



# Dormant Bank and Building Society Accounts Act 2008

## 2008 CHAPTER 31

### PART 1

#### TRANSFER OF BALANCES IN DORMANT ACCOUNTS

##### *Shareholding members of building societies*

#### **4 Effect of balance transfer on membership rights**

- (1) This section applies where a person (“the member”) holds a share in a building society represented by an account with the society, and either—
  - (a) a transfer is made to a reclaim fund with the result that section 1 applies in relation to the account, or
  - (b) transfers are made to a reclaim fund and one or more charities with the result that section 2 applies in relation to the account.
- (2) After the transfer or transfers the member is to be treated as having whatever share in the building society the member would have if the transfer or transfers had not happened (and accordingly as having whatever rights, including distribution rights, a holder of that share would have as such).
- (3) In subsection (2) “distribution rights” means rights to any distribution arising as mentioned in section 96 (amalgamation or transfer of engagements) or 100 (transfer of business) of the Building Societies Act 1986.
- (4) Subsection (2) ceases to apply where the balance of the account is paid out following a claim made by virtue of section 1(2)(b) or 2(2)(b).
- (5) But where the balance of the account is paid out following such a claim and, as soon as reasonably practical, the money is—
  - (a) paid back into the account, or

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*Status: Point in time view as at 12/03/2009.*

*Changes to legislation: There are currently no known outstanding effects for the Dormant Bank and Building Society Accounts Act 2008, Section 4. (See end of Document for details)*

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(b) paid into another share account with the building society in the member's name,

subsection (2) continues to apply until the account is credited with the money.

(6) Where, after the transfer or transfers referred to in subsection (1), the building society is succeeded by another building society as a result of an amalgamation or transfer of engagements, a reference in subsection (2) or (5) to the building society is to be read, in relation to any time after the amalgamation or transfer of engagements, as a reference to the successor building society (or to the successor building society of the successor, in relation to any time after a subsequent amalgamation or transfer; and so on).

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**Commencement Information**

**II** S. 4 in force at 12.3.2009 by S.I. 2009/490, art. 2

**Status:**

Point in time view as at 12/03/2009.

**Changes to legislation:**

There are currently no known outstanding effects for the Dormant Bank and Building Society Accounts Act 2008, Section 4.