

SCHEDULE 8

Article 2(b)

Amendments of the Building Societies Act 1986

1. The Building Societies Act 1986(1) is amended as follows.
2. In the heading of Part I, for “Authority” substitute “Financial Conduct Authority and the Prudential Regulation Authority”.
- 3.—(1) Section 1(2) (functions in relation to building societies) is amended as follows.
 - (2) In subsection (1)—
 - (a) for “The Financial Services Authority (“the Authority”)” substitute “The FCA”; and
 - (b) omit paragraph (a).
 - (3) After subsection (1), insert—

“(1A) The PRA 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 by or under this Act, but only in so far as sections 5, 6, 7, 9A and 9B confer functions on the PRA; and
 - (c) to advise and make recommendations to the Treasury and other government departments on any matter relating to building societies.”.
 - (4) In subsection (2)—
 - (a) for “Authority also has” substitute “FCA and the PRA also have”; and
 - (b) for “it” substitute “them respectively”.
 - (5) In the heading, for “Financial Services Authority” substitute “Financial Conduct Authority and the Prudential Regulation Authority”.
- 4.—(1) Section 5(3) (establishment, constitution and powers) is amended as follows.
 - (2) In subsection (2), for “Authority” substitute “FCA”.
 - (3) In subsection (4A), for “Authority” substitute “appropriate authority”.
 - (4) For subsection (13)(a), substitute—

“(a) section 1(1A)(a) (functions of the Prudential Regulation Authority in relation to building societies);”.
- 5.—(1) Section 6(4) (the lending limit) is amended as follows.
 - (2) In subsection (5)(a), for “Authority” substitute “appropriate authority”.
 - (3) For subsection (12)(a), substitute—

“(a) in respect of its business in effecting or carrying out contracts of long term insurance in accordance with rules made by—

(1) 1986 c.53.

(2) Section 1 was amended by S.I. 2001/2617.

(3) Section 5 was amended by the Building Societies Act 1997 (c.32), section 1, the Building Societies (Funding) and Mutual Societies (Transfers) Act 2007 (c.26), section 1 and S.I. 2001/2617.

(4) Section 6 was substituted by the Building Societies Act 1997, section 4 and amended by S.I. 2001/2617 and S.I. 2001/3649.

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- (i) the FCA under section 137A of the Financial Services and Markets Act 2000, or
- (ii) the PRA under section 137G of that Act,

which require an authorised person who has permission to effect or carry out contracts of insurance to identify assets which belong to that person and which are maintained in respect of a particular aspect of that person’s business; or”.

- (4) In subsection (15), for “Authority” substitute “appropriate authority”.
- 6. In section 7(5)(a)(5) (the funding limit), for “Authority” substitute “appropriate authority”.
- 7. In section 8(3)(6) (raising funds and borrowing), for “Authority”, in each place, substitute “appropriate authority”.
- 8. In section 9A(5)(a)(7) (restrictions on certain transactions), for “Part IV” substitute “Part 4A”.
- 9. In the heading to Part 6, for “Authority” substitute “appropriate authority”.
- 10.—(1) Section 36(8) (power to direct restructuring of business etc.) is amended as follows.
 - (2) For “Authority”, in each place, substitute “appropriate authority”.
 - (3) In subsection (5)(b), before “of the result” insert “and, if the appropriate authority is the PRA, the FCA”.
 - (4) In subsection (6), before “of the option” insert “and, if the appropriate authority is the PRA, the FCA”.
 - (5) After subsection (16), insert—
 - “(17) The PRA must consult the FCA before issuing a direction under this section.”.
- 11.—(1) Section 36A(9) (power to make prohibition orders) is amended as follows.
 - (2) For “Authority”, in each place, substitute “appropriate authority”.
 - (3) After subsection (5D), insert—
 - “(5E) The PRA must consult the FCA about the terms of the prohibition order in question before giving a warning notice or a decision notice under this section.”.
 - (4) In subsection (6), omit “, and shall keep a copy of the order in the public file of the society”.
 - (5) After subsection (9), insert—
 - “(9A) The PRA must give the FCA a copy of any order issued under this section.
 - “(9B) The FCA must keep a copy of any order issued under this section in the public file of the society.”.
- 12.—(1) Section 37(10) (powers to petition for winding up etc.) is amended as follows.
 - (2) In subsections (1) and (2), for “Authority”, in each place, substitute “appropriate authority”.
 - (3) For subsection (4), substitute—
 - “(4) Where the High Court makes an order under subsection (3)—
 - (a) if the appropriate authority is the PRA, it must give a copy of the order to the FCA; and

(5) Section 7(5)(a) was amended by [S.I. 2001/2617](#).
(6) Section 8(3) was amended by [S.I. 2001/2617](#).
(7) Section 9A was inserted by the Building Societies Act 1997, section 10 and subsection (5) was amended by [S.I. 2001/3649](#).
(8) Section 36 was substituted by the Building Societies Act 1997, section 13 and amended by [S.I. 2001/2617](#).
(9) Section 36A was inserted by the Building Societies Act 1997, section 14 and amended by [S.I. 2001/2617](#).
(10) Section 37 was substituted by the Building Societies Act 1997, section 15 and amended by [S.I. 2001/2617](#).

