

Changes to legislation: There are currently no known outstanding effects for the Friendly Societies Act 1992, Cross Heading: Confirmation of transfers of engagements. (See end of Document for details)

SCHEDULES

SCHEDULE 15

AMALGAMATIONS, TRANSFERS OF ENGAGEMENTS AND CONVERSION: SUPPLEMENTARY

Modifications etc. (not altering text)

- C1** Sch. 15: power to modify conferred (16.1.2009) by [Building Societies \(Funding\) and Mutual Societies \(Transfers\) Act 2007 \(c. 26\)](#), **ss. 3, 6(2)**; S.I. 2009/36, art. 2

PART II

CONFIRMATION BY [F1APPROPRIATE AUTHORITY]

Textual Amendments

- F1** Words in [Sch. 15 Pt. 2](#) heading substituted (1.4.2013) by [The Financial Services Act 2012 \(Mutual Societies\) Order 2013 \(S.I. 2013/496\)](#), art. 1(1), **Sch. 9 para. 56(5)** (with [Sch. 12](#))

Confirmation of transfers of engagements

- 12 The [F1appropriate authority] shall not confirm a transfer unless it is satisfied—
- that all the engagements included in the transfer may be transferred under section 86 above to the transferee;
 - that the transfer is in the interests of the members of each friendly society participating in the transfer; and
 - where the transfer is not of all the engagements of the transferor, that the purposes of each friendly society participating in the transfer will, after the transfer, continue to include the carrying on of one or more activities falling within Schedule 2 to this Act.

Textual Amendments

- F1** Words in [Sch. 15 para. 12](#) substituted (1.4.2013) by [The Financial Services Act 2012 \(Mutual Societies\) Order 2013 \(S.I. 2013/496\)](#), art. 1(1), **Sch. 9 para. 56(12)** (with [Sch. 12](#))

[F2]13

- (1) The [F3appropriate authority] shall not confirm a transfer in any case where the transferee is required by section 87 above to furnish the [F3appropriate authority] with a report unless it is satisfied (after taking the proposed transfer into account) either that the transferee will possess the margin of solvency required by rules made by the [F4appropriate authority under Part 9A] of the Financial Services and Markets Act

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2000 or, where no margin of solvency is required by such rules, that the value of the transferee's assets will exceed its liabilities.

- (2) The [^{F3}appropriate authority] shall not confirm a transfer of any engagements the fulfilment of which will constitute effecting or carrying out contracts of insurance in the United Kingdom unless it is satisfied (after taking the proposed transfer into account) either that the transferee will possess the margin of solvency required by rules made by the [^{F4}appropriate authority under Part 9A] of the Financial Services and Markets Act 2000 or, where no margin of solvency is required by such rules, that the value of the transferee's assets will exceed its liabilities.
- (3) This paragraph does not apply to any transfer of engagements to which paragraph 15 or 15A below applies.
- (4) The reference in sub-paragraph (2) to effecting or carrying out contracts of insurance must be read with—
- (a) section 22 of the Financial Services and Markets Act 2000;
 - (b) any relevant order under that section; and
 - (c) Schedule 2 to that Act.]

Textual Amendments

- F2** Sch. 13 para. 15 substituted (1.12.2001) by S.I. 2001/3649, arts. 1, 206(1)
- F3** Words in Sch. 15 para. 13 substituted (1.4.2013) by The Financial Services Act 2012 (Mutual Societies) Order 2013 (S.I. 2013/496), art. 1(1), Sch. 9 para. 56(13)(a) (with Sch. 12)
- F4** Words in Sch. 15 para. 13 substituted (1.4.2013) by The Financial Services Act 2012 (Mutual Societies) Order 2013 (S.I. 2013/496), art. 1(1), Sch. 9 para. 56(13)(b) (with Sch. 12)

Textual Amendments

- F5** Sch. 15 para. 14 omitted (17.8.2001 for specified purposes and otherwise *prosp.*) by virtue of S.I. 2001/2617, arts. 2(a), 8(1), 13(1), Sch. 3 para. 128(r) (with art. 13(3), Sch. 5) and is repealed (*prosp.*) by S.I. 2001/3538, art. 2(1)

- [^{F6}15 (1) This paragraph applies to any transfer of engagements (other than contracts of reinsurance) where—
- (a) the effecting of the engagements constituted the carrying on of general business;
 - (b) the transferor is a friendly society to which section 37(3) above applies; and
 - (c) the transferee is—
 - (i) a friendly society to which section 37(2) or (3) above applies;
 - ^{F7}(ii)
 - ^{F7}(iii)
 - ^{F8}(iv)
 - [^{F9}(v) an insurance company whose head office is in Switzerland, which has permission under [^{F10}Part 4A] of the Financial Services and Markets Act 2000 to effect or carry out contracts of insurance, which permission is not limited to reinsurance business;]

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- (vi) an insurance company whose margin of solvency is ^{F11}supervised in accordance with rule 3.1 to 3.3 and rule 6.4 and 6.5 of the Third Country Branches Part of the Rulebook made by the Prudential Regulation Authority under the Financial Services and Markets Act 2000.]

