



Friendly Societies Act 1974

1974 CHAPTER 46

Benefits: limitations and payment

75 Rights of owners of certain endowment policies

- (1) Where under any policy to which this section applies not less than one year's premiums have been paid, the owner of the policy shall be entitled at any time within one year from the date on which the last premium was paid to surrender the policy and to claim either—
 - (a) a free paid-up policy in conformity with the rules contained in the Schedule to the Industrial Assurance and Friendly Societies Act 1929; or
 - (b) payment of a surrender value equal to 90% of the value of the sum or sums payable under such free paid-up policy, calculated in accordance with the last four rules contained in Schedule 4 to the Industrial Assurance Act 1923.
- (2) If any registered friendly society fails to comply with any claim made under subsection (1) above, the society shall, without prejudice to any other liability to which it may be subject, be guilty, in the case of a collecting society, of an offence under the Industrial Assurance Act 1923 and, in the case of any other society, of an offence under this Act.
- (3) This section applies to—
 - (a) any policy issued in pursuance of paragraph 2 of Schedule 6 to this Act;
 - (b) any policy issued, or deemed under paragraph 6 of Schedule 10 to this Act to have been issued, in accordance with section 1 of the Industrial Assurance and Friendly Societies Act 1929, being a policy in force at some time after 1923 ;
 - (c) any other endowment policy issued on the life of a child under ten years of age and in force at some time after 1923.
- (4) No registered friendly society shall issue any such policy as is mentioned in paragraph (a) or (c) of subsection (3) above unless the rules of the society contain a rule which, in the opinion of the Chief Registrar, sufficiently sets forth the effect of the provisions of this section and of the Schedule mentioned in subsection (1)(a) above.

Status: This is the original version (as it was originally enacted).

- (5) Every premium receipt book issued by a collecting society in respect of a policy to which this section applies shall set out the provisions of this section and of the Schedule mentioned in subsection (1)(a) above, printed in distinctive type, or, if the Industrial Assurance Commissioner consents, a statement in lieu thereof which in the opinion of the Commissioner sufficiently sets forth the effect of those provisions.
- (6) If any premium receipt book issued by a collecting society does not comply with the provisions of subsection (5) above the society shall be guilty of an offence under the Industrial Assurance Act 1923.
- (7) In this section—
- " endowment policy " means any such policy as is mentioned in subsection (3)(a) or (b) above or a policy insuring money to be paid on the duration for a specified period of the life of the member, either with or without provision for the payment of money in the event of the death of that person before the expiration of that period and either with or without provision for the payment of money before the expiration of that period and during the life of that person in the event of the marriage of that person or otherwise ;
- " policy " includes any contract of assurance and the date of the making of any such contract shall be deemed to be the date of the issue of a policy.
- (8) This section in its application to collecting societies shall be construed as one with the Industrial Assurance Acts 1923 to 1968.