
STATUTORY INSTRUMENTS

2010 No. 2581

The Building Society Insolvency
(England and Wales) Rules 2010

PART 3

PROVISIONAL BUILDING SOCIETY LIQUIDATOR

Appointment of provisional building society liquidator

20.—(1) An application to the court for the appointment of a provisional building society liquidator under section 135 of the Insolvency Act may be made—

- (a) by the Bank of England,
- (b) by the FSA (with the consent of the Bank of England).

(2) The application must be supported by a witness statement stating—

- (a) the grounds upon which it is proposed that the provisional building society liquidator should be appointed,
- (b) that the person to be appointed has consented to act,
- (c) that the person to be appointed is qualified to act as an insolvency practitioner,
- (d) whether to the applicant's knowledge—
 - (i) there has been proposed or is in force for the building society a voluntary arrangement under Part 1 of the Insolvency Act, or
 - (ii) an administrative receiver is acting in relation to the building society,
- (e) the applicant's estimate of the value of the assets in respect of which the provisional building society liquidator is to be appointed, and
- (f) the functions the applicant wishes to be carried out by the provisional building society liquidator in relation to the building society's affairs.

(3) The court may on the application, if satisfied that sufficient grounds are shown for the appointment, make it on such terms as it thinks fit.

Notice of appointment

21.—(1) Where a provisional building society liquidator has been appointed, the court shall notify the applicant and the person appointed.

(2) Unless the court otherwise directs, on receipt of the notification under paragraph (1), the provisional liquidator shall give notice of that appointment as soon as reasonably practicable. Such notice—

- (a) shall be gazetted, and
- (b) may be advertised in such other manner as the provisional liquidator thinks fit.

Order of appointment

22.—(1) The order of appointment shall specify the functions to be carried out by the provisional building society liquidator in relation to the building society’s affairs.

(2) The court shall, immediately after the order is made, send four sealed copies of the order (or such larger number as the provisional building society liquidator may have requested), to the provisional building society liquidator.

(3) The court shall also, if practicable, immediately send a copy of the order to the provisional building society liquidator electronically.

(4) The provisional building society liquidator shall serve a sealed copy of the order on the building society at its principal office and, where the provisional building society liquidator knows the building society’s email address, shall send an electronic copy to the building society.

(5) The provisional building society liquidator shall send two copies of the order to—

- (a) the Bank of England,
- (b) the FSA,
- (c) the FSCS,
- (d) if there is in force for the building society a voluntary arrangement under Part 1 of the Insolvency Act, the supervisor of that arrangement, and
- (e) if an administrative receiver has been appointed in relation to the building society, that administrative receiver,

in accordance with paragraph (6).

(6) One copy shall be sent electronically as soon as practicable and the other (a sealed copy) shall be sent by first class post on the business day on which the order is served on the building society.

Security

23. Apply rule 4.28 of the 1986 Rules(1).

Failure to give or keep up security

24. Apply rule 4.29 of the 1986 Rules.

Remuneration

25. Apply rule 4.30 of the 1986 Rules. Ignore paragraph (4).

Termination of appointment

26.—(1) Apply rule 4.31 of the 1986 Rules(2).

(2) After paragraph (2) insert—

“(2A) On the making of a building society insolvency order the appointment of the provisional building society liquidator shall terminate.”.

(1) Paragraph (2) was amended by [S.I. 2008/737](#).

(2) Rule 4.31 was amended by [S.I. 1987/1919](#) and [S.I. 2009/642](#).