



# Industrial and Provident Societies Act 1975

## 1975 CHAPTER 41

An Act to raise the limit on the interest in the shares of a society registered under the Industrial and Provident Societies Act 1965 which any one member may hold and to authorise the further alteration of that limit from time to time. [3rd July 1975]

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

### **1 Raising of limit on share of any one member.**

- (1) In section 6(1) of the Industrial and Provident Societies Act 1965 (hereafter in this Act referred to as " the Act of 1965 ") for the words " one thousand pounds " (denoting the limit on the interest any one member may hold in the shares of a society registered under that Act) there shall be substituted the words " five thousand pounds ".
- (2) Where immediately before the coming into force of this Act the registered rules of a society registered under the Act of 1965 permitted members other than members exempt from the limit under the said section 6(1) to hold the maximum of £1,000 then laid down thereby, the committee may, by a resolution recorded in writing, resolve that members may be permitted to hold such greater amount not exceeding £5,000 as may be specified in the resolution, and the registered rules shall have effect accordingly.
- (3) The power conferred on the committees of registered societies by subsection (2) above shall not be exercisable after the expiration of the period of eighteen months beginning with the date on which this Act comes into force or after the coming into force of an order under section 2 below; and if any amendment of the rules of a society is made after the coming into force of this Act and before the expiration of the time allowed by this subsection for exercising that power the power shall cease to be exercisable by the committee of that society on the date on which the amendment is registered under section 10 of the Act of 1965.

- (4) The committee of a registered society shall not have power to vary or revoke a resolution under subsection (2) above except in so far as they may be authorised to do so by an order under section 2 below.
- (5) Where the committee of a registered society have exercised the power to pass a resolution under subsection (2) above and an amendment of the society's rules is subsequently registered under section 10 of the Act of 1965 the registered rules of the society shall thereupon have effect as if the resolution had not been passed, so, however, that this subsection shall not affect any interest in the shares of the society held by a member immediately before the date on which the amendment is registered.

## **2 Further alterations of limit.**

- (1) The chief registrar may from time to time, with the consent of the Treasury, by order substitute for the sum for the time being specified in section 6(1) of the Act of 1965 as the limit applicable thereunder such other sum, not being less than £5,000, as may be specified in the order.
- (2) An order under this section may make any such provision in connection with altering the limit for the time being applicable under the said section 6(1) as is made by section 1 above, and may contain such other transitional, consequential, incidental or supplementary provisions as appear to the chief registrar to be necessary or appropriate in that connection.
- (3) An order made under this section may vary or revoke any previous order so made.
- (4) The power to make an order under this section shall be exercisable by statutory instrument, which shall be subject to annulment in pursuance of a resolution of either House of Parliament; and the Statutory Instruments Act 1946 shall apply thereto as if the chief registrar were a Minister of the Crown.

## **3 Construction, citation, amendment, commencement and extent.**

- (1) The Act of 1965 and this Act shall be construed as one.
- (2) This Act may be cited as the Industrial and Provident Societies Act 1975, and this Act and the Industrial and Provident Societies Acts 1965 to 1968 may be cited together as the Industrial and Provident Societies Acts 1965 to 1975.
- (3) In subsection (1) of section 53 of the Act of 1965 (which provides for the conversion of a company into a registered society), for the words " one thousand pounds " there shall be substituted the words " the maximum for the time being permitted by section 6(1) of this Act in the case of a member of a registered society ".
- (4) This Act shall come into force on the expiration of the period of one month beginning with the date on which it is passed.
- (5) This Act extends to the Channel Islands but does not extend to Northern Ireland.