[For the purposes of sub-paragraph (1)(c)(vi), references to rules made by the ^{F12}(1A) Prudential Regulation Authority are to those rules as they have effect on IP completion day.]

- (2) The ^{F13}appropriate authority] shall not confirm the transfer unless—
 - ^{F14}(a)
 - (b) it is ^{F15}... satisfied that every policy included in the transfer evidences a contract which was entered into before the date of the application; ^{F16}and]
 - (c) the relevant authority certifies that the transferee possesses the necessary margin of solvency after taking the proposed transfer into account; ^{F17}...
 - ^{F18}(d)

^{F19}(3)

^{F20}(4)

^{F21}(5)

^{F22}(6) In this paragraph “the relevant authority” means—

- ^{F23}(a)
- (b) if the transferee falls within paragraph (1)(c)(v), the supervisory authority in Switzerland;
- (c) if the transferee falls within paragraph (1)(c)(vi), the ^{F13}appropriate authority] or other supervisory body responsible for the supervision;
- (d) in any other case, the ^{F13}appropriate authority].]

Textual Amendments

- F6** Sch. 15 para. 15 substituted (1.9.1994) by S.I. 1994/1984 reg. 25, Sch. 4 para. 3
- F7** Sch. 15 para. 15(1)(c)(ii)(iii) omitted (31.12.2020) by virtue of The Friendly Societies (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1039), regs. 1, **15(4)(a)**; 2020 c. 1, Sch. 5 para. 1(1)
- F8** Sch. 15 para. 15(1)(c)(iv) repealed (1.12.2001) by virtue of S.I. 2001/3649, arts. 1, **207(2)(c)**
- F9** Sch. 15 para. 15(1)(c)(v) substituted (1.12.2001) by S.I. 2001/3649, arts. 1, **207(2)(d)**
- F10** Words in Sch. 15 para. 15(1)(v) substituted (1.4.2013) by The Financial Services Act 2012 (Mutual Societies) Order 2013 (S.I. 2013/496), art. 1(1), **Sch. 9 para. 56(14)(a)** (with Sch. 12)
- F11** Words in Sch. 15 para. 15(1)(c)(vi) substituted (31.12.2020) by The Friendly Societies (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1039), regs. 1, **15(4)(b)**; 2020 c. 1, Sch. 5 para. 1(1)
- F12** Sch. 15 para. 15(1A) inserted (31.12.2020) by The Friendly Societies (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1039), regs. 1, **15(4)(c)** (as amended by S.I. 2020/1301, regs. 1, 3, Sch. para. 1(b)(i)); 2020 c. 1, Sch. 5 para. 1(1)
- F13** Words in Sch. 15 para. 15 substituted (1.4.2013) by The Financial Services Act 2012 (Mutual Societies) Order 2013 (S.I. 2013/496), art. 1(1), **Sch. 9 para. 56(14)(b)** (with Sch. 12)
- F14** Sch. 15 para. 15(2)(a) repealed (17.8.2001 for specified purposes and otherwise 1.12.2001) by S.I. 2001/2617, arts. 2, 8(1), 13, **Sch. 3 para. 128(t)(i)**; Sch. 4 (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(1)**

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- F15** Word in Sch. 15 para. 15(2)(b) repealed (17.8.2001 for specified purposes and otherwise 1.12.2001) by S.I. 2001/2617, arts. 2, 8(1), 13, **Sch. 3 para. 128(t)(ii)**; Sch. 4 (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(1)**
- F16** Word in Sch. 15 para. 15(2)(b) inserted (31.12.2020) by *The Friendly Societies (Amendment) (EU Exit) Regulations 2018* (S.I. 2018/1039), regs. 1, **15(4)(d)(i)**; 2020 c. 1, Sch. 5 para. 1(1)
- F17** Word in Sch. 15 para. 15(2)(c) omitted (31.12.2020) by virtue of *The Friendly Societies (Amendment) (EU Exit) Regulations 2018* (S.I. 2018/1039), regs. 1, **15(4)(d)(ii)**; 2020 c. 1, Sch. 5 para. 1(1)
- F18** Sch. 15 para. 15(2)(d) omitted (31.12.2020) by virtue of *The Friendly Societies (Amendment) (EU Exit) Regulations 2018* (S.I. 2018/1039), regs. 1, **15(4)(d)(iii)**; 2020 c. 1, Sch. 5 para. 1(1)
- F19** Sch. 15 para. 15(3) omitted (31.12.2020) by virtue of *The Friendly Societies (Amendment) (EU Exit) Regulations 2018* (S.I. 2018/1039), regs. 1, **15(4)(e)**; 2020 c. 1, Sch. 5 para. 1(1)
- F20** Sch. 15 para. 15(4) repealed (1.1.1998) by S.I. 1997/2849, reg. 5, **Sch.**
- F21** Sch. 15 para. 15(5) repealed (1.1.1998) by S.I. 1997/2849, reg. 5, **Sch.**
- F22** Sch. 15 para. 15(6) substituted (1.12.2001) by S.I. 2001/3649, arts. 1, **207(3)**
- F23** Sch. 15 para. 15(6)(a) omitted (31.12.2020) by virtue of *The Friendly Societies (Amendment) (EU Exit) Regulations 2018* (S.I. 2018/1039), regs. 1, **15(4)(f)**; 2020 c. 1, Sch. 5 para. 1(1)