(b) in any case, the FCA must keep a copy of the order in the public file of the society.”.

13.—(1) Section 42B(**11**) (power to direct transfers of engagements or business) is amended as follows.

(2) In subsections (1) to (5), for “Authority”, in each place, substitute “appropriate authority”.

(3) In subsection (1), for “Part IV” substitute “Part 4A”.

(4) In subsection (2)—

(a) for “section 45” substitute “section 55J (variation or cancellation on initiative of regulator), section 55L (imposition of requirements by FCA) or section 55M (imposition of requirements by PRA)”; and

(b) omit “(power to vary or cancel a Part IV permission on the Authority’s own initiative)”.

(5) After subsection (5), insert—

“(5A) The PRA must consult the FCA before giving a direction under this section.”.

14.—(1) Section 42C(**12**) (variation and revocation of transfer directions) is amended as follows.

(2) In subsection (1), for “Authority” substitute “appropriate authority”.

(3) After subsection (1), insert—

“(1A) If the appropriate authority is the PRA, it must consult the FCA before varying or revoking a direction.”.

15. In section 46A(**13**) (notices, hearings and appeals), for “Authority”, in each place, substitute “appropriate authority”.

16.—(1) Section 52(**14**) (powers to obtain information and documents etc.) is amended as follows.

(2) In subsection (1), for “Authority of any of its functions” substitute “FCA or the PRA of any of their respective functions”.

(3) In subsection (5), for “Authority”—

(a) in the opening words of that subsection, substitute “FCA and the PRA”; and

(b) in paragraphs (a) to (d) of that subsection, in each place, substitute “it”.

(4) In subsection (5A), for “Authority”—

(a) in the opening words of that subsection, substitute “FCA or the PRA”; and

(b) in paragraphs (a) to (c) of that subsection, in each place, substitute “body which authorised the person”.

(5) In subsection (6)—

(a) for “Authority has power”, substitute “FCA or the PRA has power”; and

(b) for “Authority or authorised officer” in each place, substitute “FCA, the PRA or the authorised officer (as the case may be)”.

(6) In subsection (9)—

(a) for “Authority or an authorised officer” substitute “FCA, the PRA or an authorised officer”; and

(11) Section 42B was inserted by the Building Societies Act 1997, section 17 and amended by [S.I. 2001/2617](#).

(12) Section 42C was inserted by the Building Societies Act 1997, section 18 and amended by [S.I. 2001/2617](#).

(13) Section 46A was substituted by [S.I. 2001/2617](#) and amended by [S.I. 2010/22](#).

(14) Section 52 was amended by [S.I. 2001/2617](#). There are other amending instruments, but none is relevant.

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- (b) for “Authority or authorised officer” substitute “FCA, the PRA or the authorised officer (as the case may be)”.
- (7) In subsection (13), for “Authority” substitute “FCA or the PRA”.
- 17.** In section 52B(1)(**15**) (entry of premises under warrant), for “Authority” substitute “FCA or the PRA”.
- 18.**—(1) Section 53A(**16**) (disclosure of information) is amended as follows.
 - (2) For subsection (1)(b)(i), substitute—
 - “(i) the FCA;
 - (ia) the PRA;”.
 - (3) In subsection (1)(b)(ii) and (iii), for “Authority”, in each place, substitute “FCA or the PRA”.
 - (4) In subsection (2)(b), for “Authority” substitute “FCA or the PRA”.
- 19.**—(1) Section 54(**17**) (information from other sources) is amended as follows.
 - (2) For “Authority”, in each place, substitute “FCA or the PRA”.
 - (3) In the heading, for “Authority” substitute “FCA or PRA”.
- 20.**—(1) Section 55(**18**) (investigations) is amended as follows.
 - (2) In subsection (1), for “the Authority”—
 - (a) in the first place, substitute “the FCA or the PRA”; and
 - (b) in the second place, substitute “it”.
 - (3) In subsection (6), for “Authority” substitute “FCA or the PRA”.
 - (4) In the heading, for “Authority” substitute “FCA or PRA”.
- 21.**—(1) Section 56(**19**) (inspections and special meetings: general) is amended as follows.
 - (2) In subsection (1), for “Authority” substitute “FCA and the PRA”.
 - (3) After subsection (1), insert—
 - “(1A) The FCA must consult the PRA before exercising the power in subsection (1).
 - (1B) The PRA must consult the FCA before exercising the power in subsection (1).”
 - (4) In subsections (2) and (3) for “Authority”, in each place, substitute “FCA or the PRA (as the case may be)”.
 - (5) In subsection (4), for “Authority” substitute “body exercising its powers under subsection (1)”.
 - (6) In subsection (6), for “Authority”, in each place, substitute “body to which the application was made”.
 - (7) In subsection (7)—
 - (a) for “Before exercising” substitute “Before the FCA or the PRA exercises”; and
 - (b) for “the Authority”—
 - (i) in the first place, substitute “it”; and

(15) Section 52B was substituted by [S.I. 2001/2617](#).

