



Banking Act 2009

2009 CHAPTER 1

PART 1

SPECIAL RESOLUTION REGIME

Building societies, &c.

85 Temporary public ownership

- (1) For the purpose of exercising the third stabilisation option in respect of a building society the Treasury may make one or more orders for the purposes of—
 - (a) arranging for deferred shares of a building society to be publicly owned,
 - (b) cancelling private membership rights in the building society,
 - (c) allowing the building society to continue in business while in public ownership, and
 - (d) eventually either winding up or dissolving the building society.
- (2) For the purpose specified in subsection (1)(a) an order may—
 - (a) arrange for the transfer of existing deferred shares;
 - (b) provide for new deferred shares.
- (3) For the purpose of arranging for the transfer of existing deferred shares an order may—
 - (a) provide for deferred shares to be transferred;
 - (b) make other provision for the purposes of, or in connection with, the transfer of deferred shares (whether or not the transfer has been or is to be effected by the order, by another order under this section or otherwise);
 - (c) relate to all or any specified class or description of deferred shares issued by the building society.
- (4) For the purpose of providing for new deferred shares an order may—
 - (a) issue or allow the Treasury to issue new deferred shares on behalf of the building society;

Status: Point in time view as at 17/02/2009. This version of this provision has been superseded.

Changes to legislation: Banking Act 2009, Section 85 is up to date with all changes known to be in force on or before 15 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (b) specify or allow the Treasury to specify the terms and effect of new deferred shares;
 - (c) specify or allow the Treasury to specify the recipient of new deferred shares.
- (5) For the purpose specified in subsection (1)(b) an order may—
- (a) cancel or permit the cancellation of shares (whether or not deferred) in the building society;
 - (b) confer rights and impose liabilities, or allow them to be conferred and imposed, in place of cancelled shares;
 - (c) prevent the issue or acquisition of shares in or other rights in respect of the building society otherwise than in accordance with the order.
- (6) For the purpose specified in subsection (1)(c) an order may make any provision which the Treasury think desirable to facilitate the business of the building society after the making of provision in accordance with subsections (3) to (5).
- (7) An order in respect of a building society may—
- (a) make provision expressly or impliedly disapplying or modifying the memorandum or rules of the building society;
 - (b) disapply or modify an enactment about, or in its application to, building societies.
- (8) The following sections apply to orders under this section as to share transfer orders: sections 17, 18, 20, 21, 22, 23, 25, 71, 72 and 73.

Commencement Information

II S. 85 in force at 21.2.2009 in so far as not already in force by [S.I. 2009/296](#), arts. 2, 3, [Sch. para. 1](#)

Status:

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