



## SCHEDULES

### SCHEDULE 1

#### Application of the Financial Services and Markets Act 2000 (c.8) to transferred functions

##### *Interpretation*

1. In this Schedule—

- (a) “the 2000 Act” means the Financial Services and Markets Act 2000;
- (b) “the FCA” means the Financial Conduct Authority;
- (c) “functions transferred by this Order” includes, in relation to any time before commencement, such functions as they are to be transferred with effect from commencement;
- (d) “mutuals expenditure” means expenditure of the FCA or the PRA incurred—
  - (i) in carrying out functions transferred by this Order, or for any purpose incidental to the carrying out of those functions, or
  - (ii) in repaying the principal of, or paying any interest on, any money which it has borrowed and which has been used for the purpose of meeting expenses incurred in relation to its assumption of functions transferred by this Order;
- (e) “the mutuals legislation” means the legislation listed in section [47(2)] of the Financial Services Act 201\*;
- (f) “the PRA” means the Prudential Regulation Authority; and
- (g) any reference to a section or Schedule is a reference to that section of or Schedule to the 2000 Act.

##### *General*

2.—(1) For the purposes of the provisions specified in sub-paragraph (2), functions transferred by this Order are to be treated as functions conferred on the FCA under a provision of the 2000 Act.

(2) The provisions are—

- (a) section 1A(3) and Schedule 1ZA (which make general provision in relation to the FCA and its functions);
- (b) section 1S (reviews);
- (c) section 3D (duty of FCA and PRA to ensure co-ordinated exercise of functions);
- (d) section 3E (memorandum of understanding);
- (e) sections 3I to 3K (power of PRA to restrain proposed action by FCA);
- (f) section 139A (power of the FCA to give guidance); and
- (g) section 415 (jurisdiction in civil proceedings).

(3) For the purpose of sub-paragraph (2)(e), section 3I is to be treated as if —

- (a) the references in subsection (2) of that section to regulatory powers were references to the functions transferred by this Order; and
- (b) subsections (2)(b) and (3) of that section were omitted.

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**3.—**(1) For the purposes of the provisions specified in sub-paragraph (2), functions transferred by this Order are to be treated as functions conferred on the PRA under a provision of the 2000 Act.

(2) The provisions are—

- (a) section 2A(3) and schedule 1ZB (which make general provision in relation to the PRA and its functions);
- (b) sections 2B to 2I (the PRA’s general duties);
- (c) section 2M (reviews);
- (d) sections 3D (duty of FCA and PRA to ensure co-ordinated exercise of functions);
- (e) section 3E (memorandum of understanding); and
- (f) sections 3I to 3K (power of PRA to restrain proposed action by FCA).

(3) For the purpose of sub-paragraph (2)(f), section 3I is to be treated as if —

- (a) the references in subsection (2) of that section to regulatory powers were references to the functions transferred by this Order; and
- (b) subsections (2)(b) and (3) of that section were omitted.

**4.—**(1) The FCA must maintain arrangements designed to enable it to determine whether persons are complying with requirements imposed on them by or under the mutuals legislation.

(2) For the purposes of mutuals expenditure, the arrangements under paragraph (1) are to be treated as a function transferred by this Order.

*Rules relating to fees*

**5.—**(1) This paragraph applies where the FCA makes (or proposes to make) rules under paragraph 20 of Schedule 1ZA which require the payment to the FCA of fees which relate in whole or in part to mutuals expenditure.

(2) In the application of paragraph 20 of Schedule 1ZA to the rules, the reference to fees and charges provided for by any other provision of the 2000 Act includes a reference to fees and charges provided for by any provision of the mutuals legislation

(3) To the extent that the fees relate to mutuals expenditure—

- (a) section 138I(2)(d) (requirement for draft rules to be accompanied by an explanation of the FCA’s reasons for believing that making the proposed rules is compatible with section 1B(1)) does not apply in relation to the rules; and
- (b) the rules are not to be treated as regulating provisions for the purposes of section 140A(1) (interpretation of Chapter 4 of Part 9A (competition scrutiny)).

**6.—**(1) This paragraph applies where the PRA makes (or proposes to make) rules under paragraph 28 of Schedule 1ZB which require the payment to the PRA of fees which relate in whole or in part to mutuals expenditure.

(2) In the application of paragraph 28 of Schedule 1ZB to the rules, the reference to fees and charges provided for by any other provision of the 2000 Act includes a reference to fees and charges provided for by any provision of the mutuals legislation.

(3) To the extent that the fees relate to mutuals expenditure, the rules are not to be treated as regulating provisions for the purposes of section 140A(1) (interpretation of Chapter 4 of Part 9A (competition scrutiny)).

*Guidance*

**7.** For the purposes of sections 139A(3) and 139B(5) (FCA power to issue guidance), guidance given to building societies, friendly societies and industrial and provident societies generally or to a class of such societies is to be treated as if given to FCA-regulated persons generally or to a class of FCA-regulated persons, whether or not those societies would otherwise be “FCA-regulated persons” within the meaning of those sections.

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**8.**—(1) This paragraph applies where guidance is given by the FCA under section 139A on the operation of a rule of the kind mentioned in paragraph 6 above.

(2) To the extent that the fees required to be paid by the rule relate to mutuals expenditure, the guidance is not to be treated as regulating provisions for the purposes of section 140A(1) (interpretation of Chapter 4 of Part 9A (competition scrutiny)).

**9.**—(1) This paragraph applies where general guidance is given by the FCA under section 139A with respect to any matter relating to functions transferred by this Order, or with respect to any provision of or made under the mutuals legislation, unless paragraph 8 above applies.

(2) The guidance is not to be treated as regulating provisions for the purposes of section 140A(1) (interpretation of Chapter 4 of Part 9A (competition scrutiny)).

## SCHEDULE 2

### Amendments of the Industrial and Provident Societies Act 1965 (c.12)

**1.** The Industrial and Provident Societies Act 1965 is amended as follows.

**2.**—(1) In the provisions listed in paragraph (2)—

- (a) for “Authority”, in each place, substitute “FCA”; and
- (b) for “Authority’s”, in each place, substitute “FCA’s”.

(2) The provisions are—

- (a) section 1 (societies which may be registered);
- (b) section 2 (registration of society);
- (c) section 5 (name of society);
- (d) section 7A(7) (capacity of society not limited by its rules);
- (e) section 10 (amendment of registered rules);
- (f) section 16 (cancellation of registration of society);
- (g) section 17 (suspension of registration);
- (h) section 18 (appeal from refusal, cancellation or suspension or registration of society or rules);
- (i) section 39 (annual return);
- (j) section 39B (year of account (new registration))(a);
- (k) section 43 (duties of receiver or manager of society’s property);
- (l) section 50(4) (amalgamation of societies);
- (m) section 52 (conversion into, amalgamation with, or transfer of engagements to company);
- (n) section 53 (conversion of company into registered society);
- (o) section 59 (restriction on dissolution or cancellation of registration of society);
- (p) section 72 (form, deposit and evidence of documents);
- (q) section 74(2) (seal); and
- (r) section 76 (Northern Ireland societies).

**3.** —(1) Section 16 (cancellation of registration of society) is amended as follows.

(2) After subsection (1A), insert—

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“(1B) The FCA must consult the PRA before cancelling the registration of a registered society which is a PRA-authorised person.”.

(3) After subsection (4), insert—

“(4A) The FCA must consult the PRA before issuing directions under subsection (4) to a registered society which is a PRA-authorised person.”.

4. After section 17(5) (suspension of registration of society), insert—

“(5A) The FCA must consult the PRA before suspending the registration of a registered society which is a PRA-authorised person.”.

5. After section 39(4) (annual return), insert—

“(4A) Where the registered society is a PRA-authorised person, the society must send to the PRA a copy of the return and any documents required to be sent with it at the same time as the society sends that return and those documents to the FCA.”.

6.—(1) Section 43 (duties of receiver or manager of society’s property) is amended as follows.

(2) In paragraph (a), before “of his appointment” insert “and, where the society is a PRA-authorised person, the PRA”.

(3) In paragraph (b), before “a return” insert “and, where the society is a PRA-authorised person, the PRA”.

(4) In paragraph (c), before “a return” insert “and, where the society is a PRA-authorised person, the PRA”.

7. In section 44(4) (register of members and officers), for “Authority” substitute “relevant authority”.

8.—(1) Section 47 (inspection of books) is amended as follows.

(2) For “Authority”, in each place, substitute “prudential regulator”.

(3) In the heading, for “**registrar**” substitute “**prudential regulator**”.

9.—(1) Section 48 (production of documents and information) is amended as follows.

(2) In subsection (1), for “Authority”—

(a) in the first place, substitute “relevant authority”; and

(b) in each other place, substitute “that authority”.

(3) In subsection (3), for “Authority”—

(a) in the first place, substitute “relevant authority”; and

(b) in the second place, substitute “that authority”.

10. In section 49 (appointment of inspectors and calling of special meetings), for “Authority”, in each place, substitute “relevant authority”.

11. After section 50(5) (amalgamation of societies), insert—

“(6) Where one or more of the registered societies is a PRA-authorised person, the FCA must send a copy of the special resolution to the PRA.”.

12. In section 51(2) (transfer of engagements between societies), for “(5)” substitute “(6)”.

13. In section 52(3B) (conversion into, amalgamation with, or transfer of engagements to company)—

(a) for “and (5)” substitute “to (6)”; and

(b) after “of this section”, insert “and as if in subsection (6) of that section for “Where one or more of the registered societies is” there were substituted “Where the registered society is”.

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- 14.**—(1) Section 55 (dissolution of society) is amended as follows.
- (2) In subsection (1)(b)(iii), for “Authority” substitute “prudential regulator”.
- (3) In subsection (1B)
- (a) for paragraph (a)(a), substitute—
- “(a) fees paid to the FCA;
- (aa) fees paid to the PRA;”;
- (b) for “Authority” substitute “FCA”.
- (4) In subsection (1C), for “Authority”, in each place, substitute “prudential regulator”.
- (5) In subsection (2)(a), for “Authority” substitute “FCA”.
- (6) In subsection (3), for “the Authority” substitute “the FCA and, where the registered society is a PRA-authorised person, the PRA”.

- 15.**—(1) Section 56 (power to petition for winding up) is amended as follows.
- (2) Number the existing provision as subsection (1).
- (3) In that subsection, for “the Authority”, in each place, substitute “the relevant authority”.
- (4) After that subsection, insert—
- “(2) The FCA must consult the PRA before presenting a petition under subsection (1).
- (3) The PRA must consult the FCA before presenting a petition under subsection (1).”.
- (5) In the heading, for “**registrar**” substitute “**relevant authority**”.

- 16.**—(1) Section 58 (instrument of dissolution) is amended as follows.
- (2) In subsection (2)(d), for “the Authority” substitute “the FCA or the PRA”.
- (3) In subsection (4), for “the Authority”, substitute “the FCA and, where the society is a PRA-authorised person, the PRA”.
- (4) In subsection (5), for “the Authority” substitute “the FCA”.
- (5) In subsection (5A), for “the Authority” substitute “the prudential regulator”.
- (6) In subsection (5B), for “the Authority”, substitute “the FCA and, where the society is a PRA-authorised person, the PRA”.
- (7) In subsection (5C), for “the Authority” substitute “the FCA”.
- (8) In subsection (6), for “the Authority” substitute “the FCA”.

