



Financial Services (Banking Reform) Act 2013

2013 CHAPTER 33

PART 3

BAIL-IN STABILISATION OPTION

17 **Bail-in stabilisation option**

- (1) Schedule 2 (which contains amendments relating to a new stabilisation option in Part 1 of the Banking Act 2009) has effect.
- (2) The Treasury may by order make any provision they consider appropriate in consequence of the application to building societies of the amendments made by this Part.
- (3) An order may, in particular—
 - (a) enable the Bank of England, for the purpose of enabling it to exercise in relation to the business of a building society any of the powers exercisable as a result of the amendments made by this Part—
 - (i) to convert the building society into a company, or
 - (ii) to transfer the business of the building society to a company which immediately before the transfer is owned by the Bank or by a person of a description specified in the order;
 - (b) enable the Bank of England, in connection with the exercise of a power conferred by virtue of paragraph (a), to cancel membership rights or shares in the building society;
 - (c) provide for any power exercisable as a result of the amendments made by this Part to be exercisable in relation to the company—
 - (i) into which the building society is converted, or
 - (ii) to which the business of the building society is transferred;

Changes to legislation: There are currently no known outstanding effects for the Financial Services (Banking Reform) Act 2013, Section 17. (See end of Document for details)

- (d) enable the Bank of England, in a case where it has transferred the business of a building society by virtue of paragraph (a)(ii), to dissolve the building society at any time after the transfer;
 - (e) confer functions on the Treasury, the Bank of England, the FCA, the PRA or a ^{F1}resolution administrator];
 - (f) make further amendments of Part 1 of the Banking Act 2009;
 - (g) amend or modify the effect of the Building Societies Act 1986 or any other enactment to which this subsection applies.
- (4) Subsection (3) applies to any enactment (including a fiscal enactment) passed or made—
- (a) before the passing of this Act, or
 - (b) on or before the last day of the Session in which this Act is passed.
- (5) In this section—
- ^{F2}.....
- “building society” has the same meaning as in section 84 of the Banking Act 2009;
- “company” means a company as defined in section 1(1) of the Companies Act 2006 which is a public company limited by shares.
- [^{F3}“resolution administrator” is to be read in accordance with sections 62B to 62E of the Banking Act 2009.]

Textual Amendments

- F1** Words in s. 17(3)(e) substituted (10.1.2015) by [The Bank Recovery and Resolution \(No. 2\) Order 2014 \(S.I. 2014/3348\)](#), art. 1(2), **Sch. 3 para. 6(a)**
- F2** S. 17(5) definition of “bail-in administrator” omitted (10.1.2015) by virtue of [The Bank Recovery and Resolution \(No. 2\) Order 2014 \(S.I. 2014/3348\)](#), art. 1(2), **Sch. 3 para. 6(b)(i)**
- F3** S. 17(5) definition of “resolution administrator” inserted (10.1.2015) by [The Bank Recovery and Resolution \(No. 2\) Order 2014 \(S.I. 2014/3348\)](#), art. 1(2), **Sch. 3 para. 6(b)(ii)**
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Commencement Information

- I1** S. 17 in force at 1.3.2014 for specified purposes by [S.I. 2014/377](#), art. 2(1)(b), **Sch. Pt. 2**
- I2** S. 17 in force at 31.12.2014 in so far as not already in force by [S.I. 2014/3160](#), **art. 2(1)(b)**

Changes to legislation:

There are currently no known outstanding effects for the Financial Services (Banking Reform) Act 2013, Section 17.