



# Industrial and Provident Societies Act 1965

## 1965 CHAPTER 12

### *Amalgamations, transfers of engagements and conversions*

#### **53 Conversion of company into registered society**

- (1) A company registered under the Companies Acts may, by a special resolution as defined by section 141 of the Companies Act 1948, determine to convert itself into a registered society; and for this purpose, in any case where the nominal value of the company's shares held by any member other than a registered society exceeds one thousand pounds, the resolution may provide for the conversion of the shares representing that excess into a transferable loan stock bearing such rate of interest as may be fixed, and repayable on such conditions only as are determined by the resolution.
- (2) Any such resolution as aforesaid shall be accompanied by a copy of the rules of the society therein referred to and shall appoint seven persons, being members of the company, who, together with the secretary, shall sign the rules and who may either—
  - (a) be authorised to accept any alterations made by the appropriate registrar therein without further consulting the company; or
  - (b) be required to lay any such alterations before the company in general meeting for acceptance as the resolution may direct.
- (3) A copy of the resolution aforesaid shall be sent with a copy of the rules aforesaid to the appropriate registrar who, upon the registration of the society under this Act, shall give to it, in addition to an acknowledgement of registration under section 2(3) of this Act, a certificate similarly sealed or signed that the rules of the society referred to in the resolution have been registered.
- (4) A copy of any such resolution as aforesaid under the seal of the company together with the certificate issued as aforesaid by the appropriate registrar shall be sent for registration to the office of the registrar of companies within the meaning of the Companies Act 1948 and, upon his registering that resolution and certificate, the conversion shall take effect.

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*Status: This is the original version (as it was originally enacted).*

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- (5) The name under which any company is registered under this section as a registered society shall not include the word " company " .
- (6) Subject to the next following subsection, upon the conversion of a company into a registered society under this section, the registration of the company under the Companies Acts shall become void and shall be cancelled by the registrar of companies aforesaid.
- (7) The registration of a company as a registered society shall not affect any right or claim for the time being subsisting against the company or any penalty for the time being incurred by the company; and—
  - (a) for the purpose of enforcing any such right, penalty or claim the company may be sued and proceeded against in the same manner as if it had not been registered as a society;
  - (b) any such right or claim and the liability to any such penalty shall have priority as against the property of the registered society over all other rights or claims against or liabilities of the society.