(16) Section 53A was substituted by [S.I. 2001/2617](#).

(17) Section 54 was amended [S.I. 2001/2617](#). There are other amending instruments, but none is relevant.

(18) Section 55 was amended by [S.I. 2001/2617](#). There are other amending instruments, but none is relevant.

(19) Section 56 was amended by [S.I. 2001/2617](#). There are other amending instruments, but none is relevant.

(ii) in the second place, substitute “the body exercising its powers under subsection (1)”.

(8) In subsection (8), for “Authority” substitute “FCA or the PRA”.

(9) In subsection (10), for “Authority”, in each place, substitute “body exercising its powers under subsection (1)”.

22.—(1) Section 57(**20**) (inspections: supplementary provisions) is amended as follows.

(2) In subsection (1), omit “by the Authority”.

(3) In subsections (7), (8), (8A), (9) and (10), for “Authority”, in each place, substitute “body which appointed the inspectors”.

23. In section 59(6)(**21**) (chief executive and secretary), for “Authority”, in each place, substitute “FCA”.

24. In section 61(**22**) (directors: supplementary provisions as to elections etc.), in subsections (9) and (13), for “Authority”, in each place, substitute “FCA”.

25. For section 68(5) (records of loans etc.), substitute—

“(5) The society must send two copies of the statement required to be made available under subsection (3) to the FCA and, if the society is a PRA-authorised person, one copy to the PRA, on the date on which the statement is required to be first made available to members.

(5A) The FCA must keep a copy of the statement in the public file of the society.”.

26.—(1) Section 69(**23**) (disclosure and record of income of related businesses) is amended as follows.

(2) In subsection (8), for “Authority” substitute “FCA”.

(3) For subsection (14), substitute—

“(14) The society must send two copies of the statement required to be made available under subsection (13) to the FCA and, if the society is a PRA-authorised person, one copy to the PRA, on the date on which the statement is required to be first made available to members.

(14A) The FCA must keep a copy of the statement in the public file of the society.”.

27.—(1) Section 76(**24**) (summary financial statement) is amended as follows.

(2) In subsection (8), for “Authority” substitute “FCA and, if the society is a PRA-authorised person, one copy to the PRA”.

(3) In subsection (12), for “Authority” substitute “FCA”.

28.—(1) Section 78C(**25**) (names to be stated in copies of the auditor’s report) is amended as follows.

(2) In subsection (1), in each place, omit “to the Authority”.

(3) In subsection (3), for “Authority” substitute “FCA”.

(20) Section 57 was amended by [S.I. 2001/2617](#). There are other amending instruments, but none is relevant.

(21) Section 59(6) was amended by [S.I. 2001/2617](#).

(22) Section 61 was amended by [S.I. 2001/2617](#). There are other amending instruments, but none is relevant.

(23) Section 69 was amended by [S.I. 2001/2617](#). There are other amending instruments, but none is relevant.

(24) Section 76(8) and (12) were amended by [S.I. 2001/2617](#).

(25) Section 78C was inserted by [S.I. 2008/1519](#).

29.—(1) Section 78D(**26**) (circumstances in which names may be omitted) is amended as follows.
(2) In subsection (1), omit “to the Authority”.
(3) In subsection (2)(b), for “Authority” substitute “FCA and, if the society is a PRA-authorised person, the PRA”.

30.—(1) Section 81(**27**) (laying and furnishing of accounts) is amended as follows.
(2) In subsection (2), for “Authority” substitute “FCA, and, if the society is a PRA-authorised person, one copy to the PRA,”.
(3) In subsection (3), for “Authority” substitute “FCA and, if the society is a PRA-authorised person, the PRA”.
(4) In subsection (7), for “Authority” substitute “FCA”.
(5) In the heading, for “and the Authority” substitute “, the FCA and the PRA”.

31.—(1) Section 87(**28**) (dissolution by consent) is amended as follows.
(2) In subsection (5), for “Authority” substitute “FCA and, if the society is a PRA-authorised person, the PRA”.
(3) In subsection (7), for “Authority” substitute “FCA and, if the society is a PRA-authorised person, the PRA”.
(4) In subsection (8), for “Authority” substitute “appropriate authority”.
(5) In subsection (10), for “Authority” substitute “FCA”.

32. In section 88(2)(**29**) (voluntary winding up)—
(a) for “to the Authority” substitute “to the FCA and, if the society is a PRA-authorised person, the PRA”; and
(b) for “Authority shall keep the copy” substitute “FCA must keep a copy”.

33.—(1) Section 89(**30**) (winding up by court: grounds and petitioners) is amended as follows.
(2) In subsection (1), for “Part IV”, in each place, substitute “Part 4A”.
(3) For subsection (2)(a), substitute—
“**(a)** the FCA, after consulting the PRA if the society is a PRA-authorised person,
(aa) if the society is a PRA-authorised person, the PRA, after consulting the FCA,”.