**17.** In section 60(2A) (decision of disputes), for “Authority” substitute “FCA or the PRA”.

**18.** In section 61(1)(b) (general offences by societies), for “Authority” substitute “FCA or the PRA”.

- 19.**—(1) Section 66 (institution of proceedings) is amended as follows.
- (2) In subsection (1), for “Authority”, in each place, substitute “FCA”.
- (3) After subsection (1)(b), insert—
- “(ba) in the case of proceedings by virtue of section 48 in respect of a failure to comply with the requirements of a notice served by the PRA under subsection (1) of that section—
- (i) the FCA, after notifying the PRA; or
- (ii) the PRA, after notifying the FCA;
- (bb) in the case of proceedings by virtue of section 61 in respect of neglect or a failure to do any act, or furnish any information, required by the PRA—

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- (i) the FCA, after notifying the PRA; or
  - (ii) the PRA, after notifying the FCA;”.
- (4) In subsection (2), for “Authority”, in each place, substitute “FCA, the PRA”.
- 20.** In section 67(1) (recovery of costs), for “Authority” substitute “relevant authority”.
- 21.** In section 70A (fees for inspection or copying of documents), for “Authority” substitute “FCA or the PRA”.
- 22.** After section 72(4) (form, deposit and evidence of documents), insert—
  - “(5) The FCA must consult the PRA before issuing a direction which relates to a return or document a copy of which is required to be sent to the PRA.”.
- 23.—**(1) Section 72A (form etc of electronic documents) is amended as follows.
  - (2) In subsection (1)—
    - (a) for “The Authority” substitute “Each of the FCA and the PRA”; and
    - (b) for “to the Authority” substitute “to it”.
  - (3) In subsection (2)—
    - (a) for “to the Authority” substitute “to it”; and
    - (b) for “the Authority may” substitute “each of the FCA and the PRA may”.
  - (4) In subsection (3), for “the Authority” substitute “each of the FCA and the PRA”.
  - (5) In subsection (4), for “the Authority” substitute “the FCA or the PRA”.
- 24.—**(1) Section 74 (interpretation) is amended as follows.
  - (2) In subsection (1)—
    - (a) omit the definition of “the Authority”;
    - (b) at the appropriate place, insert—
      - ““the FCA” means the Financial Conduct Authority;”;
    - (c) at the appropriate place, insert—
      - ““the PRA” means the Prudential Regulation Authority;”;
    - (d) at the appropriate place, insert—
      - ““PRA-authorized person” has the meaning in section 2B of the Financial Services and Markets Act 2000;”
    - (e) at the appropriate place, insert—
      - ““the prudential regulator” means—
        - (a) in relation to a society which is a PRA-authorized person, the PRA; and
        - (b) in relation to a society which is not a PRA-authorized person, the FCA;” and
    - (f) at the appropriate place, insert—
      - ““the relevant authority” means—
        - (a) in relation to a society which is a PRA-authorized person, the FCA or the PRA;  
and
        - (b) in relation to a society which is not a PRA-authorized person, the FCA;”.

### SCHEDULE 3

#### Amendments of the Industrial and Provident Societies Act 1967 (c.48)

1. The Industrial and Provident Societies Act 1967<sup>(a)</sup> is amended as follows.
- 2.—(1) In the provisions listed in paragraph (2), for “Authority”, in each place, substitute “FCA”.  
(2) The provisions are—
  - (a) section 1 (charges on assets of English and Welsh societies)”;
  - (b) section 3 (applications to registered societies in Scotland of provisions relating to floating charges);
  - (c) section 4 (filing of information relating to charges); and
  - (d) section 5 (supplemental provisions).
- 3.—(1) Section 1 (charges on assets of English and Welsh societies) is amended as follows.  
(2) In subsection (2)(b), for “paragraph 17 of Schedule 1” substitute “paragraph 23 of Schedule 1ZA”.  
(3) After subsection (4), insert—

“(4A) The FCA must consult the PRA before giving a direction under subsection (4) to a society which is a PRA-authorized person.”.
4. In section 4 (filing of information relating to charges), for “paragraph 17 of Schedule 1”, in each place, substitute “paragraph 20 of Schedule 1ZA”.
5. In section 7, for ““the Authority”” substitute ““the FCA””.

### SCHEDULE 4

#### Amendments of the Friendly and Industrial and Provident Societies Act 1968 (c.55)

1. The Friendly and Industrial and Provident Societies Act 1968 is amended as follows.
2. In subsection 3A(11) (publication of accounts and balance sheets of societies), for “Authority” substitute “relevant authority”.
3. In subsection 4 (obligation to appoint auditors), for “Authority”, in each place, substitute “prudential regulator (within the meaning of the Industrial and Provident Societies Act 1965)”.
4. In subsection 4A (power of societies to disapply section 4), for “Authority”, in each place, substitute “prudential regulator (within the meaning of the Industrial and Provident Societies Act 1965)”.
- 5.—(1) Section 9C (power to require accounts for past years to be audited) is amended as follows.  
(2) For “Authority”, in each place, substitute “prudential regulator (within the meaning of the Industrial and Provident Societies Act 1965)”.
- (3) In the heading, for “**Registrar’s power**” substitute “**Power**”.
- 6.—(1) Section 11 (amendments relating to annual returns of societies) is amended as follows.

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(a) 1967 c.48.

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(2) In subsection (1), omit “to the Authority”.

(3) In subsection (3), for “Authority” substitute “FCA”.

**7.** In section 12 (consequential amendment of rules by societies), for “Authority” substitute “FCA”.

**8.—**(1) Section 13 (group accounts of industrial and provident societies) is amended as follows.

(2) In subsection (4), for “Authority” substitute “FCA”.

(3) In subsection (6), for “Authority” substitute “FCA and, where the society is a PRA-authorised person, the PRA”.

(4) In subsection (7), for “Authority” substitute “FCA”.

**9.—**(1) Section 14 (exemptions from requirements in respect of group accounts) is amended as follows.

(2) For “Authority”, in each place, substitute “FCA”.

(3) After subsection (4), insert—

“(5) Where the society is a PRA-authorised person, the FCA must not give an approval under this section unless it has consulted the PRA.”.

**10.** In the heading of section 14A, omit “sent to the Authority”.

**11.** In section 18 (offences), for “Authority” substitute “FCA or the PRA”.

**12.** In section 21(1) (interpretation), in the definition of “annual return”, omit “to the Authority”.

## SCHEDULE 5

### Amendments of the Friendly Societies Act 1974 (c.46)

**1.** The Friendly Societies Act 1974(a) is amended as follows.

**2.—**(1) In the provisions specified in sub-paragraph (2)—

(a) for “Authority”, in each place, substitute “FCA”; and

(b) for “Authority’s”, in each place, substitute “FCA’s”.

(2) The provisions are—

(a) section 12(1) (establishment of new branches);

(b) section 15A(1) (acknowledgement of registration and rules of new branch);

(c) section 16 (appeals from refusal to register);

(d) section 18 (registration of amendments of rules of society or branch);

(e) section 19 (acknowledgement of registration of amendment of rules);

(f) section 20 (appeals from refusal to register amendment of rule);

(g) section 24 (trustees of registered societies and branches);

(h) section 30A(11) (general provision as to accounts and balance sheets);

(i) section 55(1) (power of the Public Trustee to hold securities of certain friendly societies and branches);

(j) section 81(1) (power to change name);

(k) section 82(5) (amalgamation and transfer of engagements);

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(a) 1974 c.46.

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- (l) section 84(3) and (4) (conversion of registered societies into companies);
- (m) section 84A(6) (conversion of registered societies into industrial and provident societies);
- (n) section 86(3) and (4) (meaning and registration of special resolutions);
- (o) section 99(6) (punishment of fraud etc and recovery of property misapplied);
- (p) section 104A (fees for inspection or copying of documents)
- (q) section 101 (prosecution of offences, recovery of costs or expenses);
- (r) section 110 (evidence and deposit of documents); and
- (s) section 111(3) (seal).

**3.** In section 32 (audit of exempt societies and branches), for “Authority”, in each place, substitute “prudential regulator”.

**4.** In section 32A(4) and (5) (power of societies to disapply section 31 (obligation to appoint auditors)) , for “Authority”, in each place, substitute “prudential regulator”.

**5.**—(1) Section 39C (power to require accounts of past years to be audited) is amended as follows.

(2) In subsection (1), for “Authority”—

- (a) in the opening words of that subsection, substitute “prudential regulator”; and
- (b) in paragraph (b), in each place, substitute “FCA and, where the registered society or branch is a PRA-authorised person, the PRA”.

(3) In subsection (2), for “Authority” substitute “prudential regulator”.

(4) In the heading, for “**Authority’s power**” substitute “**Power of prudential regulator**”.

**6.**—(1) Section 41 (valuations) is amended as follows.

(2) In subsection (1)—

- (a) in paragraph (b), for “the Authority” substitute “the FCA and, where the registered society or branch is a PRA-authorised person, the PRA”; and
- (b) in the closing words of that subsection, for “the Authority” substitute “the prudential regulator”.

(3) In subsection (3)—

- (a) in the opening words of that subsection, omit “to the Authority”; and
- (b) in paragraph (b), for “the Authority” substitute “the prudential regulator”.

(4) In subsection (5), for “the Authority” substitute “the prudential regulator”.

(5) In subsection (6)—

- (a) in the opening words of that subsection—
  - (i) for “Authority”, substitute “prudential regulator”; and
  - (ii) for “Authority’s”, substitute “its”; and
- (b) in paragraph (b), omit “to the Authority”.

**7.**—(1) Section 42 (regulations and directions relating to valuations) is amended as follows.

(2) In subsection (2), for “the Authority”, in each place, substitute “the FCA and, where the registered society or branch is a PRA-authorised person, the PRA”.

(3) In subsection (4)—

- (a) in the opening words of that subsection, for “the Authority”, in each place, substitute “the prudential regulator”; and
- (b) in paragraph (b), for “the Authority”, in each place, substitute “the FCA and, where the registered society or branch is a PRA-authorised person, the PRA”.

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(4) In subsection (5), for “the Authority” substitute “the prudential regulator”.

**8.**—(1) Section 43 (annual return) is amended as follows.

(2) For “the Authority”, in each place, substitute “the FCA”.

(3) After subsection (6), insert—

“(7) Where the registered society or branch is a PRA-authorized person, it shall send to the PRA a copy of the annual return sent to the FCA under subsection (1).”.

**9.** In section 65A(7) (group insurance business), for “Authority” substitute “FCA or the PRA”.

**10.** In section 76(3C) (decision of disputes generally), for “Authority” substitute “FCA or the PRA”.

**11.**—(1) Section 85 (conversion of society into branch) is amended as follows.

(2) In subsections (3) and (4), for “the Authority”, in each place, substitute “the FCA”.

(3) After subsection (4), insert—

“(4A) Before making a finding under subsection (4) in relation to a society which is a PRA-authorized person, the FCA must consult the PRA.”.

**12.**—(1) Section 87 (power to apply for winding up of registered friendly societies) is amended as follows.

(2) In subsection (1), for “the Authority”—

(a) in the first place, substitute “the relevant authority”; and

(b) in the second place, substitute “the FCA, after consulting the PRA, or the PRA, after consulting the FCA,”.

(3) After subsection (2), insert—

“(3) Subsection (1) does not require the FCA to consult the PRA where the society in question is not a PRA-authorized person.

(4) The PRA may only present a petition under subsection (1) in respect of a society which is a PRA-authorized person.”.

(4) In the heading, for “**Authority**” substitute “**FCA and of PRA**”.

**13.** In section 90 (appointment of inspectors and calling of special meetings), for “the Authority”, in each place, substitute “the relevant authority”.

**14.** In section 91 (cancellation and suspension of registration)—

(a) for “the Authority”, in the first place, substitute “the FCA, having consulted the PRA where the society is a PRA-authorized person,”, and

(b) for “the Authority”, in each other place, substitute “the FCA”.

**15.** In section 93(1)(c) (dissolution of societies and branches, for “the Authority” substitute “the FCA or the PRA”.

**16.**—(1) Section 94 (instrument of dissolution) is amended as follows.

(2) In subsection (2)(d), for “the Authority” substitute “the FCA or the PRA”.

(3) In subsection (4), for “the Authority” substitute “the FCA”.

(4) After subsection (4), insert—

“(4A) Where the society or branch is a PRA-authorized person, a copy of the instrument and declaration sent to the FCA under paragraph (4) shall be sent to the PRA.”.

(5) In subsection (7), for “the Authority” substitute “the FCA”.

**17.**—(1) Section 95 (dissolution by award) is amended as follows.

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(2) In subsections (1), (3), (4) and (6), for “the Authority”, in each place, substitute “the prudential regulator”.

(3) After subsection (3), insert—

“(3A) The PRA must consult the FCA before making an award or a direction under subsection (3).”.

**18.**—(1) Section 95A (dissolution of registered friendly societies and branches by award) is amended as follows.

(2) In subsections (1), (2) and (4), for “the Authority”, in each place, substitute “the prudential regulator”.

(3) After subsection (1), insert—

“(1A) The PRA must consult the FCA before making an award or a direction under subsection (1).”.

**19.** In section 97 (notice of proceedings or order to set aside dissolution of society or branch), for “the Authority” in each place substitute “the FCA and, where the society or branch is a PRA-authorised person, the PRA”.

**20.** In section 98(1)(b) and (7) (offences), for “the Authority” in each place substitute “the relevant authority”.

**21.** (1) Section 101 (prosecution of offences, recovery of costs or expenses) is amended as follows.

(2) After subsection (1A), insert—

“(1B) Summary proceedings for an offence under a provision listed in subsection (1C) may also be commenced by the PRA, in the circumstances specified in that subsection in relation to that provision, after notifying the FCA.

(1C) The provisions and the circumstances are—

- (a) section 32 (audit of exempt societies and branches), where the failure referred to in subsection (4) of that section is a failure to comply with a direction given by the PRA under subsection (2) of that section;
- (b) section 39C (power to require accounts of past years to be audited), where the failure referred to in subsection (2) of that section is a failure to comply with a direction given by the PRA under subsection (1) of that section; and
- (c) section 98 (laying and furnishing accounts), where the neglect or refusal referred to in subsection (1)(b) of that section relates to an act or information required by the PRA.”.

