b) is information the disclosure of which, immediately before commencement, was prohibited by section 53 as it then had effect; and
- (c) is not excluded information within the meaning of section 53A(4);

and, for the purposes of paragraph (c) above, section 53A(4) is to be read as if, in relation to any time before commencement, the reference to section 348 of the Financial Services and Markets Act 2000 were a reference to section 53 of the Building Societies Act 1986.

**22.** For the purposes of section 53A as it applies by virtue of paragraph 21 above, a person who holds the information is to be treated as a primary recipient of the information if before commencement he was a person who was prohibited from disclosing the information by section 53 as it then had effect, and any other person who holds the information is to be treated as having obtained it directly or indirectly from a primary recipient.

**23.** For the purposes of section 89(1)(e) (winding up on grounds of revocation of authorisation), a building society is to be treated as meeting the condition set out in that paragraph, as it has effect after commencement, if before commencement its authorisation had been revoked under section 43 and it had not been reauthorised under section 44(207) (and for these purposes “authorisation” is to be construed as if the definition of that term in section 119(1) continued to have effect), provided that it has not since commencement been given permission under Part IV of the Financial Services and Markets Act 2000 to accept deposits.

**24.** For the purposes of section 111(1) (time limit on bringing summary proceedings for an offence under the Act), where at any time before commencement information concerning an offence was known to the Commission, that information is to be treated as having been known at that time to the Authority; and a certificate may be given by the Authority under section 111(3) in relation to the date on which such information came to the knowledge of the Commission.

**25.** In section 119(1) (interpretation)—

- (a) the definition of “the central office” is to be treated as if it continued to have effect for the purposes of section 5(4) (which relates to societies registered with the central office immediately before the commencement of that section) and paragraph 5 of Schedule 20 (registration before commencement of section 5), and
- (b) the definition of “the Commission” is to be treated as if it continued to have effect, for the purposes of article 9 of this Order, until such time as the Building Societies Commission ceases to exist by virtue of article 9(4).

**26.** Section 123 (expenses to be paid out of money provided by Parliament) is to be treated as if it continued to have effect, for the purposes of paragraph (a) of that section, until such time as the Building Societies Commission ceases to exist by virtue of article 9(4) of this Order, and any expenses incurred by the Commission which are attributable to the provisions of this Order are to be treated for the purposes of that section as if they were attributable to the provisions of the Building Societies Act 1986.

**27.** Schedule 1(208) (the Building Societies Commission) is to be treated as if it continued to have effect, for the purposes of article 9 of this Order, until such time as the Building Societies Commission ceases to exist by virtue of article 9(4).

**28.** For the purposes of paragraph 15(1) of Schedule 2 (rights of members to obtain particulars from the register), a building society is to be treated as meeting the conditions set out in subparagraphs (a) and (b) of that paragraph as they have effect after commencement, if before

(207) Sections 43 and 44 were amended by the Building Societies Act 1997, Schedule 7 paragraphs 14 and 15, and by S.I. 1992/3218, 1995/1442, 1995/3275, 1996/1669, and 2000/2952.

(208) Schedule 1 was amended by the Parliamentary and Health Service Commissioners Act 1987 (c. 39), Schedule 2, and the Building Societies Act 1997, Schedule 7 paragraph 55. The functions of the Treasury under paragraphs 5 and 6 were transferred to the Minister for the Civil Service by S.I. 1995/269.

commencement its authorisation had been revoked under section 43 and it had not been reauthorised under section 44 (and for these purposes “authorisation” is to be construed as if the definition of that term in section 119(1) continued to have effect), provided that it has not since commencement been given permission under Part IV of the Financial Services and Markets Act 2000 to accept deposits.

29. Paragraphs 1 to 5A and paragraph 6(4) of Schedule 5(209) (the Building Societies Investor Protection Board) are to be treated as if they continued to have effect, for the purposes of article 11 of this Order, until such time as the Board ceases to exist by virtue of article 11(4).

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## EXPLANATORY NOTE

*(This note is not part of the Order)*

Part XXI of the Financial Services and Markets Act 2000 (c. 8) (“the 2000 Act”) provides for the transfer, to the Financial Services Authority (“the Authority”) or to the Treasury, of functions of the Friendly Societies Commission, the Building Societies Commission, and the Registry of Friendly Societies (specifically the Chief Registrar of Friendly Societies, the central office of the registry of friendly societies, the assistant registrar of friendly societies for Scotland, and the other assistant registrars). The functions of the Registry extend not only to friendly societies but also to other kinds of registered society registered under the Friendly Societies Act 1974, as well as building societies, industrial and provident societies and credit unions.

Article 4 of this Order effects the transfer of these functions. Those listed in Schedule 1 (mostly powers to make legislative provision through regulations or orders) are transferred to the Treasury, whilst all other functions are transferred to the Authority subject to any contrary provision made by or under the 2000 Act. Schedule 2 makes provision as to the way in which provisions in the 2000 Act (in particular provisions referring to functions of the Authority) will apply to the Authority when exercising the functions transferred to it.

The transfer of functions takes effect when the Order comes fully into force (“commencement”), at the same time as the general prohibition in section 19 of the 2000 Act. However Schedule 2 and article 8 of the Order come into force earlier on the 17th August 2001. Article 8 permits the Treasury and the Authority to make rules, regulations and orders and give directions in advance, in order to come into force at commencement.

Article 5 contains general consequential and transitional provisions in relation to transferred functions. Article 6 contains deals specifically with the situation where, at commencement, a person has not yet complied with a requirement imposed on him, or exercised an entitlement which he has, to provide a document or other information. For example this would cover the situation where a society’s annual return or accounts have not been provided before commencement. In such situations the document or information is to be provided to the Authority, along with any related fee. Article 7 updates non-statutory provisions, such as the rules of mutual societies, which relate to transferred functions.

Articles 9 to 12 provide for the dissolution of the bodies and office-holders whose functions are transferred, and of the Building Societies Investor Protection Board set up under the Building Societies Act 1986 (c. 53).

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(209) Paragraph 5A of Schedule 5 was added by the Building Societies Act 1997, Schedule 7 paragraph 58, and paragraph 6(4) was substituted by S.I. 1991/1997.

**Status:** *This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

Article 13 gives effect to the amendments and repeals contained in Schedules 3 and 4, subject to the transitional provisions and savings contained in Schedule 5 and to any other such provisions made under the 2000 Act. Further amendments and repeals to the legislation relating to mutual societies are contained in Schedules 18, 20 and 22 to the 2000 Act itself.