34. In section 89A(2)(a)(**31**) (building society insolvency as alternative order), for “Authority” substitute “appropriate authority”.

35.—(1) Section 90D(**32**) (notice of preliminary steps) is amended as follows.
(2) In subsection (5), for “Authority has” substitute “FCA and, if the society is a PRA-authorised person, the PRA have”.
(3) In subsection (7)(b)(i), for “Authority” substitute “PRA”.
(4) In subsection (10)—
(a) after “Where” insert “the society is a PRA-authorised person and”; and

(26) Section 78D was inserted by [S.I. 2008/1519](#).

(27) Section 81(2), (3) and (7) were amended by [S.I. 2001/2617](#).

(28) Section 87 was amended by [S.I. 2001/2617](#). There are other amending instruments, but none is relevant.

(29) Section 88(2) was amended by [S.I. 2001/2617](#).

(30) Section 89(1) was amended by [S.I. 2001/2617](#).

(31) Section 89A was inserted by [S.I. 2009/805](#).

(32) Section 90D was inserted by [S.I. 2009/805](#).

- (b) for “Authority”, in each place, substitute “PRA”.
- (5) After subsection (10), insert—
 - “(11) Where the society is not a PRA-authorised person and the FCA receives notice under Condition 1—
 - (a) the FCA shall inform the Bank of England, and
 - (b) if the Bank of England decides to apply for a building society insolvency order or to exercise a stabilisation power under Part 1 of the Banking Act 2009, the Bank shall inform the person who gave the notice, within the period in Condition 3(a).”.
- (6) In the heading, for “Authority” substitute “FCA and the PRA”.
- 36.** In section 91(4)(**33**) (power of court to declare dissolution of building society void)—
 - (a) for “furnish the Authority” substitute “furnish the FCA and, if the society is a PRA-authorised person, the PRA”; and
 - (b) for “Authority shall keep the copy” substitute “FCA must keep a copy”.
- 37.**—(1) Section 93(**34**) (amalgamations) is amended as follows.
 - (2) In subsection (2)(d), for “Authority”—
 - (a) in the first place, substitute “appropriate authority”; and
 - (b) in the second place, substitute “FCA and, if the society is a PRA-authorised person, the PRA”.
 - (3) In subsection (3)—
 - (a) for “Authority” substitute “appropriate authority”;
 - (b) before “is satisfied” insert “the FCA”; and
 - (c) for “it shall” substitute “the FCA must”.
 - (4) In subsection (4), for “Authority” substitute “appropriate authority”.
 - (5) In subsection (6)—
 - (a) for “Authority”, in each place, substitute “appropriate authority”; and
 - (b) for “Part IV” substitute “Part 4A”.
 - (6) In subsection (6A), for “subsection (9) of section 52 of that Act by virtue of paragraph (a) of that subsection” substitute “subsection (5) of section 55V of that Act by virtue of paragraph (a) or (b) of that subsection”.
 - (7) In subsection (6B)—
 - (a) for “section 55” substitute “section 55Z3”; and
 - (b) for “Part IV” substitute “Part 4A”.
 - (8) In subsection (6C)—
 - (a) omit “the Authority from taking”; and
 - (b) after “decision notice” insert “from being taken”.
- 38.**—(1) Section 94(**35**) (transfer of engagements) is amended as follows.
 - (2) In subsection (5)(b), for “Authority” substitute “appropriate authority”.
 - (3) In subsection (7)(a), for “Authority” substitute “appropriate authority”.

(33) Section 91(4) was amended by [S.I. 2001/2617](#).

(34) Section 93 was amended by [S.I. 2001/2617](#) and [S.I. 2010/22](#). There are other amending instruments, but none is relevant.

(35) Section 94 was amended by [S.I. 2001/2617](#). There are other amending instruments, but none is relevant.

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- (4) In subsection (8)—
 - (a) for “Authority” substitute “appropriate authority”; and
 - (b) for “it shall” substitute “the FCA must”.
- (5) In subsection (9), for “Authority” substitute “FCA”.

39.—(1) Section 95(**36**) (mergers: provisions supplementing sections 93 and 94) is amended as follows.

- (2) For “Authority”, in each place, substitute “appropriate authority”.
- (3) After subsection (6), insert—
 - “(6A) The PRA must consult the FCA before confirming an amalgamation or transfer, or giving a direction, under this section.
 - (6B) The PRA must—
 - (a) notify the FCA if it confirms an amalgamation or transfer; and
 - (b) send the FCA a copy of any direction it gives.”.

40. In section 96(6)(**37**) (mergers: compensation for loss of office and bonuses to members), for “Authority”, in each place, substitute “appropriate authority”.