(3) In subsection (2), for “Authority” substitute “FCA or the PRA”.

**22.**—(1) Section 109 (regulations) is amended as follows.

(2) In subsection (1)(b), for “the Authority” substitute “the FCA”.

(3) In subsection (1)(c), for “the Authority” substitute “the FCA and of the PRA”.

(4) In subsection (1)(d), for “the Authority” substitute “the FCA”.

**23.**—(1) Section 111 (interpretation) is amended as follows.

(2) In subsection (1)—

(a) omit the definition of “the Authority”;

(b) at the appropriate place, insert—

““the FCA” means the Financial Conduct Authority;”;

(c) at the appropriate place, insert—

““the PRA” means the Prudential Regulation Authority;”;

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- (d) at the appropriate place, insert—
  - ““PRA-authorized person” has the meaning in section 2B of the Financial Services and Markets Act 2000;”;
- (e) at the appropriate place, insert—
  - ““the prudential regulator” means—
    - (a) in relation to a society which is a PRA-authorized person, the PRA; and
    - (b) in relation to a society which is not a PRA-authorized person, the FCA;”;
- (f) at the appropriate place, insert—
  - ““the relevant authority” means—
    - (a) in relation to a society which is a PRA-authorized person, the FCA or the PRA;  
and
    - (b) in relation to a society which is not a PRA-authorized person, the FCA;”.

**24.** In paragraph 7 of Schedule 2 (matters to be provided for by the rules of societies registered under this Act), for “Authority” substitute “FCA”.

**25.** In paragraph 15 of Schedule 2, for “Authority” substitute “FCA”.

## SCHEDULE 6

### Amendments of the Credit Unions Act 1979 (c.34)

**1.** The Credit Unions Act 1979(a) is amended as follows.

**2.**—(1) Section 1 (registration under the Industrial and Provident Societies Act 1965) is amended as follows.

(2) In subsection (1)—

- (a) in paragraph (a), for “Authority” substitute “FCA”;
- (b) in paragraph (d), for “to the Authority for Part IV permission under section 40” substitute “for permission under Part 4A”;
- (c) at end of paragraph (d), omit “and”; and
- (d) for paragraph (e), substitute—
  - “(e) the FCA is satisfied that, once registered under the 1965 Act, the society will satisfy, and continue to satisfy, the threshold conditions (within the meaning of section 55B(1) of the 2000 Act) for which the FCA is responsible in relation to the regulated activity of accepting deposits;
  - (f) the PRA is satisfied that, once registered under the 1965 Act, the society will satisfy, and continue to satisfy, the threshold conditions (within the meaning of section 55B(1) of the 2000 Act) for which the PRA is responsible in relation to the regulated activity of accepting deposits; and
  - (g) where the PRA is responsible for such threshold conditions, it has confirmed to the FCA that it is so satisfied.”.

(3) For subsections (1A) and (1B), substitute—

“(1A) The FCA must not issue an acknowledgement of registration under section 2(3) of the 1965 Act to a credit union unless the appropriate regulator (within the meaning of section 55A of the 2000 Act) proposes to give that society permission under Part 4A of the 2000 Act to accept deposits.

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(a) 1979 c.34.

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(1B) If the FCA issues an acknowledgement of registration to a credit union under that section, the appropriate regulator (within the meaning of section 55A of the 2000 Act) must determine any outstanding application of that credit union for permission under Part 4A of the 2000 Act to accept deposits as soon as reasonable possible thereafter.”.

**3.** In section 1A(2)(e) (common bonds appropriate to a credit union)(a), for “Authority” substitute “FCA”.

**4.** In section 1B(4) (further requirements where common bond relates to locality)(b), for “Authority” substitute “FCA”.

**5.**—(1) Section (3) (use of name “credit union” etc) is amended as follows.

(2) In subsection (3)(b), for “Authority” substitute “FCA”.

(3) In subsection (3A)(a), for “Part IV permission under the 2000 Act” substitute “permission under Part 4A of the 2000 Act”.

**6.**—(1) Section 4 (rules) is amended as follows.

(2) In subsection (1), for “Authority”, in each place, substitute “FCA”.

(3) After subsection (1), insert—

“(1A) The FCA must consult the PRA before determining any provision under subsection (1)(b) which relate to credit unions which are PRA-authorised persons.”.

**7.** In section 7A (power to issue interest-bearing shares)(c), for “Authority”, in each place, substitute “prudential regulator”.

**8.** In section 16(3) (guarantee funds), for “Authority”, in each place, substitute “prudential regulator”.

**9.** In the cross-heading above section 17, for “*registrar*” substitute “*FCA and PRA*”.

**10.** In section 17 (power to require information)—

(a) for “Authority” substitute “relevant authority”; and

(b) for “its” in each place substitute “their”.

**11.**—(1) Section 18 (power to appoint inspector and call meeting) is amended as follows.

(2) In subsection (1), for “Authority” substitute “relevant authority”.

(3) In subsection (2), for “Authority” substitute “body appointing the inspector”.

(4) After subsection (3), insert—

“(4) The FCA and the PRA must each notify the other before appointing an inspector or calling a meeting under subsection (1) in relation to a society which is a PRA-authorised person.”.

**12.**—(1) Section 20 (cancellation or suspension of registration and petition for winding up) is amended as follows.

(2) For subsections (1A) and (1B), substitute—

“(1A) The FCA may also exercise the power to cancel the registration of a credit union under section 16 of the 1965 Act where the credit union’s permission under Part 4A of the 2000 Act has been cancelled or where the credit union has received a warning notice under section 55Z of the 2000 Act.

(1B) The FCA must not cancel the registration of a credit union under section 16 of the 1965 Act by virtue of subsection (1A) unless the credit union’s permission under Part 4A of

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(a) S.I. 2011/2687.

(b) S.I. 2011/2687.

(c) S.I. 2011/2687.

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the 2000 Act has been cancelled and there is no possibility (or no further possibility) of the decision to cancel the permission being reversed or varied.”.

(3) In subsection (1D), for “Authority” substitute “FCA”.

(4) After subsection (1D), insert—

“(1E) Where the credit union is a PRA-authorized person, the FCA must consult the PRA before cancelling the registration of the credit union by virtue of subsection (1A).”.

(5) In subsection (2), for “Authority”, in each place, substitute “relevant authority”.

**13.**—(1) Section 21 (amalgamations and transfers of engagements) is amended as follows.

(2) In subsection (3)—

(a) for “Authority” substitute “FCA”; and

(b) for “in its opinion” substitute “in the opinion of the prudential regulator”.

(3) After subsection (3), insert—

“(3A) Where the credit union is a PRA-authorized person, the PRA must consult the FCA before determining its opinion in subsection (3).

(3B) For the purposes of subsection (3), sections 1A(5) and 1B(4) apply as if references in those provisions to the FCA were references to the PRA.”.

**14.**—(1) Section 23 (conversion of company into credit union) is amended as follows.

(2) In subsection (3)—

(a) in the opening words, for “Authority” substitute “FCA”; and

(b) in paragraph (b), omit “made by the Authority under the 2000 Act”.

(3) After subsection (3), insert—

“(4) In subsection (3), “applicable rules” are—

(a) where the credit union is a PRA-authorized person, rules made by the PRA or the FCA under the 2000 Act; and

(b) where the credit union is not a PRA-authorized person, rules made by the FCA under the 2000 Act.”.

**15.** In section 31(1) (interpretation)—

(a) at the appropriate place, insert—

““the FCA” means the Financial Conduct Authority;”;

(b) omit the definition of “Part IV permission”;

(c) at the appropriate place, insert—

““the PRA” means the Prudential Regulation Authority;”;

(d) at the appropriate place, insert—

““PRA-authorized person” has the meaning in section 2B of the Financial Services and Markets Act 2000;”;

(e) at the appropriate place, insert—

““the prudential regulator” means—

(a) in relation to a society which is a PRA-authorized person, the PRA; and

(b) in relation to a society which is not a PRA-authorized person, the FCA;”;

(f) at the appropriate place, insert—

““the relevant authority” means—

(a) in relation to a society which is a PRA-authorized person, the FCA or the PRA; and

(b) in relation to a society which is not a PRA-authorized person, the FCA;”.

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- 16.**—(1) Section 32 (Northern Ireland) is amended as follows.
- (2) In subsection (1), for “Authority”, in each place, substitute “FCA”.
- (3) In subsection (2), for “the Authority” substitute “each of the FCA and the PRA”.
- 17.**—(1) Schedule 1 (matters to be provided for in rules of credit union) is amended as follows.
- (2) In paragraph 7, for “the Authority” substitute “the relevant authority”.
- (3) In paragraph 11, for “the Authority” substitute “the relevant authority”.

## SCHEDULE 7

### Amendments of the Credit Unions (Northern Ireland) Order 1985

- 1.** The Credit Unions (Northern Ireland) Order 1985 is amended as follows.
- 2.**—(1) For “registrar”, in each place, substitute “FCA”.
- (2) For “Authority”, in each place, substitute “PRA”.
- (3) Paragraphs (1) and (2) do not apply to the definitions of “registrar” and “the Authority” in Article 2 of the Order (but see paragraph 3 below).
- 3.**—(1) Article 2 (interpretation) is amended as follows.
- (2) In paragraph (2)—
- (a) in the definition of “authorised bank”, in paragraph (a), for “Part 4” substitute “Part 4A”;
- (b) omit the definition of “the Authority”;
- (c) omit the definition of “the Department”;
- (d) at the appropriate place, insert —
- ““the FCA” means the Financial Conduct Authority;”;
- (e) at the appropriate place, insert—
- ““the PRA” means the Prudential Regulation Authority;”
- (f) at the appropriate place, insert—
- ““PRA-authorised person” has the meaning in section 2B of the Financial Services and Markets Act 2000”; and
- (g) omit the definition of “registrar”.
- (3) Omit paragraph (4).
- 4.** Omit Article 2A.
- 5.**—(1) Article 3 (registration) is amended as follows.
- (2) For paragraph 1(d) and (e)(a) substitute—
- “(d) the society has made an application for a permission under Part 4A of the 2000 Act to accept deposits;
- (e) the FCA is satisfied that, once registered under this Order, the society will satisfy, and continue to satisfy, the threshold conditions (within the meaning of section 55B(1) of the 2000 Act) for which the FCA is responsible in relation to the regulated activity of accepting deposits;
- (f) the PRA is satisfied that, once registered under this Order, the society will satisfy, and continue to satisfy, the threshold conditions (within the meaning of section

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55B(1) of the 2000 Act) for which the PRA is responsible in relation to the regulated activity of accepting deposits; and

(f) where the PRA is responsible for such threshold conditions, it has confirmed to the FCA that it is so satisfied.”.

(3) In paragraph (5), for “he”, in each place, substitute “the FCA”.

**6.** For article Article 4(2A) (supplementary provisions as to registration), substitute—

“(2A) The FCA must not issue an acknowledgement of registration under paragraph (2) unless—

(a) where the FCA is the appropriate regulator within the meaning of section 55A of the 2000 Act, it proposes to give the society permission under Part 4A of that Act to accept deposits; or

(b) where the PRA is the appropriate regulator within the meaning of section 55A of the 2000 Act, it has confirmed to the FCA that it proposes to give the society permission under Part 4A of that Act to accept deposits.”.

**7.** In Article 31(3)(c), after “sent to” insert “, where the society is a PRA-authorised person,”.

**8.** In Article 36(3) (computation and application of surplus), before “under the 2000 Act” insert “or the FCA”.

**9.** In Article 53 (duties of receiver or manager or credit union’s property) as amended by paragraph 2 of this Schedule, after “the FCA and”, in each place, insert “, where the society is a PRA-authorised person,”.

**10.** In Article 54(4) (register of members and officers), for “his” substitute “its”.

**11.** In Article 56(2) (inspection of books), for “he” substitute “the FCA”.

**12.** In Article 57 (production of documents and provision of information)—

(a) in paragraph (1), for “his” substitute “its”;

(b) in paragraph (2)—

(i) for “he”, in each place, substitute “the FCA”;

(ii) for “him” substitute “the FCA”; and

(iii) for “his” substitute “its”; and

(c) before paragraph (4), insert—

“(3A) The PRA may exercise the powers of the FCA under paragraphs (1), (2) and (3).”.

**13.—**(1) Article 58 (appointment of inspectors and calling of special meeting) is amended as follows.

(2) In paragraph (1), for “may, with the consent of the Department” substitute “or, where the application is made to the PRA, the PRA may”.

(3) In paragraph (2), before “shall direct” insert “or, as the case may be, the PRA”.

