



Friendly Societies Act 1992

1992 CHAPTER 40

PART VIII

AMALGAMATIONS, TRANSFERS OF ENGAGEMENTS AND CONVERSION OF FRIENDLY SOCIETIES INTO COMPANIES

Transfers of engagements

90 Power of [F¹appropriate authority] to effect transfer of engagements.

- (1) Subject to the following provisions of this section the [F²appropriate authority] may give a direction under this section (“a direction”) providing for the transfer of such of the engagements of a friendly society (“the society”) as are specified in the order to a person so specified (“the transferee”).
- (2) The [F²appropriate authority] may give a direction if—
 - (a) it considers that—
 - (i) the society is unable to manage its affairs satisfactorily in relation to the engagements specified in the order; and
 - (ii) a transfer of those engagements would be expedient to protect the interests of the members of the society; and
 - (b) the proposed transferee has complied with paragraph 1 of Schedule 15 to this Act and has resolved to undertake to fulfil the engagements by special resolution or, if the [F²appropriate authority] consents to that mode of proceeding, by resolution of the committee of management;

but the [F²appropriate authority] may direct that paragraph (b) above shall be modified in relation to a particular proposed transfer (but not to permit a society to resolve to undertake to fulfil the engagements by less than a majority or more than a three-quarters majority of those voting).

[F³(2A) The PRA must consult the FCA before giving a direction under this section.]

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- (3) The [^{F4}appropriate authority] may not give a direction if, were the transfer to be proposed to be made under section 86 above, it would be precluded from confirming it by [^{F5}paragraph 11 or] any provision of paragraphs 13 to 17 of Schedule 15 to this Act.
- (4) [^{F6}At the same time as giving a warning notice to the society in accordance with section 58A(1) in relation to its proposal to give a direction, the [^{F4}appropriate authority] shall] publish notice of the proposed direction in one or more of the London Gazette, the Belfast Gazette or the Edinburgh Gazette, as it thinks appropriate, and, if it thinks appropriate, in one or more newspapers.
- (5) A notice published in pursuance of subsection (4)(b) above shall—
- (a) state that any interested party has the right to make representations to the [^{F4}appropriate authority] with respect to the proposed direction;
 - (b) specify a date determined by the [^{F4}appropriate authority] before which any written representations or notice of a person's intention to make oral representations must be received by the [^{F4}appropriate authority]; and
 - (c) specify a date determined by the [^{F4}appropriate authority] as the day on which it intends to hear any oral representations.
- (6) After the date specified in pursuance of subsection (5)(b) above, the [^{F4}appropriate authority] shall—
- (a) determine the time and place at which oral representations may be made;
 - (b) give notice of that determination to the society and the proposed transferee and to any persons who have given notice of their intention to make oral representations; and
 - (c) send copies of the written representations received by the [^{F4}appropriate authority] to the society concerned and the proposed transferee.
- (7) [^{F7}Before the [^{F4}appropriate authority] decides whether to give the society a decision notice in accordance with section 58A(3),] the [^{F4}appropriate authority] shall allow the society and the proposed transferee an opportunity to comment on the written representations, whether at a hearing or in writing before the expiration of such period as the [^{F4}appropriate authority] specifies in a notice to it.
- [^{F8}(8) If the PRA gives a direction, it must send a copy of the direction to the FCA.
- (8A) The FCA must—
- (a) keep a copy of a direction issued under this section (whether by the FCA or by the PRA);
 - (b) register that copy; and
 - (c) issue a registration certificate to the transferee.
- (8B) The registration certificate must specify a date as the transfer date for the transfer.]
- (9) On the transfer date—
- (a) the property, rights and liabilities of the society shall by virtue of this subsection become, to the extent provided in the direction, the property, rights and liabilities of the transferee; and
 - (b) if the transfer is of all the society's engagements, the society shall be dissolved; but the transfer shall be deemed to have been effected before any such dissolution.
- (10) The [^{F9}FCA] shall keep a copy of a direction and of the registration certificate—
- (a) if the transferee is a friendly society, in the public file of that society;

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- (b) in any other case, in the public file of the society transferring the engagements.
- (11) Where a friendly society is dissolved by subsection (9)(b) above, its registration under this Act or the 1974 Act shall be cancelled by the [FCA].

Textual Amendments

- F1** Words in s. 90 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. 39(7)** (with Sch. 12)
- F2** Words in s. 90(1)(2) substituted (1.4.2013) by The Financial Services Act 2012 (Mutual Societies) Order 2013 (S.I. 2013/496), art. 1(1), **Sch. 9 para. 39(2)** (with Sch. 12)
- F3** S. 90(2A) inserted (1.4.2013) by The Financial Services Act 2012 (Mutual Societies) Order 2013 (S.I. 2013/496), art. 1(1), **Sch. 9 para. 39(3)** (with Sch. 12)
- F4** Words in s. 90(3)-(7) substituted (1.4.2013) by The Financial Services Act 2012 (Mutual Societies) Order 2013 (S.I. 2013/496), art. 1(1), **Sch. 9 para. 39(4)** (with Sch. 12)
- F5** Words in s. 90(3) inserted (17.8.2001 for specified purposes and otherwise 1.12.2001) by S.I. 2001/2617, arts. 2, 8(1), 13(1), **Sch. 3 para. 100(b)** (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(1)**
- F6** Words in s. 90(4) substituted for s. 90(4)(a) and words (17.8.2001 for specified purposes and otherwise 1.12.2001) by S.I. 2001/2617, arts. 2, 8(1), 13(1), **Sch. 3, Pt. 1 para. 100(c)** (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(1)**
- F7** Words in s. 90(7) inserted (17.8.2001 for specified purposes and otherwise 1.12.2001) by S.I. 2001/2617, arts. 2, 8(1), 13(1), **Sch. 3 para. 100(e)** (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(1)**
- F8** S. 90(8)-(8B) substituted for s. 90(8) (1.4.2013) by The Financial Services Act 2012 (Mutual Societies) Order 2013 (S.I. 2013/496), art. 1(1), **Sch. 9 para. 39(5)** (with Sch. 12)
- F9** Word in s. 90(10)(11) substituted (1.4.2013) by The Financial Services Act 2012 (Mutual Societies) Order 2013 (S.I. 2013/496), art. 1(1), **Sch. 9 para. 39(6)** (with Sch. 12)

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