- 41.**—(1) Section 97(**38**) (transfer of business to commercial company) is amended as follows.
- (2) In subsection (4)(d), for “Authority” substitute “appropriate authority”.
 - (3) In subsection (6), for “Authority” substitute “appropriate authority”.
 - (4) In subsection (8)—
 - (a) for “send to the Authority” substitute “send to each of the FCA and, if the society is a PRA-authorized person, the PRA”; and
 - (b) for “Authority shall” substitute “FCA must”.
 - (5) In subsection (12), for “Authority” substitute “appropriate authority”.

42.—(1) Section 98(**39**) (transfers of business: supplementary provisions) is amended as follows.

- (2) In subsection (1A), for “Authority” substitute “FCA and, if the society is a PRA-authorized person, the PRA”.
- (3) In subsection (2), for “Authority” substitute “appropriate authority”.
- (4) In subsection (3)—
 - (a) for “Authority”, in each place, substitute “appropriate authority”; and
 - (b) for “Part IV” substitute “Part 4A”.
- (5) In subsections (4) and (5), for “Authority”, in each place, substitute “appropriate authority”.
- (6) After subsection (8), insert—
 - “(9) The PRA must consult the FCA before confirming a transfer or giving a direction under this section.
 - (10) The PRA must—
 - (a) notify the FCA if it confirms a transfer; and

(36) Section 95 was amended by [S.I. 2001/2617](#). There are other amending instruments, but none is relevant.

(37) Section 96 was amended by [S.I. 2001/2617](#). There are other amending instruments, but none is relevant.

(38) Section 97 was amended by [S.I. 2001/2617](#) and [S.I. 2009/1941](#). There are other amending instruments, but none is relevant.

(39) Section 98 was [S.I. 2001/2617](#). There are other amending instruments, but none is relevant.

(b) send the FCA a copy of any direction it gives.”.

43. In section 100(7)(**40**) (regulated terms etc.: distributions and share rights), for “Authority”, in each place, substitute “appropriate authority”.

44.—(1) Section 101(**41**) (protective provisions for specially formed successors) is amended as follows.

(2) In subsection (4), for “Authority”, in each place, substitute “appropriate authority”.

(3) After subsection (4), insert—

“(4A) The PRA must consult the FCA before giving a direction under this section.”.

45.—(1) Section 103(**42**) (cancellation of registration) is amended as follows.

(2) For “Authority”, in each place, substitute “FCA”.

(3) In subsection (1), after “Where” insert “, having consulted the PRA,”.

(4) In subsection (2)—

(a) after “Where” insert “, having consulted the PRA,”; and

(b) for “Part IV” substitute “Part 4A”.

(5) In subsection (3), after “if it thinks fit” insert “after consulting the PRA”.

46. In section 106(**43**) (public file of the society), for “Authority”, in each place, substitute “FCA”.

47. In section 107(**44**) (restriction of use of certain names and descriptions), for “Authority”, in each place, substitute “FCA”.

48.—(1) Section 111(**45**) (time limit for commencing proceedings) is amended as follows.

(2) In subsection (1)—

(a) after “under this Act”, insert “, other than an offence in relation to which provision is made in subsection (1A),”;

(b) for “by the Authority” substitute “by the FCA”; and

(c) for “in the opinion of the Authority” substitute “in its opinion”.

(3) After subsection (1), insert—

“(1A) Notwithstanding any limitation on the time for taking proceedings contained in any Act, summary proceedings for the offences under the provisions listed in subsection (1B), in the circumstances specified in that subsection in relation to those provisions, may be commenced by the PRA, after notifying the FCA, or by the FCA, after notifying the PRA, at any time within the period mentioned in subsection (1C).

(1B) The provisions and the circumstances are—

(a) section 52 (powers to obtain information and documents etc.), if—

(i) the failure referred to in subsection (10) of that section is a failure to furnish any information or accountant’s report, to produce any documents or material, or to provide any explanation or make any statement to the PRA, or

(40) Section 100(7) was amended by [S.I. 2001/2617](#).

(41) Section 101(4) was amended by [S.I. 2001/3649](#). There are other amending instruments, but none is relevant.

(42) Section 103 was amended by [S.I. 2001/2617](#) and [S.I. 2009/805](#).

(43) Section 106 was amended by [S.I. 2001/2617](#).

(44) Section 107 was amended by [S.I. 2001/2617](#). There are other amending instruments, but none is relevant.

(45) Section 111(1), (2) and (3) were amended by [S.I. 2001/2617](#).