(4) In paragraph (3), before “may require” insert “or, as the case may be, the PRA”.

(5) In paragraph (4)—

(a) before “is of the opinion” insert “or, as the case may be, the PRA”; and

(b) for “he may, with the consent of the Department” substitute “it may”

(6) In paragraph (5), before “shall direct” insert “or, as the case may be, the PRA”.

(7) In paragraph (7), before “may direct” insert “or, as the case may be, the PRA”.

(8) After paragraph (7), insert—

“(8) The FCA must consult the PRA before exercising the power in paragraph (4).

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(9) The PRA must consult the FCA before exercising the power in paragraph (4).

(10) The PRA may only exercise the power in paragraph (4) in relation to a credit union which is a PRA-authorised person.”.

**14.**—(1) Article 60 (cancellation of registration) is amended as follows.

(2) In paragraph (1)—

(a) in the opening words of that paragraph, omit “under his hand and with the consent of the Authority”;

(b) in sub-paragraph (a) of that paragraph, for “to his satisfaction” substitute “to the satisfaction of the FCA”;

(c) in sub-paragraph (b) of that paragraph, for “he” substitute “the FCA”; and

(d) for sub-paragraph (c) of that paragraph, substitute—

“(c) on proof to the satisfaction of the FCA that the credit union exists for an illegal purpose, or has wilfully and after notice from the FCA violated any of the provision of this Order or the Industrial and Provident Societies Act (Northern Ireland) 1969; or

(d) if at any time it appears to the FCA that there is no longer a common bond between the members of the credit union.”.

(3) After paragraph (1), insert—

“(1A) The FCA must consult the PRA before cancelling the registration of a credit union which is a PRA-authorised person within the meaning of section 2B of the 2000 Act.”.

**15.**—(1) Article 61 (suspension of registration) is amended as follows.

(2) For paragraph (1), substitute—

“(1) Where under Article 60(1)(c) or (d) the FCA might cancel the registration of a credit union, it may, having consulted the PRA—

(a) subject to paragraph (3), suspend the registration of that credit union for any term not exceeding three months; and

(b) subject to Article 62(2)(c), renew any such suspension for the like period.”.

(3) In paragraph (2), omit “under his hand”.

**16.** In Article 62(1) (appeals)—

(a) In sub-paragraph (a), for “he” substitute “the FCA”;

(b) for sub-paragraphs (b) and (c), substitute—

“(b) the society has not made an application under Part 4A of the 2000 Act to accept deposits; or

(c) either of the FCA and the PRA is not satisfied that, once registered under this Order, the society will satisfy, and continue to satisfy, the threshold conditions (within the meaning of section 55B of the 2000 Act) for which it is responsible in relation to the regulated activity of accepting deposits.”.

**17.** In Article 63 (petition for winding-up)—

(a) in the opening words of that Article, for “, having first obtained the consent of the Authority, if it appears to him”, substitute “, having consulted the PRA, or the PRA, having consulted the FCA, where it appears to the FCA or the PRA as the case may be”; and

(b) in the closing words of that Article, for “where it appears to him” substitute “where it appears to the FCA or the PRA as the case may be”.

**18.**—(1) Article 65 (amalgamation of credit unions) is amended as follows.

(2) In paragraph (4), for “him” substitute “it”.

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(3) For paragraph (7), substitute—

“(7) The FCA must not register a special resolution under this Article unless—

- (a) where the credit union is not a PRA-authorized person within the meaning of section 2B of the 2000 Act, it is satisfied that the proposed amalgamation would not, in its opinion, result in a contravention of that Act, or any requirement imposed by or under that Act; or
- (b) where the credit union is a PRA-authorized person within the meaning of section 2B of the 2000 Act, the PRA has first confirmed to the FCA that it is satisfied that the proposed amalgamation would not, in its opinion, result in a contravention of that Act, or any requirement imposed by or under that Act.”.

**19.** For Article 66(4) (transfer of engagements between credit unions, substitute—

“(4) The FCA must not register a special resolution under this Article unless—

- (a) where the credit union is not a PRA-authorized person within the meaning of section 2B of the 2000 Act, it is satisfied that the proposed transfer would not, in its opinion, result in a contravention of that Act, or any requirement imposed by or under that Act; or
- (b) where the credit union is a PRA-authorized person within the meaning of section 2B of the 2000 Act, the PRA has first confirmed to the FCA that it is satisfied that the proposed transfer would not, in its opinion, result in a contravention of that Act, or any requirement imposed by or under that Act.”.

**20.**—(1) Article 72 (decision of disputes) is amended as follows.

(2) In paragraph (7)(a)(iii), for “he” substitute “FCA”.

(3) In paragraph (9), for “he” substitute “FCA”.

**21.**—(1) Article 76 (prosecution of offences) is amended as follows.

(2) Before paragraph (1)(a), insert—

“(za) in the case of proceedings under Article 57 in respect of a failure to comply with a notice issued by the PRA under paragraph (1) of that Article—

- (i) the FCA, after notifying the PRA; or
- (ii) the PRA, after notifying the FCA;”.

(3) In paragraph (2), for “Notwithstanding” substitute “Subject to paragraph (3) and notwithstanding”.

(4) After paragraph (2), insert—

“(3) Notwithstanding Article 19(1)(a) of the Magistrates’ Courts (Northern Ireland) Order 1981 (limitation of time for taking proceedings) summary proceedings for an offence under Article 57 may be instituted at any time within one year after the earlier of the discovery of the offence by the FCA and the discovery of the offence by the PRA, but shall not in any case be instituted after the expiration of 3 years from the commission of the offence.”.

**22.**—(1) Schedule 1 (matters to be provided for in rules of credit union) is amended as follows.

(2) In paragraph 7, for “the Authority” substitute “the FCA or the PRA”.

(3) In paragraph 11, for “the Authority” substitute “the FCA or the PRA”.

## SCHEDULE 8

### Amendments of the Building Societies Act 1986 (c.53)

1. The Building Societies Act 1986(a) is amended as follows.
2. In the heading of Part I, for “**Authority**” substitute “**Financial Conduct Authority and Prudential Regulation Authority**”.
- 3.—(1) Section 1 (functions in relation to building societies) is amended as follows.
  - (2) In subsection (1)—
    - (a) for “The Financial Services Authority (“the Authority”)” substitute “The Financial Conduct Authority (“the FCA”)”; and
    - (b) omit paragraph (a).
  - (3) After subsection (1), insert—

“(1A) The Prudential Regulation Authority (“the PRA”) has the following functions under this Act in relation to building societies—

    - (a) to secure that the principal purpose of building societies remains that of making loans which are secured on residential property and are funded substantially by their members;
    - (b) to administer the system of regulation of building societies provided by or under this Act, but only in so far as sections 5(1), 9A and 9B relate to that system; and
    - (c) to advise and make recommendations to the Treasury and other government departments on any matter relating to building societies.”.
  - (4) In subsection (2)—
    - (a) for “Authority has” substitute “FCA and the PRA each have”; and
    - (b) for “it” substitute “them respectively”.
  - (5) In the heading, for “**Financial Services Authority**” substitute “**Financial Conduct Authority and the Prudential Regulation Authority**”.
4. —(1) Section 5 (establishment, constitution and powers) is amended as follows.
  - (2) In subsection (2), for “Authority” substitute “FCA”.
  - (3) In subsection (4A), for “Authority” substitute “prudential regulator”.
  - (4) In subsection (13), for “Authority” substitute “Financial Conduct Authority and the Prudential Regulation Authority”.
- 5.—(1) Section 6 (the lending limit) is amended as follows.
  - (2) In subsection (5)(a), for “Authority” substitute “prudential regulator”.
  - (3) For subsection (12)(a), substitute—

“(a) in respect of its business in effecting or carrying out contracts of long term insurance in accordance with rules made by—

    - (i) the FCA under section 137A of the Financial Services and Markets Act 2000,  
or
    - (ii) the PRA under section 137E of that Act,

which require an authorised person who has permission to effect or carry out contracts of insurance to identify assets which belong to that person and which are maintained in respect of a particular aspect of that person’s business; or”.

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(a) 1986 c.53.

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- (4) In subsection (15), for “Authority” substitute “prudential regulator”.
- 6.** In section 7(5)(a) (the funding limit), for “Authority” substitute “prudential regulator”.
- 7.** In 8(3) (raising funds and borrowing), for “Authority” substitute “prudential regulator”.
- 8.** In section 9A(5)(a) (restrictions on certain transactions), for “Part IV” substitute “Part 4A”.
- 9.**—(1) Section 36 (power to direct restructuring of business etc) is amended as follows.
- (2) For “Authority”, in each place, substitute “prudential regulator”.
- (3) In subsection (5)(b), before “of the result” insert “and, where the prudential regulator is the PRA, the FCA”.
- (4) In subsection (6), before “of the option” insert “and, where the prudential regulator is the PRA, the FCA”.
- (5) After subsection (16), insert—
- “(17) The PRA must consult the FCA before issuing a direction under this section.”.
- 10.**—(1) Section 36A (power to make prohibition orders) is amended as follows.
- (2) For “Authority”, in each place, substitute “prudential regulator”.
- (3) After subsection (5D), insert—
- “(5E) The PRA must consult the FCA about the terms of the prohibition order in question before issuing a warning notice or a decision notice under this section.”.
- (4) In subsection (6), omit “, and shall keep a copy of the order in the public file of the society”.
- (5) After subsection (9), insert—
- “(9A) The PRA must give the FCA a copy of any order issued under this section.
- (9B) The FCA must keep a copy of any order issued under this section in the public file of the society.”.
- 11.**—(1) Section 37 (powers to petition for winding up etc) is amended as follows.
- (2) In subsections (1) and (2), for “Authority”, in each place, substitute “prudential regulator”.
- (3) In subsection (4), substitute—
- “(4A) Where the High Court makes an order under section (3) above—
- (a) where the prudential regulator is the PRA, it must give a copy of the order to the FCA; and
- (b) the FCA must keep a copy of the order in the public file of the society.”.
- 12.**—(1) Section 42B (power to direct transfers of engagements or business) is amended as follows.
- (2) In subsections (1) to (5), for “Authority”, in each place, substitute “prudential regulator”.
- (3) In subsection (1), for “Part IV” substitute “Part 4A”.
- (4) In subsection (2)—
- (a) for “section 45” substitute “section 55J (Authorised persons: variation etc. on initiative of regulator), section 55L (imposition of requirements by FCA) or section 55L (imposition of requirements by PRA)”; and
- (b) omit “(power to vary or cancel a Part IV permission on the Authority’s own initiative)”.
- (5) After subsection (4), insert—
- “(4A) The PRA must consult the FCA before giving a direction under this section.”.
- 13.**—(1) Section 42C(1) (variation and revocation of transfer directions) is amended as follows.
- (2) For “the Authority” substitute “the prudential regulator”.

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(3) After subsection (1), insert—

“(1A) Where the prudential regulator is the PRA, it must consult the FCA before varying or revoking a direction.”.

**14.** In section 46A (notices, hearings and appeals), for “Authority”, in each place, substitute “prudential regulator”.

**15.—**(1) Section 52 (powers to obtain information and documents etc) is amended as follows.

(2) In subsection (1), for “the Authority of any of its functions” substitute “the FCA or the PRA of any of their respective functions”.

(3) In subsection (5), for “the Authority”—

- (a) in the opening words of that subsection, substitute “each of the FCA and the PRA”; and
- (b) in paragraphs (a) to (d) of that subsection, in each place, substitute “the body issuing the notice”.

(4) In subsection (5A), for “the Authority”—

- (a) in the opening words of that subsection, substitute “the FCA or the PRA”; and
- (b) in paragraphs (a) to (c) of that subsection, in each place, substitute “the body which authorised the person”.

(5) In subsection (6)—

- (a) for “the Authority has power” substitute “the FCA or the PRA has power”; and
- (b) for “the Authority or authorised officer”—
  - (i) in the first place, substitute “the FCA, the PRA and the authorised officer”; and
  - (ii) in the second place, substitute “the FCA, the PRA or the authorised officer”.

(6) In subsection (9), for “the Authority or authorised officer” substitute “the FCA, the PRA or the authorised officer”.

(7) In subsection (13), for “the Authority” substitute “the FCA or the PRA”.

**16.** In section 52B(1) (entry of premises under warrant), for “the Authority” substitute “the relevant authority”.

**17.—**(1) Section 53A (disclosure of information) is amended as follows.

(2) For subsection (1)(b)(i), substitute—

- “(i) the FCA;
- (ia) the PRA;”.

(3) In subsection (1)(b)(ii) and (iii), for “the Authority”, in each place, substitute “the FCA or the PRA”.

(4) In subsection (2)(b), for “Authority” substitute “FCA or the PRA”.

