

## **SCHEDULE 1**

### **PRESCRIBED MATTERS FOR TRANSFER STATEMENTS**

#### **Part I**

##### **MATTERS OF WHICH PARTICULARS ARE TO BE INCLUDED IN THE CASE OF ANY TRANSFER**

- 1.** A factual statement of the options for the future conduct of the society's business considered by the society's board in deciding to recommend the transfer to the members and of the reasons why the board recommended the transfer on the terms proposed.
- 2.** The consequences of the transfer—
  - (a) for shareholding members of the society;
  - (b) for borrowing members of the society; and
  - (c) for employees of the society.
- 3.** The name, head office address and principal objects of the successor company.
- 4.** The audited financial position of the society and its connected undertakings at the most recent reasonably practicable date and in any case not more than six months prior to the date of the transfer statement and of any material change in that position since that date.
- 5.** The main features of the financial record of the society and its connected undertakings for each of the last three financial years in respect of which audited information relating to that record has been published.
- 6.** The changes proposed, in consequence of the transfer, in the ownership of the society's connected undertakings.
- 7.** The successor company's authorised and issued share capital and the proposals, if any, for changes therein for the purposes of, or consequent upon, the transfer.
- 8.** The changes following the transfer in the factors relevant to the determination by the successor company, compared with the society, of interest rates and other charges to be paid or charged on retail deposits and loans including, but not limited to, the need for the successor company to provide for dividends to be paid to its shareholders.
- 9.** The future financial prospects of the successor company and of any group to which it belongs.
- 10.** The interest of the directors and other officers of the society in the transfer including their interests in the society and its connected undertakings and interests and prospective interests in the successor company and any member of its group.
- 11.** The compensation or other consideration (if any) proposed to be paid to or in respect of, or to be receivable by or in respect of, the directors and other officers of the society attributable to the transfer.
- 12.** The manner in which the salary, fees, borrowing rights and other benefits of directors and other officers of the society to be appointed to any position by the successor company and any member of its group will be affected by such appointment.
- 13.** The distribution of funds (if any) proposed to be made to members of the society in consideration of the transfer.

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

**14.** Any benefits (whether in the form of a distribution of funds or the conferring of rights in relation to shares in the successor company or otherwise) proposed to be conferred in consideration of, or by reason of, the transfer, on—

- (a) members of the society (not being persons referred to in sub-paragraph (b) below);
- (b) persons receiving benefits by virtue of section 102B of the Act; and
- (c) other persons,

giving for each of those categories—

- (i) the aggregate value of the benefits to be conferred on persons falling within the category; and
- (ii) the percentage which that value represents of the value of all the benefits to be conferred.

**15.** The amount of the society's reserves ascertained as at the most recent reasonably practicable date, and in any case not more than six months prior to the date of the transfer statement.

**16.** The amount of the statutory cash bonus and the conditions for its payment.

**17.** The opinion of the society's auditor, or of some other person who would be qualified to be the auditor of the society pursuant to paragraph 5 of Schedule 11 (Auditors: Appointment, Tenure, Qualifications) to the Act, as to the inclusion in the transfer statement of particulars—

- (a) of the matters particulars whereof are required to be included in the statement by paragraphs 4, 5, 7, 13, 14, 15 and 16 of this Part of this Schedule, and
- (b) in the case of a transfer to an existing company, of the matters particulars whereof are required to be included in the statement by paragraphs 3, 4, 5 and 6 of Part II of this Schedule.

**18.** Whether the person referred to in the foregoing paragraph has given his written consent to the inclusion of particulars of his opinion in the transfer statement in the form and context in which it appears and whether that consent continues to be in effect.

**19.** If any report or opinion (other than the opinion referred to in paragraph 17 above or a report thereof) appears or is referred to in the transfer statement and is attributed to an expert, whether that expert has given his written consent to the inclusion of that report or opinion or particulars thereof in the transfer statement in the form and context in which that report or opinion appears or those particulars appear and whether that consent continues to be in effect.

**20.** Any rights to be conferred on members, officers or employees of the society to acquire or receive shares in the successor company in priority to, or on terms not available to, other investors.

**21.** Any change in the terms on which the investments of members of the society will be held as deposits with the successor company.

**22.** The extent to which any statutory protection scheme that will apply in relation to deposits with the successor company will differ from that applying to investments in the society.

- (a) (a) The extent to which any scheme for handling complaints by customers of the successor company will differ from that applying to complaints by members of the society and customers of the society and its connected undertakings; and
- (b) the arrangements for handling complaints by members of the society and customers of the society and its connected undertakings—
  - (i) made but not resolved by the vesting date; and
  - (ii) made on or after the vesting date in respect of services provided by the society and its connected undertakings prior to the vesting date.

**24.** Any terms of the transfer agreement providing for its termination or providing conditions precedent to the completion of the transfer.

**25.** The amount of the total costs and expenses of the transfer.

**26.** Any adverse effect which the transfer may have, whether by causing a breach of contract or otherwise, on the contractual arrangements of the society with parties other than the successor company.

**27.** The acceptance of responsibility by each of the directors of the society and by each of the directors of the successor company for the content of the transfer statement.

**28.** Where a transfer summary is sent to members the arrangements for members to obtain the transfer statement free of charge and the fact that the transfer summary has not been approved by the Building Societies Commission and that the transfer statement has been approved by the Building Societies Commission.