



Building Societies (Funding) and Mutual Societies (Transfers) Act 2007

2007 CHAPTER 26

2 Power to alter priorities on dissolution and winding up

After section 90A of the Building Societies Act 1986 (c. 53) insert—

“90B Power to alter priorities on dissolution and winding up

- (1) The Treasury may by order make provision for the purpose of ensuring that, on the winding up, or dissolution by consent, of a building society, any assets available for satisfying the society’s liabilities to creditors or to shareholders are applied in satisfying those liabilities *pari passu*.
- (2) Liabilities to creditors do not include—
 - (a) liabilities in respect of subordinated deposits;
 - (b) liabilities in respect of preferential debts;
 - (c) any other category of liability which the Treasury specifies in the order for the purposes of this paragraph.
- (3) Liabilities to shareholders do not include liabilities in respect of deferred shares.
- (4) A preferential debt is a debt which constitutes a preferential debt for the purposes of any of the enactments specified in paragraph 1 of Schedule 15 to this Act (or which would constitute such a debt if the society were being wound up).
- (5) An order under this section may—
 - (a) make amendments of this Act;
 - (b) make different provision for different purposes;
 - (c) make such consequential, supplementary, transitional and saving provision as appears to the Treasury to be necessary or expedient.

Status: This is the original version (as it was originally enacted).

- (6) The power to make an order under this section is exercisable by statutory instrument but no such order may be made unless a draft of it has been laid before and approved by a resolution of each House of Parliament.”.