**18.—**(1) Section 54 (information from other sources) is amended as follows.

(2) For “the Authority”, in each place, substitute “the FCA or the PRA”.

(3) In the heading, for “**Authority**” substitute “**FCA or PRA**”.

**19.—**(1) Section 55 (investigations) is amended as follows.

(2) In subsection (1), for “the Authority”—

- (a) in the first place, substitute “the FCA or the PRA”; and
- (b) in the second place, substitute “it”.

(3) In subsection (6), for “the Authority” substitute “the FCA or the PRA”.

(4) In the heading, for “**Authority**” substitute “**FCA or PRA**”.

**20.—**(1) Section 56 (inspections and special meetings: general) is amended as follows.

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- (2) In subsection (1), for “the Authority” substitute “each of the FCA and the PRA”.
- (3) After subsection (1), insert—
  - “(1A) The FCA must consult the PRA before exercising the power in subsection (1).
  - “(1B) The PRA must consult the FCA before exercising the power in subsection (1).”
- (4) In subsections (2) and (3) for “the Authority”, in each place, substitute “the FCA or the PRA”.
- (5) In subsection (4), for “the Authority” substitute “the body exercising its powers under subsection (1)”.
- (6) In subsection (6), for “the Authority”, in each place, substitute “the body to which the application was made”.
- (7) In subsection (7)—
  - (a) for “Before exercising” substitute “Before the FCA or the PRA exercises”; and
  - (b) for “the Authority”—
    - (i) in the first place, substitute “it”; and
    - (ii) in the second place, substitute “the body exercising its powers under subsection (1)”.
- (8) In subsection (8), for “the Authority” substitute “the FCA or the PRA”.
- (9) In subsection (10), for “the Authority”, in each place, substitute “the body exercising its powers under subsection (1)”.

**21.**—(1) Section 57 (inspections: supplementary provisions) is amended as follows.

- (2) In subsection (1), omit “by the Authority”.
- (3) In subsection (7), for “the Authority” substitute “the body which appointed them”.
- (4) In subsection (8), for “Authority”, in each place, substitute “FCA and the PRA”.
- (5) In subsection (8A), for “The Authority” substitute “Each of the FCA and the PRA”.
- (6) In subsection (9), for “Authority” substitute “body which appointed the inspectors”.
- (7) In subsection (10), for “Authority”, in each place, substitute “body which exercised its powers”.

**22.** In section 59(6) (chief executive and secretary), for “Authority”, in each place, substitute “FCA”.

**23.**—(1) Section 61 (directors: supplementary provisions as to elections etc) is amended as follows.

- (2) In subsection (9), for “Authority” substitute “FCA”.
- (3) In subsection (13), for “Authority”, in each place, substitute “FCA”.

**24.** For section 68(5) (records of loans etc), substitute—

“(5) The society must send two copies of the statement required to be made available under subsection (3) to the FCA and, where the society is a PRA-authorized person, one copy to the PRA, on the date on which the statement is required to be first made available to members.

(5A) The FCA must keep a copy of the statement in the public file of the society.”.

**25.**—(1) Section 69(8) (disclosure and record of income of related businesses) is amended as follows.

- (2) In subsection (8), for “Authority” substitute “FCA”.
- (3) For subsection (14), substitute—

“(14) The society must send two copies of the statement to the FCA and, where the society is a PRA-authorized person, one copy to the PRA, on the date on which the statement is required to be first made available to members.

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(14A) The FCA must keep a copy of the statement in the public file of the society.”.

**26.**—(1) Section 76 (summary financial statement) is amended as follows.

(2) In subsection (8), for “the Authority” substitute “the FCA and, where the society is a PRA-authorised person, one copy to the PRA”.

(3) In subsection (12), for “Authority” substitute “FCA”.

**27.** In section 78C(1) (names to be stated in copies of the auditor’s report”), omit “to the Authority”.

**28.**—(1) Section 78D (circumstances in which names may be omitted) is amended as follows.

(2) In subsection (1), omit “to the Authority”.

(3) In subsection (2)(b), for “the Authority” substitute “the FCA and, where the society is a PRA-authorised person, the PRA”.

**29.**—(1) Section 81 (laying and furnishing of accounts) is amended as follows.

(2) In subsection (2), for “the Authority” substitute “the FCA, and, where the society is a PRA-authorised person, one copy to the PRA,”.

(3) In subsection (3), for “the Authority” substitute “the FCA and, where the society is a PRA-authorised person, the PRA”.

(4) In subsection (7), for “Authority” substitute “FCA”.

(5) In the heading, for “**Authority**” substitute “**FCA and PRA**”.

**30.**—(1) Section 87 (dissolution by consent) is amended as follows.

(2) In subsection (5), for “the Authority” substitute “the FCA and, where the society is a PRA-authorised person, the PRA”.

(3) In subsection (7), for “the Authority” substitute “the FCA and, where the society is a PRA-authorised person, the PRA”.

(4) In subsection (8), for “the Authority” substitute “the prudential regulator”.

(5) In subsection (10), for “the Authority” substitute “the FCA”.

**31.** In section 88(2) (voluntary winding up)—

(a) for “to the Authority” substitute “to the FCA and, where the society is a PRA-authorised person, the PRA”; and

(b) for “the Authority shall keep the copy” substitute “the FCA must keep a copy”.

**32.**—(1) Section 89 (winding up by court: grounds and petitioners) is amended as follows.

(2) In subsection (1), for “Part IV”, in each place, substitute “Part 4A”.

(3) For subsection (2)(a), substitute—

“(a) the FCA, after consulting the PRA,

(aa) where the society is a PRA-authorised person, the PRA, after consulting the FCA,”.

**33.** In section 89A(2)(a) (building society insolvency as an alternative order), for “Authority” substitute “prudential regulator”.

**34.**—(1) Section 90D (notice of preliminary steps) is amended as follows.

(2) In subsection (5), for “the Authority has” substitute “the FCA and, where the society is a PRA-authorised person, the PRA have”.

(3) In subsection (7)(b)(i), for “the Authority” substitute “the PRA”.

(4) In subsection (10), for “the Authority”, in each place, substitute “the PRA”.

(5) In the heading, for “**the Authority**” substitute “**the FCA and the PRA**”.

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**35.** In section 91(4) (power of court to declare dissolution of building society void)—

- (a) for “furnish the Authority” substitute “furnish each of the FCA and, where the society is a PRA-authorised person, the PRA”; and
- (b) for “the Authority shall keep the copy” substitute “the FCA must keep a copy”.

**36.**—(1) Section 93 (amalgamations) is amended as follows.

(2) In subsection (2)(d), for “the Authority”—

- (a) in the first place, substitute “the prudential regulator”; and
- (b) in the second place, substitute “each of the FCA and, where the society is a PRA-authorised person, the PRA”.

(3) In subsection (3)—

- (a) for “the Authority” substitute “the prudential regulator”; and
- (b) for “before it registers a society, it shall” substitute “before the society may be registered, the PRA must notify the FCA to that effect and the FCA must”.

(4) In subsection (4), for “the Authority” substitute “the prudential regulator”.

(5) In subsection (6)—

- (a) for “the Authority”, in each place, substitute “the prudential regulator”; and
- (b) for “Part IV” substitute “Part 4A”.

(6) In subsection (6A), for “subsection (9) of section 52 of that Act by virtue of paragraph (a) of that subsection” substitute “subsection (5) of section 55X of that Act by virtue of paragraph (a) or (b) of that subsection”.

(7) In subsection (6B)—

- (a) for “section 55” substitute “section 55Z1”; and
- (b) for “Part IV” substitute “Part 4A”.

(8) In subsection (6C)—

- (a) omit “the Authority from taking”; and
- (b) after “decision notice” insert “from being taken”.

**37.**—(1) Section 94 (transfer of engagements) is amended as follows.

(2) In subsection (5)(b), for “the Authority” substitute “the prudential regulator”.

(3) In subsection (7)(a), for “the Authority” substitute “the prudential regulator”.

(4) In subsection (8)—

- (a) for “the Authority” substitute “the prudential regulator”; and
- (b) for “it shall” substitute “the FCA must”.

(5) In subsection (9), for “Authority” substitute “FCA”.

**38.**—(1) Section 95 (mergers: provisions supplementing sections 93 and 94) is amended as follows.

(2) For “Authority”, in each place, substitute “prudential regulator”.

(3) After subsection (6), insert—

“(6A) The PRA must consult the FCA before confirming an amalgamation or transfer, or making a direction, under this section.

(6B) The PRA must—

- (a) notify the FCA if it confirms an amalgamation or transfer; and
- (b) furnish the FCA with a copy of any direction it makes.”.

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**39.** In section 96(6) (mergers: compensation for loss of office and bonuses to members), for “Authority”, in each place, substitute “prudential regulator”.

**40.**—(1) Section 97 (transfer of business to a commercial company) is amended as follows.

(2) In subsection (4)(d), for “the Authority” substitute “the prudential regulator”.

(3) In subsection (6), for “the Authority” substitute “the prudential regulator”.

(4) In subsection (8)—

(a) for “send to the Authority” substitute “send to each of the FCA and, where the society is a PRA-authorised person, the PRA”; and

(b) for “the Authority shall” substitute “the FCA must”.

(5) In subsection (12), for “the Authority” substitute “the prudential regulator”.

**41.**—(1) Section 98 (transfers of business: supplementary provisions) is amended as follows.

(2) In subsection (1A), for “the Authority” substitute “the FCA and, where the society is a PRA-authorised person, the PRA”.

(3) In subsection (2), for “the Authority” substitute “the prudential regulator”.

(4) In subsection (3)—

(a) for “the Authority” substitute “the prudential regulator”; and

(b) for “Part IV” substitute “Part 4A”.

(5) In subsections (4) and (5), for “Authority”, in each place, substitute “prudential regulator”.

(6) After subsection (8), insert—

“(9) The PRA must consult the FCA before confirming a transfer or making a direction under this section.

(10) The PRA must—

(a) notify the FCA it if confirms a transfer; and

(b) furnish the FCA with a copy of any direction it makes.”.

**42.** In section 100(7) (regulated terms etc.: distributions and share rights), for “Authority”, in each place, substitute “prudential regulator”.

**43.**—(1) Section 101 (protective provisions for specially formed successors) is amended as follows.

(2) In subsection (4), for “Authority”, in each place, substitute “prudential regulator”.

(3) After subsection (4), insert—

“(4A) The PRA must consult the FCA before confirming a transfer or making a direction under this section.”.

**44.**—(1) Section 103 (cancellation of registration) is amended as follows.

(2) For “Authority”, in each place, substitute “FCA”.

(3) In subsection (1), after “Where” insert “, having consulted the PRA,”.

(4) In subsection (2)—

(a) after “Where” insert “, having consulted the PRA,”; and

(b) for “Part IV” substitute “Part 4A”.

(5) In subsection (3), after “if it thinks fit” insert “after consulting the PRA”.

**45.** In section 106 (public file of the society), for “Authority”, in each place, substitute “FCA”.

**46.** In section 107 (restriction of use of certain names and descriptions), for “Authority”, in each place, substitute “FCA”.

