
STATUTORY INSTRUMENTS

1987 No. 2132

The Friendly Societies (Long Term Insurance Business) Regulations 1987

PART III

REGULATION OF AUTHORISED SOCIETIES

Partial transfers

Transfer of part of long term business

28.—(1) Subject to the following provisions of this regulation, an authorised society (“the transferor”) may transfer part of its long term business to another authorised society (“the transferee”).

(2) The proposed transfer shall be approved by special resolution, within the meaning of section 86 (Meaning and registration of special resolutions) of the 1974 Act, in respect of both the transferor and the transferee.

(3) In respect of the transferor, at the general meeting at which the special resolution was passed, the proposed transfer shall further be approved by a resolution passed by not less than three-quarters of those members to whose contracts with, or benefits due from, the society the transfer relates, who either vote in person or by proxy at the meeting.

(4) The transferor shall give information relating to the terms of the proposed transfer to its members—

- (a) by sending to each member, not less than fourteen days before the date of the general meeting at which the special resolution for the transfer is to be proposed, a notice in terms to be approved by the Chief Registrar; or
- (b) if the Chief Registrar so allows in the case of all or any of the members of the society, by placing an advertisement, in terms approved for the purpose by him, in such newspaper or newspapers, and at such time or times, as he may specify.

(5) The transferee shall produce to the Chief Registrar a statement by a qualified actuary that the transferee will possess the margin of solvency required by law after the proposed transfer has taken place.

(6) A transfer of business under the provisions of the Regulation shall not prejudice any right of a creditor of the transferor or the transferee.

(7) A partial transfer under this regulation shall be deemed to be a transfer under section 82 (Amalgamation and transfer of engagements) of the 1974 Act for the purposes of the Chief Registrar’s powers under that provision and of the Industrial Assurance Commissioner’s powers under section 36 (Transfers from one society or company to another) of the 1923 Act.