
DRAFT STATUTORY INSTRUMENTS

2010 No.

The Legislative Reform (Industrial and Provident Societies and Credit Unions) Order 2010

PART 3

Industrial and Provident Societies and Credit Unions

Provision of copies of rules

7. In section 15(1) of the 1965 Act (provision of copies of rules)—
- (a) for subsection (1) substitute—

“(1) A registered society shall, on demand, give a copy of its registered rules—

 - (a) free of charge, to any member of the society to whom a copy of those rules has not previously been given; and
 - (b) to any other person, upon payment of such fee as the society may require, not exceeding the specified amount.”;
 - (b) after subsection (1) insert—

“(1A) In subsection (1) of this section “specified amount” means £5 or such other amount as the Treasury may specify by order.

(1B) 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.”

Members under 18

- 8.—(1) In section 20(2) of the 1965 Act (members under 18)—
- (a) omit the words “but above the age of sixteen”; and
 - (b) for “enjoy all the rights” to “under those rules, but” substitute—

“(a) enjoy all the rights of a member; and

(b) if between the ages of sixteen and eighteen, execute all instruments and give all receipts necessary to be executed or given under those rules, but a person under the age of sixteen”.
- (2) In section 9(3) of the 1979 Act (deposits by persons too young to be members), for “section 20 of the 1965 Act” substitute “any provision of the credit union’s rules”.

(1) Section 15 was amended by the [Decimal Currency Act 1969 \(c.19\)](#), section 10(1), and by the [Criminal Justice Act 1982 \(c.48\)](#), sections 37 and 46.

(2) Section 20 was amended by the [Family Law Reform Act 1969 \(c.46\)](#), section 1 and Schedule 1, Part 1.

(3) Section 9 was amended by [S.I. 2002/1501](#).

Dissolution

9.—(1) In section 55(4) of the 1965 Act (dissolution of registered society) for subsection (1) (b) substitute—

- “(b) in accordance with section 58 of this Act, by an instrument of dissolution—
- (i) to which not less than three-fourths of the members of the society have given their consent testified by their signatures to the instrument;
 - (ii) in the case of a dormant society which is not a credit union, which has been approved by a special resolution of the society; or
 - (iii) in the case of a credit union, which has been approved by a special resolution of the society and confirmed by the Authority.”

(2) In that section after subsection (1) insert—

“(1A) In subsection (1)(b) above “special resolution” has the same meaning as in section 50 of this Act.

(1B) In subsection (1)(b)(ii) above a society is “dormant” if its accounts for the current year of account and the two years of account immediately preceding the current year of account show no accounting transactions other than—

- (a) fees paid to the Authority;
- (b) payment of dividends; or
- (c) payment of interest;

and it has notified the Authority that it is dormant.

(1C) For the purposes of subsection (1)(b)(iii) above the Authority shall be deemed to have confirmed a special resolution if, within twenty one days of the credit union sending a copy of that special resolution to the Authority, the Authority has not notified the credit union in writing to the contrary.”

(3) In section 58 of the 1965 Act (instrument of dissolution)—

(a) in subsection (3) at the end insert “or, if the instrument was approved by a special resolution of the society, by a further special resolution.”;

(b) after subsection (5) insert—

“(5A) Subsection (5) of this section does not apply to an instrument which pursuant to section 55(1)(b)(iii) above is not confirmed by the Authority.

(5B) A copy of every special resolution for the purposes of section 55(1)(b) of this Act or subsection (3) of this section, signed by the chairman of the meeting at which the resolution was confirmed and countersigned by the secretary of the society, shall be sent to the Authority before the end of the period of fourteen days beginning with the day on which the resolution was confirmed.

(5C) The Authority shall register any copy of a special resolution sent to it in accordance with subsection (5B) of this section at the same time as it registers the instrument of dissolution and any alterations thereto.”;

(c) in subsection (6)—

- (i) after “consents to” insert “, or approval of,”;
- (ii) at the end insert “or of the special resolution, as the case may be”;

(d) at the end insert—

(4) Section 55 was amended by the [Insolvency Act 1986 \(c.45\)](#), Schedule 14, and by [S.I. 2001/2617](#).

“(10) In this section “special resolution” has the same meaning as in section 50 of this Act.”

Publication of interim accounts

10.—(1) In section 3A(5) of the 1968 Act (publication of accounts and balance sheets of societies), in subsections (4), (5) and (6), at the beginning insert “Subject to subsection (6A) of this section,”.

(2) After subsection (6) of that section insert—

“(6A) Subsections (4) to (6) of this section do not apply to an interim revenue account or balance sheet where—

- (a) it is published together with the latest year end revenue account and balance sheet complying with subsection (2) or (3) of this section, or audited under section 9C of this Act, as the case may be; and
- (b) it is marked in clearly legible characters and in a prominent position with the words “UNAUDITED REVENUE ACCOUNT” or, as the case may be, “UNAUDITED BALANCE SHEET”.

(3) Omit section 24(6) of the 1979 Act (modifications of requirements as to audit of accounts).

(5) Section 3A was inserted by [S.I. 1996/1738](#) and amended by [S.I. 2001/2617](#).

(6) Section 24 was amended by [S.I. 1996/1738](#).