



Building Societies Act 1997

1997 CHAPTER 32

PART III

ACCOUNTABILITY TO MEMBERS

28 Election of directors: supplementary

(1) For subsections (1) and (2) of section 61 of the 1986 Act (directors: supplementary provisions as to elections etc.) there shall be substituted the following subsections—

“(1) Rules made under section 60(10)(a), in order to comply with this section, must not require—

- (a) in the case of a society whose total commercial assets do not exceed £100 million, more than 10 members;
- (b) in the case of a society whose total commercial assets exceed £100 million but do not exceed £250 million, more than 20 members;
- (c) in the case of a society whose total commercial assets exceed £250 million but do not exceed £1,000 million, more than 30 members;
- (d) in the case of a society whose total commercial assets exceed £1,000 million but do not exceed £5,000 million, more than 40 members; and
- (e) in the case of a society whose total commercial assets exceed £5,000 million, more than 50 members,

to join in nominating a person for election as a director.

(2) Rules under section 60(10)(b), in order to comply with this section, must not require a nominating member—

- (a) to have been a member for more than two years before the date of the nomination; or
- (b) if he claims eligibility as a shareholding member, to hold, or to have held at any time during that period, shares in the society to a value greater than £100; or

Status: This is the original version (as it was originally enacted).

- (c) if he claims eligibility as a borrowing member, to owe to the society, or to have owed to the society at any time during that period, a mortgage debt of an amount greater than £100.”
- (2) For subsection (4) of that section there shall be substituted the following subsections—
 - “(3A) In subsection (1) above “total commercial assets”, in relation to a building society, means the difference between the total assets of the society as shown in the relevant accounts and the aggregate of—
 - (a) the liquid assets of the society as shown in those accounts in pursuance of regulations under section 73(7); and
 - (b) the fixed assets of the society as so shown;and in this subsection “the relevant accounts” means the accounts which, immediately before the closing date for the nomination of candidates, were the accounts last prepared by the society under section 72.
- (4) The Commission may, by order, substitute—
 - (a) for any amount or number specified in subsection (1) above;
 - (b) for any amount specified in subsection (2) above; or
 - (c) for any amount or percentage specified in subsection (3) above, such other amount, number or percentage as it thinks appropriate; and the Commission may, with the consent of the Treasury, by order vary subsection (3A) above by adding to or deleting from it any provision or by varying any provision contained in it.”
- (3) In subsection (7) of that section—
 - (a) for the words from “If” to “nominations” there shall be substituted the words “If, before the closing date for the nomination of candidates, a duly nominated candidate for election as a director of a building society furnishes the society with an election address, or a revised election address, of not more than 500 words”; and
 - (b) in paragraph (a), after the words “the address” there shall be inserted the words “or, as the case may require, the revised address”.
- (4) In subsection (8) of that section—
 - (a) after the words “an address”, in both places where they occur, there shall be inserted the words “or a revised address”; and
 - (b) after the words “the address” there shall be inserted the words “or revised address”.