



Industrial Assurance Act 1923

1923 CHAPTER 8

Amalgamations, Transfers and Conversions

36 Transfer of engagements of collecting societies

- (1) Section seventy of the Friendly Societies Act, 1896, in its application to an amalgamation and transfer of engagements of collecting societies shall have effect subject to the following modifications:—
- (i) Before the assent required by that section is sought to be obtained, there shall, unless the Commissioner otherwise directs, be sent to each member a statement in such form and containing such particulars as the Commissioner may require, of the terms of the amalgamation or transfer, and the consideration proposed to be paid therefor, the manner in which that consideration is to be distributed, and the exact share therein which is to be paid to each person participating in the distribution :
 - (ii) An amalgamation or transfer shall not become effective unless sanctioned by the Commissioner, and the Commissioner, before sanctioning any such amalgamation or transfer, shall hear any representations made on behalf of any class of persons (including the employees of any society concerned) who allege that they are adversely affected by the amalgamation or transfer, and may require as a condition of his sanction that the terms of the amalgamation or transfer shall be modified in such manner as he may consider just.
- (2) The said section as so modified shall apply to the transfer by a collecting society of its engagements to an industrial assurance company as if in subsection (2) thereof for the words " any other registered society" there were substituted the words " an industrial assurance company " ; and section seventy-one of the Friendly Societies Act, 1896, so far as it enables a registered friendly society to amalgamate with or transfer its engagements to a company, shall not apply to a collecting society.

37 Transfer of business from company to society

The provisions of the Assurance Companies Act, 1909, as amended by this Act relating to the transfer of industrial assurance business or liabilities arising in respect of

industrial assurance business from one industrial assurance company to another, shall, with the necessary modifications, apply to the transfer of such business or liabilities from an industrial assurance company to a collecting society.

38 Conversion of collecting society into company

(1) Section seventy-one of the Friendly Societies Act, 1896, so far as it relates to the conversion of a society into a company shall, in its application to a collecting society, have effect subject to the following modifications:—

- (a) A copy of the special resolution shall be sent to the Commissioner;
- (b) If within one month after the copy of the special resolution is so sent to him the Commissioner gives notice in writing to the society that he objects to the conversion, the conversion shall not be effected without the sanction of the High Court or in the case of a society registered in Scotland of the Court of Session ;
- (c) On the application to the court for such sanction the Commissioner shall be entitled to appear and be heard.

(2) "Without prejudice to the powers conferred by section seventy-one of the Friendly Societies Act, 1896, as so amended, the committee of management of a collecting society having more than one hundred thousand members may petition the court to make an order for the conversion of the society into a mutual company under the Companies Acts, 1908 to 1917, and the court may make such an order if, after hearing the Commissioner if he desires to be heard, and the committee of management, and other persons whom the court considers entitled to be heard on the petition, the court is satisfied, on a poll being taken, that fifty-five per cent. at least of the members of the society over sixteen years of age agree to the conversion :

Provided that, before any such petition is presented to the court, notice of intention to present the petition shall be published in the Gazette, and in such newspapers as the court may direct.

- (3) The court may give such directions as it thinks fit for settling a proper memorandum and articles of association of the company.
- (4) When a collecting society converts itself into a company in accordance with the provisions of this section, subsection (3) of section seventy-one of the Friendly Societies Act, 1896, shall apply in like manner as if the conversion were effected under that section.