Draft Order laid before Parliament under sections 130(3) and 158(3) of the Banking Act 2009, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2010 No. 0000

BUILDING SOCIETIES

The Building Societies (Insolvency and Special Administration) (Amendment) Order 2010

Made - - - -	**** 2010*
	in accordance with
Coming into force - -	*article 1(2)*

The Treasury, in exercise of the powers conferred by sections 130, 158 and 259(1) of the Banking Act 2009(**1**), make the following Order.

In accordance with sections 130(3) and 158(3) of that Act, a draft of this Order has been laid before and approved by resolution of each House of Parliament.

Citation and commencement

1.—(1) This Order may be cited as the Building Societies (Insolvency and Special Administration) (Amendment) Order 2010.

(2) It comes into force on the day after the day on which it is made.

Amendment of the Building Societies (Insolvency and Special Administration) Order 2009

2.—(1) The Building Societies (Insolvency and Special Administration) Order 2009(**2**) is amended as follows.

(2) In Schedule 1 (modified application of Parts 2 and 3 of the Banking Act 2009 to building societies)—

(a) in paragraph 13, after sub-paragraph (4) insert—

"(4A) For the entry for section 195 substitute—

"Section 195	Meetings to ascertain wishes of creditors or contributories	(a) The power to have regard to the wishes of creditors and

(**1**) 2009 c.1.
(**2**) S.I. 2009/805.

		contributories is subject to Objective 1 in section 99. (b) In subsection (3), for "the number of votes conferred on each contributory by the Companies Act or the articles", substitute "the value of the shares each contributory holds in the building society".".;

(b) in paragraph 16, at the end insert—

"(e) after subsection (8) insert—

"(9) Sections 1012 to 1023 and 1034 of the Companies Act 2006 (provisions as to property of dissolved company) apply in relation to the property of a building society dissolved under this section as they apply to the property of a dissolved company.".";

(c) for paragraph 17 substitute—

"**17.** In section 116 of the 2009 Act (dissolution: supplemental)—

(a) in subsections (1) and (2) the references to the Secretary of State have effect as references to the FSA;

(b) for subsection (4) substitute—

"(4) On giving a direction under subsection (1) the FSA shall place it on the public file of the society concerned.";

(c) ignore subsection (5).";

(d) omit paragraph 18;

(e) in paragraph 27, for sub-paragraph (5) substitute—

"(5) For the entry for para. 80 (termination: successful rescue) substitute—

"Para. 79	Termination: successful rescue	(a) Ignore sub-para. (2). (b) *See section 153.".*";

(f) in paragraph 30, at the end insert—

"(12) Sections 1012 to 1023 and 1034 of the Companies Act 2006 (provisions as to property of dissolved company) apply in relation to the property of a building society dissolved under this paragraph as they apply in relation to the property of a dissolved company.";

(g) omit paragraph 31;

(h) before paragraph 33 (under the heading "Termination") insert—

"**32A.** In section 153 of the 2009 Act (successful rescue), for subsections (2) and (3) substitute—

"(2) The building society special administrator shall make an application under paragraph 79 of Schedule B1 to the Insolvency Act 1986 (court ending administration on achievement of objectives).

(3) A building society special administrator who makes an application in accordance with subsection (2) must send a copy to the FSA.".".