[^{F24}15A(1) This paragraph applies to any transfer of engagements (other than contracts of reinsurance) where—

- (a) the effecting of the engagements constituted the carrying on of long term business;
- (b) the transferor is a friendly society to which section 37(3) above applies; and
- (c) the transferee is—
 - (i) a friendly society to which section 37(2) or (3) above applies;
 - ^{F25}(ii)
 - ^{F25}(iii)
 - (iv)
 - (v) an insurance company whose margin of solvency is [^{F26}supervised in accordance with rule 3.1 to 3.3 and rule 6.4 and 6.5 of the Third Country Branches Part of the Rulebook made by the Prudential Regulation Authority under the Financial Services and Markets Act 2000.]

[For the purposes of sub-paragraph (1)(c)(v), references to rules made by the ^{F27}(1A) Prudential Regulation Authority are to those rules as they have effect on IP completion day.]

- (2) The [^{F28}appropriate authority] shall not confirm the transfer unless—
 - ^{F29}(a)
 - (b) the relevant authority certifies that the transferee possesses the necessary margin of solvency after taking the proposed transfer into account; ^{F30} ...
 - ^{F31}(c)

^{F32}(3)

^{F33}(4)

^{F34}(5)

[In this paragraph “the relevant authority” means—

^{F35}(6) ^{F36}(a)

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- (b) if the transferee falls within paragraph (1)(c)(v), the [^{F28}appropriate authority] or other supervisory body responsible for the supervision;
- (c) in any other case, the [^{F28}appropriate authority].]

Textual Amendments

- F24** Sch. 15 para 15A substituted (1.9.1994) by S.I. 1994/1984, reg. 25, **Sch. 4 para. 4**
- F25** Sch. 15 para. 15A(1)(c)(ii)(iii) omitted (31.12.2020) by virtue of The Friendly Societies (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1039), regs. 1, **15(5)(a)**; 2020 c. 1, Sch. 5 para. 1(1)
- F26** Words in Sch. 15 para. 15A(1)(c)(v) substituted (31.12.2020) by The Friendly Societies (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1039), regs. 1, **15(5)(b)**; 2020 c. 1, Sch. 5 para. 1(1)
- F27** Sch. 15 para. 15A(1A) inserted (31.12.2020) by The Friendly Societies (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1039), regs. 1, **15(5)(c)** (as amended by S.I. 2020/1301, regs. 1, 3, Sch. para. 1(b)(ii)); 2020 c. 1, Sch. 5 para. 1(1)
- F28** Words in Sch. 15 para. 15A substituted (1.4.2013) by The Financial Services Act 2012 (Mutual Societies) Order 2013 (S.I. 2013/496), art. 1(1), **Sch. 9 para. 56(15)** (with Sch. 12)
- F29** Sch. 15 para. 15A(2)(a) repealed (1.12.2001) by S.I. 2001/2617, arts. 2, 13(2), **Sch. 4** (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(1)**
- F30** Word in Sch. 15 para. 15A(2)(b) omitted (31.12.2020) by virtue of The Friendly Societies (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1039), regs. 1, **15(5)(d)**; 2020 c. 1, Sch. 5 para. 1(1)
- F31** Sch. 15 para. 15A(2)(c) omitted (31.12.2020) by virtue of The Friendly Societies (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1039), regs. 1, **15(5)(d)**; 2020 c. 1, Sch. 5 para. 1(1)
- F32** Sch. 15 para. 15A(3) omitted (31.12.2020) by virtue of The Friendly Societies (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1039), regs. 1, **15(5)(e)**; 2020 c. 1, Sch. 5 para. 1(1)
- F33** Sch. 15 Pt. II para. 15A(4) repealed (1.1.1998) by S.I. 1997/2849, reg. 5, **Sch.**
- F34** Sch. 15 Pt. II para. 15A(5) repealed (1.1.1998) by S.I. 1997/2849, reg. 5, **Sch.**
- F35** Sch. 15 para. 15A(6) substituted (1.12.2001) by S.I. 2001/3649, **arts. 1**, 208(3)
- F36** Sch. 15 para. 15A(6)(a) omitted (31.12.2020) by virtue of The Friendly Societies (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1039), regs. 1, **15(5)(f)**; 2020 c. 1, Sch. 5 para. 1(1)

Textual Amendments

- F37** Sch. 15 para. 16 omitted (17.8.2001 for specified purposes and otherwise *prosp.*) by S.I. 2001/2617, arts. 2(a), 8(1), 13(1), Sch. 3 para. 128(v) (with art. 13(3), **Sch. 5**) and is repealed (*prosp.*) by S.I. 2001/2617, arts. 2(b), 13(2), Sch. 4 (with art. 13(3), **Sch. 5**)

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