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- (ii) the information, explanation or statement referred to in subsection (11) or (12) of that section is furnished, provided or made to the PRA;
- (b) section 55 (investigations), if the person appointed under subsection (1) of that section was appointed by the PRA;
- (c) section 81 (laying and furnishing accounts), if the default referred to in subsection (4) of that section relates to a failure to send a copy of the accounts to the PRA in accordance with subsection (2) of that section;
- (d) section 87 (dissolution by consent), if the failure referred to in subsection (5) or (7) of that section relates to a failure to give notice to the PRA;
- (e) section 88 (voluntary winding up), if the failure referred to in subsection (4) of that section relates to a failure to send a copy of the resolution to the PRA in accordance with subsection (2) of that section;
- (f) section 91 (power of court to declare dissolution of building society void), if the failure referred to in subsection (5) of that section relates to a failure to send a copy of an order to the PRA in accordance with subsection (4) of that section;
- (g) section 95 (mergers: provisions supplementing sections 93 and 94), if the application referred to subsection (3) of that section was made, or should have been made, to the PRA;
- (h) section 98 (transfers of business: supplementary provisions), if the application referred to subsection (2) of that section was made, or should have been made, to the PRA;
- (i) Schedule 8A, paragraph 3(5) (directions under section 42B(3)), if the PRA has given a direction under section 42B(3);
- (j) Schedule 8A, paragraph 9(5) (directions under section 42B(4)), if the PRA has given a direction under section 42B(4);
- (k) Schedule 11, paragraph 3 (auditors: appointment), if the failure referred to in sub-paragraph (2) of that paragraph relates to a failure to give notice to the PRA in accordance with sub-paragraph (1) of that paragraph;
- (l) Schedule 11, paragraph 6 (auditors: removal), if the failure referred to in sub-paragraph (3) of that paragraph relates to a failure to give notice to the PRA in accordance with sub-paragraph (2) of that paragraph;
- (m) Schedule 11, paragraph 7 (auditors: resignation), if the default referred to in sub-paragraph (8) of that paragraph relates to a failure to send any notice or statement to the PRA in accordance with sub-paragraph (3) or (7) of that paragraph;
- (n) Schedule 15, paragraph 21 (application of companies winding up legislation to building societies: winding up by the court), if the failure referred to in sub-paragraph (4) of that paragraph relates to a failure to give notice to the PRA in accordance with sub-paragraph (3) of that paragraph;
- (o) Schedule 15, paragraph 48 (modified application of Insolvency (Northern Ireland) Order 1989: winding up by the High Court), if the failure referred to in sub-paragraph (4) of that paragraph relates to a failure to give notice to the PRA in accordance with sub-paragraph (3) of that paragraph; and
- (p) Schedule 16, paragraph 6 (mergers: penalty), if the default referred to in sub-paragraph (1) of that paragraph relates to a failure to send a copy of a statement or notification to the PRA in accordance with paragraph 5(1) of that Schedule.

- (1C) The period is one year beginning with the date on which evidence comes to the knowledge of one or both of the FCA and the PRA, being evidence sufficient in the opinion of the FCA or the PRA (as the case may be) to justify a prosecution.”
- (4) In subsection (2), after “(1)” insert “or (1A)”.
- (5) In subsection (3)—
- (a) after “subsection (1)” insert “and subsection (1C)”;
 - (b) for “Authority” substitute “FCA or the PRA”; and
 - (c) for “that subsection” substitute “the relevant subsection”.
- (6) For subsection (4), substitute—
- “(4) In the application of this section to Scotland—
 - (a) for subsection (1), substitute—
 - “(1) Notwithstanding any limitation on the time for the taking of proceedings contained in any Act, summary proceedings for any offence under this Act may, subject to subsection (2), be commenced by the Lord Advocate at any time within the period of one year beginning with the date on which evidence sufficient in the opinion of the Lord Advocate to justify a prosecution for the offence, comes to the knowledge of the Lord Advocate”; - (b) omit subsections (1A), (1B) and (1C); and
 - (c) for subsection (3), substitute—
 - “(3) For the purposes of subsection (1) of this section a certificate, purporting to be signed by or on behalf of the Lord Advocate, as to the date on which such evidence as is mentioned in that subsection came to the knowledge of the Lord Advocate, shall be conclusive evidence of that date.”
- 49.**—(1) Section 113(**46**) (evidence) is amended as follows.
- (2) In subsection (1), for “Authority” substitute “FCA”.
 - (3) In subsections (1A) and (1B), “Authority” substitute “FCA or the PRA”.
- 50.** In section 115(1)(**47**) (service of notices), for “Authority” substitute “FCA and the PRA”.
- 51.**—(1) Section 116(**48**) (form of documents) is amended as follows.
- (2) In subsection (1), for “Authority may” substitute “FCA and the PRA may each”.
 - (3) After subsection (1), insert—
 - “(1A) The PRA and the FCA must each consult the other before issuing a direction under this section if the document in question is required to be sent to both of them.”
- 52.**—(1) Section 119(**49**) (interpretation) is amended as follows.
- (2) In subsection (1)—
 - (a) omit the definition of “the Authority”;
 - (b) in the definition of “officially notified”, for “Authority” substitute “FCA”;
 - (c) in the definition of “the public file”, for “Authority” substitute “FCA”; and

(46) Section 113(1), (1A) and (1B) were substituted by [S.I. 2001/2617](#).

(47) Section 115(1) was amended by [S.I. 2001/2617](#).

(48) Section 116 was substituted by [S.I. 2001/2617](#).

(49) Section 119(1) was amended by the Building Societies Act 1997, [S.I. 1996/1669](#), [S.I. 2001/2617](#), [S.I. 2001/3649](#), [S.I. 2003/404](#), [S.I. 2004/3380](#), [S.I. 2008/948](#), [S.I. 2009/805](#), and [S.I. 2009/1941](#). Subsection (1A) was inserted by [S.I. 2001/2617](#).