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- 47.**—(1) Section 111 (time limit for commencing proceedings) is amended as follows.
- (2) In subsection (1)—
- (a) after “under this Act”, insert “, other than an offence in relation to which provision is made in subsection (1A),”;
  - (b) for “by the Authority” substitute “by the FCA”; and
  - (c) for “in the opinion of the Authority” substitute “in its opinion”.
- (3) After subsection (1), insert—
- “(1A) Notwithstanding any limitation on the time for taking proceedings contained in any Act, summary proceedings for the offences under the provisions listed in subsection (1B), in the circumstances specified in that subsection in relation to those provisions, may also be commenced by the PRA, after notifying the FCA, or by the FCA, after notifying the PRA, at any time within the period mentioned in subsection (1C).
- (1B) The provisions and the circumstances are—
- (a) section 52 (powers to obtain information and documents etc), where—
    - (i) the failure referred to in subsection (10) of that section is a failure to furnish any information or accountant’s report, to produce any documents or material, or to provide any explanation or make any statement to the PRA, or
    - (ii) the information, explanation or statement referred to in subsection (11) or (12) of that section is furnished, provided or made to the PRA;
  - (b) section 55 (investigations), where the person appointed under subsection (1) of that section was appointed by the PRA;
  - (c) section 81 (laying and furnishing accounts), where the default referred to in subsection (4) of that section relates to a failure to send a copy of the accounts to the PRA in accordance with subsection (2) of that section;
  - (d) section 87 (dissolution by consent), where the failure referred to in subsection (5) or (7) of that section relates to a failure to give notice to the PRA;
  - (e) section 88 (voluntary winding up), where the failure referred to in subsection (4) of that section relates to a failure to send a copy of the resolution to the PRA in accordance with subsection (2) of that section;
  - (f) section 91 (power of court to declare dissolution of building society void), where the failure referred to in subsection (5) of that section relates to a failure to send a copy of an order to the PRA in accordance with subsection (4) of that section;
  - (g) section 95 (mergers: provisions supplementing ss 93 and 94), where the application referred to subsection (3) of that section was made, or should have been made, to the PRA;
  - (h) section 98 (transfers of business: supplementary provisions), where the application referred to subsection (2) of that section was made, or should have been made, to the PRA;
  - (i) Schedule 8A, paragraph 3(5) (directions under section 42B(3)), where the PRA has given a direction under section 42B(3);
  - (j) Schedule 8A, paragraph 9(5) (directions under section 42B(4)), where the PRA has given a direction under section 42B(4);
  - (k) Schedule 11, paragraph 3, where the failure referred to in sub-paragraph (2) of that paragraph relates to a failure to give notice to the PRA in accordance with sub-paragraph (1) of that paragraph;
  - (l) Schedule 11, paragraph 6, where the failure referred to in sub-paragraph (3) of that paragraph relates to a failure to give notice to the PRA in accordance with sub-paragraph (2) of that paragraph;

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- (m) Schedule 11, paragraph 7, where the default referred to in sub-paragraph (8) of that paragraph relates to a failure to send any notice or statement to the PRA in accordance with sub-paragraph (3) or (7) of that paragraph;
- (n) Schedule 15, paragraph 21, where the failure referred to in sub-paragraph (4) of that paragraph relates to a failure to give notice to the PRA in accordance with sub-paragraph (3) of that paragraph;
- (o) Schedule 15, paragraph 48, where the failure referred to in sub-paragraph (4) of that paragraph relates to a failure to give notice to the PRA in accordance with sub-paragraph (3) of that paragraph; and
- (p) Schedule 16, paragraph 6, where the default referred to in sub-paragraph (4) of that paragraph relates to a failure to send a copy of a statement or notification to the PRA in accordance with paragraph 5(1) of that Schedule.

**1C.** The period is one year beginning with the earlier of—

- (a) the date on which evidence sufficient in the opinion of the PRA to justify a prosecution for the offence comes to the knowledge of the PRA, and
- (b) the date on which evidence sufficient in the opinion of the FCA to justify a prosecution for the offence comes to the knowledge of the FCA.”.

(4) In subsection (2), after “(1)” insert “or (1A)”,

(5) In subsection (3), for “the Authority” substitute “the relevant authority”.

(6) In subsection (4), for “by the Authority” substitute “by the relevant authority”.

**48.** In section 113(1) (evidence), for “the Authority” substitute “the FCA”.

**49.** In section 115(1) (service of notices), for “the Authority” substitute “the FCA and the PRA”.

**50.**—(1) Section 116 (form of documents) is amended as follows.

(2) In subsection (1), for “Authority” substitute “Each of the FCA and the PRA”.

(3) After subsection (1), insert—

“(1A) The PRA and the FCA must consult each other before issuing a direction under this section where the document in question is required to be sent to both of them.”.

**51.**—(1) Section 119 (interpretation) is amended as follows.

(2) In subsection (1)—

(a) omit the definition of “the Authority”;

(b) at the appropriate place, insert—

““the FCA” means the Financial Conduct Authority;”;

(c) in the definition of “officially notified”, for “Authority” substitute “FCA”;

(d) at the appropriate place, insert—

““the PRA” means the Prudential Regulation Authority;”;

(e) at the appropriate place, insert—

““PRA-authorized person” has the meaning in section 2B of the Financial Services and Markets Act 2000;”;

(f) at the appropriate place, insert—

““the prudential regulator” means—

(a) in relation to a building society which is a PRA-authorized person, the PRA; and

(b) in relation to a building society which is not a PRA-authorized person, the FCA;”;

(g) in the definition of “the public file”, for “Authority” substitute “FCA”; and

(h) at the appropriate place, insert—

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“the relevant authority” means—

(a) in relation to a building society which is a PRA-authorised person, the FCA or the PRA; and

(b) in relation to a building society which is not a PRA-authorised person, the FCA.”.

(3) In subsection (1A)—

(a) for “Authority” substitute “FCA”; and

(b) for “Authority’s” substitute “FCA’s”.

**52.**—(1) Schedule 2 (establishment, incorporation and constitution of building societies) is amended as follows.

(2) In paragraph 1, for “Authority”, in each place, substitute “FCA”.

(3) In paragraph 4—

(a) in sub-paragraph (2), for “Authority” substitute “FCA”;

(b) in sub-paragraph (4)—

(i) for “to the Authority” substitute “to the FCA”;

(ii) for “the Authority is satisfied” substitute “the FCA, having consulted the PRA where the building society is a PRA-authorised person, is satisfied”; and

(iii) for “the Authority shall” substitute “the FCA must”; and

(c) in sub-paragraph (7), for “Authority”, in each place, substitute “FCA”.

(4) In paragraph 9, for “Authority”, in each place, substitute “FCA”.

(5) In paragraph 10(5), for “Authority” substitute “FCA”.

(6) In paragraph 10A(2), (3) and (4), for “Authority” substitute “FCA”.

(7) In paragraph 11, for “Authority”, in each place, substitute “FCA”.

(8) In paragraph 15—

(a) for “Authority”, in each place, substitute “FCA”;

(b) in sub-paragraph (1), for “Part IV” substitute “Part 4A”; and

(c) after sub-paragraph (3), insert—

“(3A) The FCA must consult the PRA before giving a direction under sub-paragraph (2).”.

(9) In paragraph 20, for “Authority”, in each place, substitute “FCA”.

(10) In paragraph 20A(12), for “Authority” substitute “prudential regulator”.

(11) In paragraph 30(4), for “Authority” substitute “prudential regulator”.

(12) After paragraph 30(4), insert—

“(4A) Where the prudential regulator is the PRA, it must consult the FCA before giving a direction under sub-paragraph (5).”.

(13) In paragraph 31(7), for “Authority” substitute “PRA”.

**53.**—(1) Schedule 8A (transfer directions: modifications of Part X) is amended as follows.

(2) For “Authority”, in each place, substitute “prudential regulator”.

(3) After paragraph 3(2), insert—

“(2ZA) The PRA must consult the FCA before requiring any particulars under paragraph (2)(b).”.

(4) After paragraph 9(2), insert—

“(2ZA) The PRA must consult the FCA before requiring any particulars under paragraph (2)(b).”.

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**54.**—(1) Schedule 11 (auditors) is amended as follows.

(2) In paragraph 3—

- (a) for “Authority”, in each place, substitute “prudential regulator”; and
- (b) for “give it notice” substitute “give notice to the FCA and, where the society is a PRA-  
authorised person, to the PRA”.

(3) In paragraph 4(6)(b), (8) and (9), for “Authority”, in each place, substitute “prudential regulator”.

(4) In paragraph 6(2), for “the Authority” substitute “the FCA and, where the society is a PRA-  
authorised person, the PRA”.

(5) In paragraph 7, for “the Authority” —

- (a) in sub-paragraph (3)(a), substitute “the FCA and, where the society is a PRA-  
authorised person, the PRA”; and
- (b) in sub-paragraphs (4), (6) and (7), in each place, substitute “the prudential regulator”.

(6) In paragraph 8(6)(b), for “the Authority”, in each place, substitute “the PRA”.

**55.**—(1) Schedule 14 (settlement of disputes) is amended as follows.

(2) In paragraph 3—

- (a) in sub-paragraph (1), for “the Authority” substitute “the FCA and, where the society is a  
PRA-  
authorised person, the PRA”; and
- (b) in sub-paragraph (3), for “The Authority” substitute “The relevant authority”.

(3) In paragraph 6—

- (a) for “Authority”, in each place, substitute “FCA”; and
- (b) after sub-paragraph (3), insert—  
“(3) The FCA must consult the PRA before making any such award.”.

**56.**—(1) Schedule 15 (application of companies winding up legislation to building societies) is  
amended as follows.

(2) In paragraph 3(1)(b), for “Financial Services Authority” substitute “Financial Conduct  
Authority”.

(3) In paragraph 4, for “Authority”, in each place, substitute “FCA”.

(4) In paragraph 21(3)—

- (a) for “to the Authority” substitute “to the FCA and, where the society is a PRA-  
authorised  
person, the PRA”; and
- (b) for “the Authority shall” substitute “the FCA must”.

(5) In paragraph 29, for “Authority” substitute “prudential regulator”.

(6) In paragraph 31, for “the Authority” substitute “the FCA”.

(7) In paragraph 32, for “Authority”, in each place, substitute “FCA”.

(8) In paragraph 48(2)—

- (a) for “to the Authority” substitute “to the FCA and, where the society is a PRA-  
authorised  
person, the PRA”; and
- (b) for “the Authority shall” substitute “the FCA must”.

(9) In paragraph 55A, for “Authority” substitute “prudential regulator”.

(10) In paragraph 55C, for “Authority” substitute “FCA”.

(11) In paragraph 55D, for “Authority”, in each place substitute “FCA”.

**57.**—(1) Schedule 15A (application of other companies legislation to building societies) is  
amended as follows.

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(2) In paragraph 2(1)(b), for “Financial Services Authority” substitute “Financial Conduct Authority”.

(3) In paragraph 3(1), for “Authority”, in each place, substitute “FCA”.

(4) In paragraph 9A—

(a) in sub-paragraph (a), for “the Authority” substitute “the FCA”; and

(b) in sub-paragraph (c), for “Authority” substitute “FCA”.

(5) In paragraph 10, for “Authority” substitute “relevant authority”.

(6) In paragraph 11, for “Authority” substitute “relevant authority”.

(7) In paragraph 15, for “Authority” substitute “relevant authority”.

(8) In paragraph 23(1)(a), for “Authority” substitute “FCA, to the PRA”.

(9) In paragraph 24, for “Authority”, in each place, substitute “FCA, the PRA”.

(10) In paragraph 31A—

(a) in sub-paragraph (a), for “the Authority” substitute “each of the Financial Conduct Authority and the Prudential Regulation Authority”; and

(b) in sub-paragraphs (c) and (d), for “Authority” substitute “Financial Conduct Authority or the Prudential Regulation Authority”.

(11) In paragraph 32(1)(a), for “Authority” substitute “relevant authority”.

(12) In paragraph 33—

(a) in sub-paragraph (1)(a), for “by the Authority” substitute “by the FCA, by the PRA”; and

(b) in sub-paragraph (2), for “the Authority” substitute “the FCA or, as the case may be, the PRA”.

(13) In paragraph 37, for “the Authority” substitute “each of the FCA and the PRA”.

(14) In paragraph 45(1)(a), for “to the Authority” substitute “to the FCA, to the PRA”.

(15) In paragraph 46, for “Authority”, in each place, substitute “relevant authority”.

**58.**—(1) Schedule 16 (mergers: supplementary provisions) is amended as follows.

(2) Subject to sub-paragraph (4), for “Authority”, in each place, substitute “prudential regulator”.

(3) After paragraph 1(4), insert—

“(4A) The PRA must consult the FCA before approving a statement under sub-paragraph (3).”.

(4) In paragraph 5—

(a) in sub-paragraph (1), for “to the Authority” substitute “to the FCA and, where the society is a PRA-authorized person, the PRA”; and

(b) in sub-paragraph (2), for “The Authority shall” substitute “The FCA must”.

**59.**—(1) Schedule 17 (transfers of business: supplementary provisions) is amended as follows.

(2) Subject to sub-paragraph (4), for “Authority”, in each place, substitute “prudential authority”.

(3) After paragraph 4(3), insert—

“(4) The PRA must consult the FCA before approving a statement under sub-paragraph (3).”.

(4) In paragraph 5D—

(a) in sub-paragraph (1), for “to the Authority” substitute “to the FCA and, where the society is a PRA-authorized person, the PRA”; and

(b) in sub-paragraph (2), for “The Authority shall” substitute “The FCA must”.

