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STATUTORY INSTRUMENTS

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**2010 No. 2581**

The Building Society Insolvency  
(England and Wales) Rules 2010

PART 9

THE BUILDING SOCIETY LIQUIDATOR

CHAPTER 2

RESIGNATION AND REMOVAL

**Creditors' meeting to be notified of the building society liquidator's resignation**

**88.**—(1) Apply rule 4.108 of the 1986 Rules(1).

(2) For paragraph (1), substitute—

“(1) Before resigning office, the building society liquidator must obtain the consent of the Bank of England and must call a meeting of creditors to notify them of this.

(1A) The notice summoning the meeting shall indicate that this is the purpose, or one of the purposes, of the meeting and shall draw the attention of the creditors to rule 96 with respect to the building society liquidator's release.

(1B) The notice in paragraph (1A) shall enclose a copy of the Bank of England's consent.”.

(3) For paragraph (2) substitute—

“(2) Copies of the notice and of the account mentioned in paragraph (3) shall be sent to the court, the Bank of England and the FSA.”.

**Action following acceptance of resignation**

**89.**—(1) This rule applies where a meeting is summoned to notify the creditors of the building society liquidator's resignation.

(2) The meeting shall resolve whether to give the building society liquidator their release.

(3) If the meeting resolves not to release the building society liquidator, the building society liquidator shall be given a copy of that resolution and rule 96 applies.

(4) After the meeting the building society liquidator shall file the notice of resignation in court and shall send copies of the notice to the Bank of England and the FSA.

(5) The building society liquidator's resignation is effective as from the date on which the court receives the notice of that resignation, and the court shall endorse that date on the notice.

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(1) Paragraphs (6) and (7) were added by [S.I.1987/1919](#).

### **Advertisement of resignation**

90. Apply rule 4.112 of the 1986 Rules.

### **Meeting of creditors to remove building society liquidator**

91.—(1) Apply rule 4.113 of the 1986 Rules.

(2) In paragraph (1), for “section 174(4)” substitute “section 109 of the Banking Act 2009”.

(3) In paragraph (2), for “official receiver” substitute “Bank of England and the FSA”.

(4) For paragraph (4) substitute—

“(4) Where the meeting passes a resolution that—

- (a) the building society liquidator be removed,
- (b) a new building society liquidator be appointed, or
- (c) the building society liquidator not be given their release,

the building society liquidator shall be given a copy of that resolution and if it has been resolved to remove the building society liquidator, the building society liquidator shall be given a certificate to that effect.”.

(5) For paragraph (5) substitute—

“(5) If the creditors have resolved to appoint a new building society liquidator, the certificate of that appointment shall also be sent to the FSA and rule 4.100 shall apply.”.

### **Court’s power to regulate meetings under rule 89**

92. Apply rule 4.115 of the 1986 Rules. Leave out “or 4.114–CVL”.

### **Procedure on removal**

93.—(1) Apply rule 4.116 of the 1986 Rules.

(2) For “official receiver”, wherever it appears, substitute “out-going building society liquidator”.

(3) For paragraph (3) substitute—

“(3) A copy of the certificate so endorsed shall be sent by the court to the outgoing building society liquidator and to any new building society liquidator appointed.”.

(4) Ignore paragraph (4).

### **Advertisement of removal**

94. Apply rule 4.118 of the 1986 Rules.

### **Removal of building society liquidator by the court**

95.—(1) Apply rule 4.119 of the 1986 Rules(2).

(2) After paragraph (1) insert—

“(1A) If the liquidation committee has not yet passed a full payment resolution, the court shall dismiss any application under paragraph (1) where the application is made by someone other than the Bank of England, the FSA or the liquidation committee.”.

(3) In paragraph (2), for “at least 7 days’ notice” substitute—

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(2) Paragraph 5 of rule 4.119 was amended by [S.I. 2008/737](#).

- “(a) if the application is made before the passing of a full payment resolution, such notice as is reasonable in all the circumstances, and
  - (b) if the application is made after the passing of a full payment resolution, at least 7 days’ notice.”.
- (4) In paragraph (4), leave out “, at least 14 days before the hearing,”.
- (5) After paragraph (4) insert—
- “(4A) The notice and copies mentioned in paragraph (4) shall be sent—
  - (a) if the application is made before the passing of a full payment resolution, within such time so as to give the building society liquidator notice of the hearing as is reasonable in all the circumstances, and
  - (b) if the application is made after the passing of a full payment resolution, at least 14 days before the hearing.”.
- (6) In paragraph (6)—
- (a) in sub-paragraph (a), for “official receiver” substitute “Bank of England and the FSA” and at the end insert “and”, and
  - (b) leave out “and” at the end of sub-paragraph (b), and sub-paragraph (c).

#### **Release of resigning or removed building society liquidator**

- 96.**—(1) Apply rule 4.121 of the 1986 Rules.
- (2) In paragraph (1), for “accepted by” substitute “notified to”.
- (3) For rule 4.109 substitute “rule 89 of the 2010 Rules”.
- (4) In paragraph (3)—
- (a) in sub paragraph (a) for “receive his resignation” substitute “be notified of his resignation”; and
  - (b) leave out “or” at the end of sub-paragraph (a) and at the end of sub-paragraph (b) insert “or” and—
  - “(c) the building society liquidator resigns, and the Bank of England has refused his release.”.
- (5) For paragraph (4) substitute—
- “(4) When the Secretary of State gives the release, he shall certify it accordingly, file the certificate in court and send a copy to the FSA.”.