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- (d) at the appropriate places, insert—
- ““the appropriate authority” means—
- (a) in relation to a building society which is a PRA-authorised person, the PRA; and
- (b) in relation to a building society which is not a PRA-authorised person, the FCA;”;
- ““the FCA” means the Financial Conduct Authority;”;
- ““the PRA” means the Prudential Regulation Authority;”;
- ““PRA-authorised person” has the meaning in section 2B of the Financial Services and Markets Act 2000;”.

- (3) In subsection (1A)—
- (a) for “Authority” substitute “FCA”; and
- (b) for “Authority’s” substitute “FCA’s”.
- (4) In subsection (4), for “Authority” substitute “appropriate authority”.

53.—(1) Schedule 2(**50**) (establishment, incorporation and constitution of building societies) is amended as follows.

- (2) In paragraph 1, for “Authority”, in each place, substitute “FCA”.
- (3) In paragraph 4(2), (4) and (7), for “Authority”, in each place, substitute “FCA”.
- (4) In paragraph 9, for “Authority”, in each place, substitute “FCA”.
- (5) In paragraph 10(5), for “Authority” substitute “FCA”.
- (6) In paragraph 10A(2), (3) and (4), for “Authority” substitute “FCA”.
- (7) In paragraph 11, for “Authority”, in each place, substitute “FCA”.
- (8) In paragraph 15—
- (a) for “Authority”, in each place, substitute “FCA”;
- (b) in sub-paragraph (1), for “Part IV” substitute “Part 4A”; and
- (c) after sub-paragraph (3), insert—
- “(3A) The FCA must consult the PRA before giving a direction under sub-paragraph (2).”.
- (9) In paragraph 20, for “Authority”, in each place, substitute “FCA”.
- (10) In paragraph 20A(12), for “Authority” substitute “appropriate authority”.
- (11) In paragraph 30(4), for “Authority” substitute “appropriate authority”.
- (12) After paragraph 30(4), insert—
- “(4A) If the appropriate authority is the PRA, it must consult the FCA before giving a direction under sub-paragraph (5).”.
- (13) In paragraph 31(7), for “Authority” substitute “PRA”.

54.—(1) Schedule 8A(**51**) (transfer directions: modifications of Part 10) is amended as follows.

- (2) For “Authority”, in each place, substitute “appropriate authority”.
- (3) After paragraph 3(2), insert—

(50) Schedule 2 was amended by [S.I. 2001/2617](#) and [S.I. 2003/404](#). There are other amending instruments, but none is relevant.

(51) Schedule 8A was inserted by the Building Societies Act 1997, Schedule 17 and amended by [S.I. 2001/2617](#). There are other amending instruments, but none is relevant.

“(2ZA) The PRA must consult the FCA before requiring any particulars under sub-paragraph (2)(b).”.

(4) After paragraph 9(2), insert—

“(2ZA) The PRA must consult the FCA before requiring any particulars under sub-paragraph (2)(b).”.

55.—(1) Schedule 11(**52**) (auditors) is amended as follows.

(2) In paragraph 3(1)—

(a) for “Authority”, in each place, substitute “appropriate authority”; and

(b) for “give it notice” substitute “give notice to the FCA and, if the society is a PRA-
authorised person, to the PRA”.

(3) In paragraph 4(6)(b), (8) and (9), for “Authority”, in each place, substitute “appropriate
authority”.

(4) In paragraph 6(2), for “Authority” substitute “FCA and, if the society is a PRA-
authorised person, the PRA”.

(5) For paragraph 6A(2)(b), substitute—

“(b) the FCA; and

(c) if the society is a PRA-
authorised person, the PRA.”.

(6) In paragraph 7, for “Authority”—

(a) in sub-paragraph (3)(a), substitute “FCA and, if the society is a PRA-
authorised person, the PRA”; and

(b) in sub-paragraphs (4), (6) and (7), in each place, substitute “appropriate authority”.

(7) In paragraph 8(6)(b), for “Authority”, in each place, substitute “PRA”.

56.—(1) Schedule 14(**53**) (settlement of disputes) is amended as follows.

(2) In paragraph 1(5), for “Authority” substitute “FCA”.

(3) In the heading to paragraph 3, for “Authority” substitute “FCA and PRA”.

(4) In paragraph 3, for “Authority”, in each place, substitute “FCA and, if the society is a PRA-
authorised person, the PRA”.

(5) In paragraph 6—

(a) for “Authority”, in each place, substitute “FCA”; and

(b) after sub-paragraph (2), insert—

“(3) The FCA must consult the PRA before making any such award.”.

57.—(1) Schedule 15(**54**) (application of companies winding up legislation to building societies) is amended as follows.

(2) In paragraph 3(1)(b), for “Financial Services Authority” substitute “Financial Conduct
Authority”.