## SCHEDULE 9

### Amendments of the Friendly Societies Act 1992 (c.40)

1. The Friendly Societies Act 1992(a) is amended as follows.
2. In the heading to Part 1, for “**the Authority**” substitute “**the Financial Conduct Authority and the Prudential Regulation Authority**”.
- 3.—(1) Section 1 (functions in relation to friendly societies) is amended as follows.
  - (2) In subsection (1), for “The Financial Services Authority (“the Authority”)” substitute “The Financial Conduct Authority (“the FCA”)”.
  - (3) After subsection (1), insert—

“(1A) The function in subsection (1)(c) is also a function of the Prudential Regulation Authority (“the PRA”).”.
  - (4) In subsection (2) In subsection (2)—
    - (a) for “Authority has” substitute “FCA and the PRA each have”; and
    - (b) for “it” substitute “them respectively”.
  - (5) For the heading, substitute “**Functions of the Financial Conduct Authority and the Prudential Regulation Authority in relation to friendly societies**”.
4. In section 5(3) (establishment of incorporated friendly societies), for “Authority” substitute “FCA”.
5. In section 6 (incorporation of registered friendly societies), for “Authority”, in each place, substitute “FCA”.
6. In section 11(5) (group insurance), for “the Authority” substitute “the FCA or the PRA”.
- 7.—(1) Section 14 (investment of funds) is amended as follows.
  - (2) In subsection (3)(a), for “made by the Authority under section 138 of the Financial Services and Markets Act 2000” substitute “made by the prudential regulator under Part 9A of the Financial Services and Markets Act 2000”.
  - (3) In subsections (5), (6) and (10), for “Authority”, in each place, substitute “prudential regulator”.
  - (4) After subsection (10), insert—

“(10A) The PRA must send to the FCA a copy of any notice it serves under subsection (6) or (10).”.
  - (5) In subsection (12), for “Authority” substitute “FCA”.
- 8.—(1) Section 20 (dissolution by consent) is amended as follows.
  - (2) In subsections (6) and (8), in each place, for “the Authority” substitute “the FCA and, where the society is a PRA-authorized person, the PRA”.
  - (3) In subsection (10), for “the Authority” substitute “the prudential regulator”.
  - (4) In subsection (12), for “the Authority” substitute “the FCA”.
9. In section 21(2) (voluntary winding up), for “Authority”—
  - (a) in the first place, substitute “FCA and, where the society is a PRA-authorized person, the PRA”; and
  - (b) in the second place, substitute “FCA”.

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(a) 1992 c.40.

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- 10.**—(1) Section 22 (winding up by court: grounds and petitioners) is amended as follows.
- (2) In subsection (2), before “(3)” insert “(2A), (2B) or”.
- (3) In paragraph (a) of subsection (2), for “the Authority” substitute “the FCA”.
- (4) After paragraph (a) of subsection (2), insert—
- “(aa) the PRA;”.
- (5) After subsection (2), insert—
- “(2A) The FCA may only present a petition under subsection (1) in respect of a society which is a PRA-authorised person after consulting the PRA.
- (2B) The PRA may only present a petition under subsection (1)—
- (a) in respect of a society which is a PRA-authorised person; and
- (b) after consulting the FCA.”.
- 11.** In section 24(6) (continuation of long term business), for “the Authority” in each place substitute “the relevant authority”.
- 12.** In section 25(4) (power of court to declare dissolution void), for “Authority”—
- (a) in the first place, substitute “FCA and, where the society is a PRA-authorised person, the PRA”; and
- (b) in second place, substitute “FCA”.
- 13.**—(1) Section 26 (cancellation of registration) is amended as follows.
- (2) In subsections (1), (2), (3), (4), (8) and (9), for “Authority”, in each place, substitute “FCA”.
- (3) After subsection (4) insert—
- “(4A) The FCA must consult the PRA before cancelling under subsection (1), (2) or (3) the registration of a society which is a PRA-authorised person.”.
- 14.**—(1) Section 29 (notification of officers) is amended as follows.
- (2) In subsections (1), (3) and (5), for “Authority”, in each place, substitute “FCA”.
- (3) In the heading, for “**Authority**” substitute “**FCA**”.
- 15.** In section 37(5), (6) and (7) (restriction of combinations of business), for “Authority” in each place substitute “prudential regulator”.
- 16.** In the cross-heading before section 51, for “*Authority*” substitute “*FCA and PRA*”.
- 17.**—(1) Section 52 (applications to court) is amended as follows.
- (2) For subsection (1), substitute—
- “(1) Where the FCA has reason to believe that any of the conditions mentioned in subsection (2) below is satisfied, it may, after consulting the PRA where the society is a PRA-authorised person —
- (a) present a petition to the High Court for the winding up of the society under the applicable winding up legislation;
- (b) make an application to the High Court for an order under subsection (5).
- (1A) Where the PRA has reason to believe that any of the conditions mentioned in subsection (2) below is satisfied in relation to a society which is a PRA-authorised person, it may, after consulting the FCA—
- (a) present a petition to the High Court for the winding up of the society under the applicable winding up legislation;
- (b) make an application to the High Court for an order under subsection (5).”.
- (3) In subsection (2), for “subsection (1)” substitute “subsections (1) and (1A)”.

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(4) Omit subsection (3).

(5) In subsection (6), for “Authority” substitute “FCA”.

(6) In subsection (7), for “the Authority whether or not it” substitute “the FCA and the PRA whether or not either of them”.

**18.**—(1) Section 54 (supervision of activities of subsidiaries etc) is amended as follows.

(2) In subsections (2) and (3), for “Authority”, in each place, substitute “relevant authority”.

(3) In subsection (6)—

(a) for “Authority” substitute “relevant authority”; and

(b) after “direction”, in each place, insert “issued by it”.

(4) After subsection (6), insert—

“(6A) The FCA must consult the PRA before issuing or varying a direction under this section to a PRA-authorised person.

“(6B) The PRA must consult the FCA before issuing or varying a direction under this section.”.

(5) For subsection (7), substitute—

“(7) If a society requests the relevant authority which issued a direction to the society under this section to notify the society as to whether in the opinion of that authority it has complied with a direction under this section, the authority shall comply with the request.

“(7A) The PRA must send a copy to the FCA of any direction, notice, final notice or notification it issues under this section.”.

(6) In subsection (9), for “Authority” substitute “FCA”.

**19.** In section 55(2) (supervision of group insurance business), for “Authority” substitute “relevant authority”.

**20.**—(1) Section 58A (notices, hearings and appeals) is amended as follows.

(2) In subsections (1), (2), (3) and (4), for “the Authority”, in each place, substitute “the relevant authority”.

(3) In subsection (8)(d), for “Authority” substitute “FCA or PRA”.

**21.**—(1) In section 62 (powers to obtain information and documents) is amended as follows.

(2) In subsection (1), for “the Authority” substitute “the FCA or the PRA”.

(3) In subsections (3), (3A), (4), (5) and (8), for “the Authority” in each place substitute “the relevant authority”.

**22.** In section 62A(1) (entry of premises under warrant), for “the Authority” substitute “the FCA or the PRA”.

**23.**—(1) Section 63A (disclosure of information) is amended as follows.

(2) For subsection (1)(b)(i), substitute—

“(i) the FCA;

(ia) the PRA;”.

(3) In subsections (1)(b)(ii) and (iii) and (2)(b), for “the Authority” in each place substitute “the FCA or the PRA”.

**24.**—(1) Section 65 (investigations) is amended as follows.

(2) In subsection (1), for “the Authority” in each place substitute “the relevant authority”.

(3) In the heading to section 65, for “Authority” substitute “relevant authority”.

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**25.** In section 66 (inspections and special meetings: general), for “the Authority” in each place substitute “the relevant authority”.

**26.** In section 67 (1), (7), (8), (8A), (9) and (10) (inspections: supplementary provisions), for “the Authority” in each place substitute “the relevant authority”.

**27.** In section 74B(1) and (3) (names to be stated in copies of auditor’s report), for “the Authority”, in each place, substitute “the FCA and, where the society is a PRA-authorised person, the PRA”.

**28.** In section 74C (circumstances in which names may be omitted), for “the Authority”, in each place, substitute “the FCA and, where the society is a PRA-authorised person, the PRA”.

**29.** In section 76(4) and (6) (approval and signing of accounts), for “the Authority”, in each place, substitute “the FCA and, where the society is a PRA-authorised person, the PRA”.

**30.** For section 77(1)(a) (information on appointed actuary to be annexed to balance sheet), substitute—

“(a) is furnished to the FCA and, where the society is a PRA-authorised person, the PRA under section 78;

(aa) is furnished to either the FCA or the PRA at its request;”.

**31.—**(1) Section 78 (laying and furnishing of accounts and reports) is amended as follows.

(2) In subsections (1)(b), (2)(b), (3) and (4), for “the Authority”, in each place, substitute “the FCA and, where the society is a PRA-authorised person, the PRA”.

(3) In subsection (8), for “Authority” substitute “FCA”.

**32.** In section 81(2) (complaints by members of friendly societies), for “Authority” in each place substitute “FCA”.

**33.—**(1) Section 85 (amalgamation of friendly societies) is amended as follows.

(2) In subsection (2)(d), for “the Authority” substitute “the prudential regulator”.

(3) In subsection (3), for “the Authority”—

(a) in the first place, substitute “the FCA or the PRA”; and

(b) in the second place, substitute “the FCA”.

(4) For subsection (4A), substitute—

“(4A) If, on the transfer date, each of the societies whose amalgamation was confirmed has permission under Part 4A of the Financial Services and Markets Act 2000, the appropriate regulator (within the meaning of section 55A of that Act) must, with effect from that date, give their successor such permission under that Part as it considers appropriate, subject to such requirements as it considers appropriate, and must notify the successor of the permission by giving the successor a decision notice under that Act.”.

(5) In subsection (4B), for “subsection (9) of section 52 of that Act by virtue of paragraph (a) of that subsection” substitute “subsection (5) of section 55X of that Act by virtue of paragraph (a) or (b) of that subsection”.

(6) In subsection (4C)—

(a) for “section 55”, substitute “section 55Z1”; and

(b) for “Part IV”, substitute “Part 4A”.

(7) In subsection (5), for “Authority” substitute “FCA”.

**34.—**(1) Section 86 (transfer of engagements by or to friendly society) is amended as follows.

(2) In subsection (2)(e), for “the Authority” substitute “prudential regulator”.

(3) In subsection (3)(b), for “the Authority” substitute “prudential regulator”.

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(4) After subsection (3), insert—

“(3A) The PRA must consult the FCA before giving its consent under section (3)(b).”.

(5) In subsection (4)—

(a) for “the Authority” substitute “the prudential regulator”; and

(b) for “it” substitute “the FCA”.

(6) In subsections (6) and (7), for “the Authority” in each place substitute “the FCA”.

(7) In subsection (12), for “Part IV” substitute “Part 4A”.

**35.**—(1) Section 87 (actuary’s report as to margin of solvency) is amended as follows.

(2) In subsection (2)—

(a) in paragraph (b), for “made by the Authority under section 138 of the Financial Services and Markets Act 2000” substitute “made by the prudential regulator under Part 9A of the Financial Services and Markets Act 2000”; and

(b) in the closing words of that subsection, for “Authority” substitute “prudential regulator”.

(3) In subsection (3), for “the Authority”, in each place, substitute “the prudential regulator”.

**36.**—(1) Section 88(2) and (3) (actuary’s report on transfer of long term business), for “Authority”, in each place, substitute “prudential regulator”.

**37.**—(1) Section 89 (power to alter requirements for transfer by friendly society) is amended as follows.

(2) In subsections (1), (3), (4), (5) and (6), for “the Authority”, in each place, substitute “the prudential regulator”.

(3) After subsection (1), insert—

“(1A) The PRA must consult the FCA before giving a direction under this section.”.

(4) After subsection (6), insert—

“(6A) The PRA must send to the FCA a copy of any direction it issues under this section.”.

(5) In subsection (7), for “Authority” substitute “FCA”.

(6) In the heading, for “**Authority**” substitute “**prudential regulator**”.

**38.**—(1) Section 90 (power to effect transfer of engagements) is amended as follows.

(2) In subsections (1) to (7), for “Authority”, in each place, substitute “prudential regulator”.

(3) After subsection (2), insert—

“(2A) The PRA must consult the FCA before giving a direction under this section.”.

(4) For subsection (8), substitute—

“(8) If the PRA gives a direction, it must send a copy of the direction to the FCA.

(8A) The FCA must—

(a) keep a copy of the direction; and

(b) issue a registration certificate to the transferee.

(8B) The registration certificate must specify a date as the transfer date for the transfer.”.

(5) In subsections (10) and (11), for “Authority” in each place substitute “FCA”.

(6) In the heading, for “**Authority**” substitute “**prudential regulator**”.

**39.**—(1) Section 91 (conversion of friendly society into company) is amended as follows.

(2) In subsection (2), for “the Authority” substitute “the prudential regulator”.

(3) After subsection (2), insert—

“(2A) The PRA must consult the FCA before giving a confirmation under this section.”.

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(4) In subsections (4) and (5), for “the Authority”, in each place, substitute “the FCA”.

(5) In subsection (6), for “the Authority” substitute “the prudential regulator”.

**40.** In section 93 (registration of societies under the 1974 Act), for “Authority”, in each place, substitute “FCA”.

**41.**—(1) Section 103 (power to modify Part VI in relation to particular friendly societies) is amended as follows.

(2) In subsections (1) and (3), for “Authority” in each place substitute “prudential regulator”.

