
STATUTORY RULES OF NORTHERN IRELAND

2014 No. 40

The Building Society Special Administration
Rules (Northern Ireland) 2014

PART 1

Introduction

Interpretation

4.—(1) In these Rules—

“the 1989 Order” means the Insolvency (Northern Ireland) Order 1989;

“the 1991 Rules” means the Insolvency Rules (Northern Ireland) 1991⁽¹⁾ including all amendments to them up to and including those made by the Insolvency (Amendment) Rules (Northern Ireland) 2013⁽²⁾;

“the 2009 Order” means the Building Societies (Insolvency and Special Administration) Order 2009;

“the 2014 Rules” means these Rules;

“an affidavit” means an affidavit as provided for by Article 165 of the 1989 Order;

“the appropriate regulator”, in relation to a building society, means—

(a) if the building society is a PRA-authorized person (within the meaning of the Financial Services and Markets Act 2000), the Prudential Regulation Authority and, where relevant, the Financial Conduct Authority; and

(b) in any other case, the Financial Conduct Authority;

“the Banking Act” means the Banking Act 2009 (and includes those provisions as applied by Part 3 of Schedule 1 to the 2009 Order);

“the Building Societies Act” means the Building Societies Act 1986⁽³⁾;

“building society” means a building society incorporated (or deemed to be incorporated) under the Building Societies Act;

“building society special administration”, “building society special administration order” and “building society special administrator” have the same meaning as in the Building Societies Act (see sections 90C(2) and 119(1) of that Act)⁽⁴⁾;

(1) The Insolvency Rules (Northern Ireland) 1991 (S.R. 1991 No. 364), as amended by S.R. 1994 No. 26, S.R. 1995 No. 291, S.R. 2000 No. 247, S.R. 2002 No. 261, S.R. 2003 No. 549, S.R. 2006 No. 47, S.R. 2008 No. 118, S.R. 2009 No. 404, S.R. 2011 No. 151, S.I. 2004/355 and S.R. 2013 No. 278.

(2) S.R. 2013 No. 278.

(3) 1986 c.53.

(4) Section 90C was inserted, and section 119(1) amended, by S.I. 2009/805.

“business day” means any day other than a Saturday, a Sunday, Christmas Day, Good Friday or a day which is a bank holiday in any part of Northern Ireland under or by virtue of the Banking and Financial Dealings Act 1971⁽⁵⁾;

“contributory”, in relation to a building society—

- (i) means every person liable to contribute to the assets of the society in the event of its being wound up, and
- (ii) for the purposes of all proceedings for determining, and all proceedings prior to the determination of, the persons who are deemed to be contributories, includes any person alleged to be a contributory, and
- (iii) includes persons who are liable to pay or contribute to the payment of any debt or liability of the building society, or any sum for the adjustment of rights of members among themselves, or the expenses of the winding up,

but does not include persons liable to contribute by virtue of a declaration by the court under Article 177 (fraudulent trading) or 178 (wrongful trading) of the 1989 Order;

“the Department” means the Department of Enterprise, Trade and Investment⁽⁶⁾;

“principal office” means—

- (a) the place which is specified in a building society’s memorandum sent to the appropriate regulator under paragraph 1(1)(c) of Schedule 2 to the Building Societies Act as the address of its principal office, or
- (b) if notice has been given by a building society to the appropriate regulator under paragraph 11(2) of that Schedule (change of principal office), the place specified in that notice or, as the case may be, in the last such notice;

“registered name”, in relation to a building society, means the name of the society which is for the time being registered with the appropriate regulator; and

“society”, “special administration”, “special administration order” and “special administrator” mean respectively building society, building society special administration, building society special administration order and building society special administrator;

- (a) (2) (a) the following expressions have the same meaning as in Part 1 or Part 3 of the Banking Act—

- (i) “bridge bank” (s. 136(2)),
- (ii) “the court” (the High Court— s. 166(1)),
- (iii) “the FCA” (the Financial Conduct Authority—s 166(2)),
- (iv) “Objective 1” (support for commercial purchaser or bridge bank— ss. 137 and 138),
- (v) “Objective 1 Achievement Notice” (s. 139(4)),
- (vi) “Objective 2” (normal administration— ss. 137 & 140),
- (vii) “the PRA” (the Prudential Regulation Authority—s 166(2)),
- (viii) “private sector purchaser” (s. 136(2)),
- (ix) “property transfer instrument” (s. 33),
- (x) “residual building society” (s. 136(2))(7),

(5) 1971 c.80.

(6) Formerly the Department of Economic Development, see the Departments (Northern Ireland) Order 1999 (S.I. 1999/283 (N.I. 1)).

(7) In the application of Parts 2 and 3 of the Banking Act 2009 to building societies, references to “bank” (with certain exceptions) have effect as references to “building society”: see section 90C(2) of the Building Societies Act 1986, inserted by S.I. 2009/805.

- (xi) “resolution fund order” (s. 49(3)).
 - (b) any reference to Part 1 of the Banking Act (Special Resolution Regime), or to any provision in that Part, is a reference to that Part or to that provision as applied, with modifications, by section 84 of that Act;
 - (c) any reference to Part 3 of the Banking Act (Bank Administration), or to any provision in that Part, is a reference to that Part or to that provision as applied by section 167 of that Act and as applied and modified by section 90C of the Building Societies Act and by any order made under section 158 of the Banking Act⁽⁸⁾; and
 - (d) any reference to any provision of the Building Societies (Insolvency and Special Administration) Order 2009 is a reference to that provision as applied by Article 17 of that Order.
- (3) Other expressions used in these Rules, where used in relation to building societies, have the same meaning as in the Building Societies Act.

⁽⁸⁾ Section 90C was inserted by [S.I. 2009/805](#), which also modifies the application of Part 3 in relation to building societies. [S.I. 2009/805](#) was modified by [S.I. 2010/1189](#) and [S.I. 2013/496](#).