



# Industrial and Provident Societies Act 1978

## 1978 CHAPTER 34

An Act to raise the amounts of deposits which an industrial and provident society may take without thereby carrying on the business of banking; and to authorise the further alteration of those amounts from time to time. [20th July 1978]

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 maximum deposit.**

- (1) In section 7(3) of the Industrial and Provident Societies Act 1965 (hereafter in this Act referred to as " the Act of 1965 ") for the words " two pounds " (denoting the limit of deposits which can be taken at any one time) there shall be substituted the words " ten pounds " and for the words " fifty pounds " (denoting the maximum amount which can be taken from any one depositor) there shall be substituted the words " two hundred and fifty 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 depositors under the said section 7(3) to deposit a maximum of £50 then laid down thereby, the committee may, by a resolution recorded in writing, resolve that depositors may be permitted to hold such greater amount not exceeding £250 as may be specified in the resolution, and the registered rules shall have effect accordingly.
- (3) Where immediately before the coming into force of this Act the registered rules of a society registered under the Act of 1965 permitted depositors under the said section 7(3) to deposit a maximum of not more than £2 in any one payment, the committee may, by a resolution recorded in writing, resolve that depositors may be permitted to deposit a maximum of not more than £10 in any one payment as may be specified in the resolution, and the registered rules shall have effect accordingly.

- (4) The powers conferred on the committees of registered societies by subsections (2) and (3) 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.
- (5) The committee of a registered society shall not have power to vary or revoke a resolution under subsections (2) or (3) above except in so far as they may be authorised to do so by an order under section 2 below.
- (6) Where the committee of a registered society have exercised the power to pass a resolution under subsection (2) or (3) 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 funds of the society held by a depositor immediately before the date on which the amendment is registered.

## **2 Further alterations of limits.**

- (1) The chief registrar may from time to time, with the consent of the Treasury, by order substitute for the sums for the time being specified in section 7(3) of the Act of 1965 as the limits applicable thereunder such other sums, not being less than £10 (denoting the limit of deposits which can be taken at any one time) and £250 (denoting the maximum amount which can be taken from any one depositor), as may be specified in the order.
- (2) An order under this section may make any such provision in connection with altering the limits for the time being applicable under the said section 7(3) 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, 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 1978, and this Act and the Industrial and Provident Societies Acts 1965 to 1975 may be cited together as the Industrial and Provident Societies Acts 1965 to 1978
- (3) This Act shall come into force on the expiration of the period of one month beginning with the date on which it is passed.
- (4) This Act extends to the Channel Islands but does not extend to Northern Ireland.