(3) In paragraph 4, for “Authority”, in each place, substitute “FCA”.

(4) In paragraph 21(3)—

(52) Schedule 11 was amended by [S.I. 2001/2617](#), [S.I. 2003/404](#) and [S.I. 2008/1519](#).

(53) Schedule 14 was amended by [S.I. 2001/2617](#).

(54) Schedule 15 was amended by [S.I. 2001/2617](#). There are other amending instruments, but none is relevant.

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- (a) for “to the Authority” substitute “to the FCA and, if the society is a PRA-authorized person, the PRA”; and
- (b) for “Authority shall” substitute “FCA must”.
- (5) In paragraph 29, for “Authority” substitute “appropriate authority”.
- (6) In paragraph 31, for “Authority” substitute “FCA”.
- (7) In paragraph 32, for “Authority”, in each place, substitute “FCA”.
- (8) In paragraph 48(3)—
 - (a) for “to the Authority” substitute “to the FCA and, if the society is a PRA-authorized person, the PRA”; and
 - (b) for “the Authority shall” substitute “the FCA must”.
- (9) In paragraph 55A, for “Authority” substitute “appropriate authority”.
- (10) In paragraph 55C, for “Authority” substitute “FCA”.
- (11) In paragraph 55D, for “Authority”, in each place, substitute “FCA”.

58.—(1) Schedule 15A(**55**) (application of other companies insolvency legislation to building societies) is amended as follows.

- (2) In paragraph 2(1)(b), for “Financial Services Authority” substitute “Financial Conduct Authority”.
- (3) In paragraph 3(1), for “Authority”, in each place, substitute “FCA”.
- (4) In paragraph 9A, for “Authority”, in each place, substitute “FCA”.
- (5) In paragraphs 10, 11 and 15, for “Authority” substitute “FCA or the PRA”.
- (6) In paragraph 23(1)(a), for “Authority” substitute “FCA, to the PRA”.
- (7) In paragraph 21(1)(a), for “Authority” substitute “Financial Conduct Authority”.
- (8) In paragraph 24, for “Authority”, in each place, substitute “FCA, the PRA”.
- (9) In paragraph 31A—
 - (a) in sub-paragraph (a), for “the Financial Services Authority” substitute “each of the Financial Conduct Authority and the Prudential Regulation Authority”; and
 - (b) in sub-paragraphs (c) and (d), for “Financial Services Authority” substitute “Financial Conduct Authority or the Prudential Regulation Authority”.
- (10) In paragraph 32(1)(a), for “Authority” substitute “FCA or the PRA”.
- (11) In paragraph 33—
 - (a) in sub-paragraph (1)(a), for “Authority” substitute “FCA, by the PRA”; and
 - (b) in sub-paragraph (2), for “Authority” substitute “FCA or, as the case may be, the PRA”.
- (12) In paragraph 37, for “the Authority” substitute “the FCA and the PRA”.
- (13) In paragraph 43, for “Authority” substitute “Financial Conduct Authority”.
- (14) In paragraph 45(1)(a), for “Authority” substitute “FCA, to the PRA”.
- (15) In paragraph 46, for “Authority”, in each place, substitute “FCA, the PRA”.

59.—(1) Schedule 16(**56**) (mergers: supplementary provisions) is amended as follows.

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- (55) Schedule 15A was inserted by the Building Societies Act 1997, Schedule 6 and amended by [S.I. 2001/2617](#). Paragraph 9A was inserted by the Insolvency Act 2000 (c.39), Schedule 2, paragraph 14. Paragraph 31A was inserted by [S.I. 2002/3152](#). There are other amending instruments, but none is relevant.
 - (56) Schedule 16 was amended by [S.I. 2001/2617](#), [S.I. 2003/404](#) and [S.I. 2011/593](#). There are other amending instruments, but none is relevant.

- (2) Except in paragraph 5, for “Authority”, in each place, substitute “appropriate authority”.
- (3) After paragraph 1(4), insert—
 - “(4A) The PRA must consult the FCA before approving a statement under sub-paragraph (3).”.
- (4) In paragraph 5—
 - (a) in sub-paragraph (1), for “Authority” substitute “FCA and, if the society is a PRA-
authorised person, the PRA”; and
 - (b) in sub-paragraph (2), for “Authority shall” substitute “FCA must”.

60.—(1) Schedule 17(**57**) (transfers of business: supplementary provisions) is amended as follows.

- (2) Except as provided in sub-paragraph (4), for “Authority”, in each place, substitute “appropriate authority”.
- (3) After paragraph 4(3), insert—
 - “(4) The PRA must consult the FCA before approving a statement under sub-paragraph (3).”.
- (4) In paragraph 5D—
 - (a) in sub-paragraph (1), for “Authority” substitute “FCA and, if the society is a PRA-
authorised person, the PRA”; and
 - (b) in sub-paragraph (2), for “Authority shall” substitute “FCA must”.

(57) Schedule 17 was amended by [S.I. 2001/2617](#) and [S.I. 2003/404](#). There are other amending instruments, but none is relevant.