(3) After subsection (3), insert—

“(3A) The PRA must consult the FCA before making, varying or revoking a direction under this section.

(3B) The PRA must send the FCA a copy of any direction, variation or revocation made under this section.”.

(4) For subsection (7), substitute—

“(7) The FCA must keep a copy of any direction, variation or revocation sent to it by the PRA in a register kept by it for the purposes of this subsection.”.

(5) In subsection (9)—

(a) for “Authority” substitute “FCA”; and

(b) in paragraph (a), omit “by it”.

**42.** In section 104 (public file of a friendly society), for “Authority”, in each place, substitute “FCA”.

**43.** In section 105A(1)(c) (stamp duty land tax), for “the Authority” substitute “prudential regulator”.

**44.**—(1) Section 107 (time limit for commencing proceedings) is amended as follows.

(2) In subsection (1)—

(a) after “under this Act”, insert “, other than an offence in relation to which provision is made in subsection (1A),”;

(b) for “commenced by the Authority” substitute “commenced by the FCA”; and

(c) for “in the opinion of the Authority” substitute “in its opinion”.

(3) After subsection (1), insert—

“(1A) Notwithstanding any limitation on the time for taking proceedings contained in any Act, summary proceedings for the offences under the provisions listed in subsection (1B), in the circumstances specified in that subsection in relation to those provisions, may be commenced by the PRA, after notifying the FCA, or by the FCA, after notifying the PRA, at any time within the period mentioned in subsection (1C).

(1B) The provisions and the circumstances are—

(a) section 20 (dissolution by consent), where the failure referred to in subsection (6) or (7) of that section relates to a failure to give notice to the PRA;

(b) section 21 (voluntary winding up), where the failure referred to in subsection (4) of that section relates to a failure to send a copy of the resolution to the PRA in accordance with subsection (2) of that section;

(c) section 25 (power of court to declare dissolution of building society void), where the failure referred to in subsection (5) of that section relates to a failure to send a copy of an order to the PRA in accordance with subsection (4) of that section;

(d) section 62 (powers to obtain information and documents etc), where—

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- (i) the failure referred to in subsection (9) of that section is a failure to furnish any information or report, to produce any documents or material, or to provide any explanation or make any statement to the PRA, or
- (ii) the information, explanation or statement referred to in subsection (10) or (11) of that section is furnished, provided or made to the PRA;
- (e) section 65 (investigations), where the person appointed under subsection (1) of that section was appointed by the PRA;
- (f) section 87 (actuary's report), where the PRA directed the transferee to furnish it with a report under subsection (3) of that section;
- (g) Schedule 10, paragraph 24, where the failure referred to in sub-paragraph (4) of that paragraph relates to a failure to give notice to the PRA in accordance with sub-paragraph (3) of that paragraph;
- (h) Schedule 10, paragraph 54, where the failure referred to in sub-paragraph (4) of that paragraph relates to a failure to give notice to the PRA in accordance with sub-paragraph (3) of that paragraph;
- (i) Schedule 14, paragraph 3, where the failure referred to in sub-paragraph (2) of that paragraph relates to a failure to give notice to the PRA in accordance with sub-paragraph (1) of that paragraph;
- (j) Schedule 14, paragraph 9, where the failure referred to in sub-paragraph (5) of that paragraph relates to a direction given by the PRA under paragraph (1) of that paragraph or to send a copy of the report to the PRA in accordance with sub-paragraph (3) of that paragraph;
- (k) Schedule 14, paragraph 10, where the failure referred to in sub-paragraph (3) of that paragraph relates to a failure to give notice to the PRA in accordance with sub-paragraph (2) of that paragraph;
- (l) Schedule 14, paragraph 12, where the default referred to in sub-paragraph (5) of that paragraph relates to a failure to give a copy of the notice to the PRA in accordance with sub-paragraph (4) of that paragraph;
- (m) Schedule 14, paragraph 15, where—
  - (i) the default referred to in sub-paragraph (1) of that paragraph relates to a failure to send a copy of a notice to the PRA in accordance with paragraph 14(2) or (7) of that Schedule, or
  - (ii) the default referred to in sub-paragraph (2) is the default of a PRA-authorised person; and
- (n) Schedule 15, paragraph 17, where the society is a PRA-authorised person.

**1C.** The period is one year beginning with the earlier of—

- (a) the date on which evidence sufficient in the opinion of the PRA to justify a prosecution for the offence comes to the knowledge of the PRA, and
- (b) the date on which evidence sufficient in the opinion of the FCA to justify a prosecution for the offence comes to the knowledge of the FCA.”.

(4) In subsection (2), after “(1)” insert “or (1A)”.

(5) In subsections (3) and (4), for “the Authority”, in each place, substitute “the FCA or the PRA”.

**45.** In section 111 (evidence), for “the Authority”, in each place, substitute “the FCA”.

**46.** In section 113(1) (service of notices), for “Authority” substitute “FCA and the PRA”.

**47.—**(1) Section 114 (forms of documents and power to prescribe fees) is amended as follows.

(2) In subsection (1), for “The Authority may” substitute “Each of the FCA and the PRA may”.

(3) After subsection (1), insert—

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“(1A) The PRA and the FCA must consult each other before issuing a direction under this section where the document in question is required to be sent to both of them.”.

(4) In subsection (3), for “the Authority”—

- (a) in the first place, substitute “it”; and
- (b) in the second place, substitute “each of the FCA and the PRA”.

(5) In subsection (4), for “the Authority” substitute “each of the FCA and the PRA”.

(6) In subsection (5), for “the Authority” substitute “the FCA or the PRA”.

**48.**—(1) Section 119 (general interpretation) is amended as follows.

(2) In subsection (1)—

- (a) omit the definition of “the Authority”;
- (b) at the appropriate place, insert—  
    ““the FCA” means the Financial Conduct Authority;”;
- (c) at the appropriate place, insert—  
    ““the PRA” means the Prudential Regulation Authority;”;
- (d) at the appropriate place, insert—  
    ““PRA-authorized person” has the meaning in section 2B of the Financial Services and Markets Act 2000;”;
- (e) at the appropriate place, insert—  
    ““the prudential regulator” means—
  - (a) in relation to a society which is a PRA-authorized person, the PRA; and
  - (b) in relation to a society which is not a PRA-authorized person, the FCA;”;
- (f) in the definition of “the public file”, for “Authority” substitute “FCA”; and
- (g) at the appropriate place, insert—  
    ““the relevant authority” means—
  - (a) in relation to a society which is a PRA-authorized person, the FCA or the PRA;  
        and
  - (b) in relation to a society which is not a PRA-authorized person, the FCA;”.

(3) In subsection (1AA)—

- (a) for “Authority” substitute “FCA”; and
- (b) for “Authority’s” substitute “FCA’s”.

**49.** In section 119AB (communication by means of a website), for “the Authority” substitute “the FCA and the PRA”.

**50.**—(1) Schedule 3 (establishment, incorporation and constitution of incorporated friendly societies) is amended as follows.

(2) For “Authority”, in each place, substitute “FCA”.

(3) In paragraph 1(4), for “it” substitute “the prudential regulator”.

**51.** In paragraph 2 of Schedule 4 (incorporation of registered friendly societies: supplementary), for “Authority”, in each place, substitute “FCA”.

**52.**—(1) Schedule 10 (application of companies winding up legislation to incorporated friendly societies) is amended as follows.

(2) In paragraph 3(1)(c), for “Financial Services Authority” substitute “Financial Conduct Authority”.

(3) In paragraph 4(1), for “Authority”, in each place, substitute “FCA”.

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- (4) In paragraph 24(3), for “Authority”—
  - (a) in the first place, substitute “FCA and, where the society is a PRA-authorised person, the PRA”; and
  - (b) in the second place, substitute “FCA”.
- (5) In paragraphs 32, 34 and 35, for “Authority”, in each place, substitute “FCA”.
- (6) In paragraph 54(3), for “Authority”—
  - (a) in the first place, substitute “FCA and, where the society is a PRA-authorised person, the PRA”; and
  - (b) in the second place, substitute “FCA”.
- (7) In paragraph 62, for “Authority”, in each place, substitute “relevant authority”.
- (8) In paragraphs 64 and 65, for “Authority”, in each place, substitute “FCA”.

**53.** In paragraph 3 of Schedule 12 (meetings and resolutions), for “Authority”, in each place, substitute “FCA”.

**54.**—(1) Schedule 14 (auditors: appointment, tenure, qualifications and remuneration) is amended as follows.

- (2) In paragraph 3, for “Authority”, in each place, substitute “prudential regulator”.
- (3) In sub-paragraphs (6) and (7) of paragraph 7, for “Authority”, in each place, substitute “prudential regulator”.
- (4) In paragraph 9—
  - (a) in sub-paragraph (1), for “Authority” substitute “prudential regulator”;
  - (b) in sub-paragraph (3), for “Authority shall” substitute “PRA must send a copy of the direction to the FCA and the FCA must”;
  - (c) in sub-paragraph (3A), for “the Authority to be placed” substitute “each of the FCA and, where the society is a PRA-authorised person, the PRA and the FCA must place a copy of the report”; and
  - (d) in sub-paragraph (6), for “Authority” substitute “prudential regulator”.
- (5) In the cross-heading above paragraph 9, for “*Authority*” substitute “*prudential regulator*”.
- (6) In paragraph 10(2), for “Authority” substitute “FCA and, where the society is a PRA-authorised person, the PRA”.
- (7) For paragraph 10A(2)(b), substitute—
  - “(b) the FCA provided that, where the society is a PRA-authorised person, it has consulted the PRA;
  - (c) where the society is a PRA-authorised person, the PRA provided that it has consulted the FCA.”.
- (8) In paragraph 12(4), for “Authority” substitute “FCA and, where the society is a PRA-authorised person, the PRA”.
- (9) In sub-paragraphs (2) and (7) of paragraph 14, for “Authority” substitute “FCA and the PRA”.
- (10) In paragraph 16, for “Authority”, in each place, substitute “prudential regulator”.

**55.**—(1) Schedule 15 (amalgamations, transfers of engagements and conversion: supplementary) is amended as follows.

- (2) In paragraphs 1, 2 3 and 4, for “Authority”, in each place, substitute “prudential regulator”.
- (3) Insert after paragraph 2(2)—
  - “(3) The PRA must consult the FCA before approving a statement under sub-paragraph (2).”.
- (4) After paragraph 4, insert—

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- “**4ZA.** The PRA must consult the FCA before approving a statement under paragraph 4.”.
- (5) In the heading of Part II, for “**Authority**” substitute “**prudential regulator**”.
- (6) In paragraph 5—
- (a) in sub-paragraphs (1), (3), and (5) for “Authority”, in each place, substitute “prudential regulator”;
- (b) after sub-paragraph (5), insert—  
“(5A) The PRA must send the FCA a copy of any direction, variation or revocation it makes under this paragraph.”;
- (c) in sub-paragraph (6), —
- (i) for “Authority” substitute “prudential regulator”; and
- (ii) for “it shall” substitute “the FCA must”; and
- (d) in sub-paragraph (8)—
- (i) for “Authority” substitute “FCA”; and
- (ii) omit “by it”.
- (7) In paragraphs 6 and 7, for “Authority”, in each place, substitute “prudential regulator”.
- (8) In the cross-heading above paragraph 8, for “**Authority**” substitute “**prudential regulator**”.
- (9) In paragraphs 8, 9 and 10, for “Authority”, in each place, substitute “prudential regulator”.
- (10) In paragraph 11—
- (a) for “Authority” substitute “prudential regulator”; and
- (b) for “Part IV” substitute “Part 4A”.
- (11) After paragraph 11, insert—
- “**11A.**—(1) The PRA must consult the FCA before confirming an amalgamation, transfer or engagements or a conversion.
- (2) The PRA must notify the FCA if it makes any such confirmation.”.
- (12) In paragraph 12, for “Authority” substitute “prudential regulator”.
- (13) In paragraph 13—
- (a) for “Authority”, in each place, substitute “prudential regulator”; and
- (b) for “made by the Authority under section 138 of the Financial Services and Markets Act 2000”, in each place, substitute “made by the prudential regulator under Part 9A of the Financial Services and Markets Act 2000”.
- (14) In paragraphs 15, 15A, 16A and 16B, for “Authority”, in each place, substitute “prudential regulator”.

## SCHEDULE 10

### [Amendments of secondary legislation]

1. [amendments of secondary legislation to be inserted]

## SCHEDULE 11

### Consequential amendments

1. [to be inserted]

## SCHEDULE 12

### Transitional and Saving Provisions

1. [to be inserted]

#### **EXPLANATORY NOTE**

*(This note is not part of the Order)*

[to be inserted]