



Co-operative and Community Benefit Societies Act (Northern Ireland) 1969

1969 CHAPTER 24

PART II

REGISTERED SOCIETIES

AMALGAMATIONS, TRANSFERS OF ENGAGEMENTS AND CONVERSIONS

59 Amalgamation of societies.

- (1) Any two or more registered societies may by special resolution of each of those societies become amalgamated together as one society, with or without any dissolution or division of the funds of those societies or any of them; and the property of each of those societies shall become vested in the amalgamated society without the necessity of any form of conveyance other than that contained in the special resolution.
- (2) In this section the expression “special resolution” means a resolution which is—
 - (a) passed by not less than two-thirds of such members of the society for the time being entitled under the society's rules to vote as may have voted in person, or by proxy where the rules allow proxies, at any general meeting of which notice, specifying the intention to propose the resolution, has been duly given according to those rules; and
 - (b) confirmed by a majority of such members of the society for the time being entitled as aforesaid as may have voted as aforesaid at a subsequent general meeting of which notice has been duly given held not less than fourteen days nor more than one month from the day of the meeting at which the resolution was passed in accordance with paragraph (a).
- (3) At any such meeting as aforesaid, a declaration by the chairman that the resolution has been carried shall be deemed conclusive evidence of that fact.

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- (4) A copy of every special resolution for the purposes of this section signed by the chairman of the meeting at which the resolution was confirmed and countersigned by the secretary of the society shall be sent to the registrar and registered by ^{F1}it ; and until that copy is so registered the special resolution shall not take effect.
- (5) It shall be the duty of a registered society to send a copy of any special resolution for registration in accordance with subsection (4) within fourteen days from the day on which the resolution is confirmed under subsection (2)(b), but this subsection shall not invalidate registration after that time.
- (6) If registered societies become amalgamated together under this section without the dissolution of any one or more of them, the registration of any such society not dissolved shall thereupon become void and, subject to section 68(2), be cancelled by the registrar.

F1 Word in s. 59(4) substituted (6.4.2018 immediately after 2016 c. 16 (N.I.), s. 8(2) comes into force) by [The Financial Services Act 2012 \(Mutual Societies\) Order 2018 \(S.I. 2018/323\)](#), art. 1, **Sch. 2 para. 17** (with art. 3)

Modifications etc. (not altering text)

C1 S. 59 applied (with modifications) (31.7.2006) by [Community Benefit Societies \(Restriction on Use of Assets\) Regulations \(Northern Ireland\) 2006 \(S.R. 2006/258\)](#), reg. 17, **Sch. 2 para. 4**

60 Transfer of engagements between societies.

- (1) Any registered society may by special resolution transfer its engagements to any other registered society which may undertake to fulfil those engagements; and if that resolution approves the transfer of the whole or any part of the society's property to that other society, the whole or, as the case may be, that part of the society's property shall vest in that other society without any conveyance or assignment.
- (2) Subsections (2) to (5) of section 59 shall have effect for the purposes of this section as they have effect for the purposes of that section.
- (3) If a registered society transfers all its engagements under subsection (1), the registration of that society shall thereupon become void and, subject to section 68(2), be cancelled by the registrar.

Modifications etc. (not altering text)

C2 S. 60 applied (with modifications) (31.7.2006) by [Community Benefit Societies \(Restriction on Use of Assets\) Regulations \(Northern Ireland\) 2006 \(S.R. 2006/258\)](#), reg. 17, **Sch. 2 para. 5**

61^{F2} Conversion into, or transfer of engagements to, company.

- (1) A registered society may by special resolution determine to convert itself into a company to be formed and registered under^{F3}the Companies Act 2006] or transfer its engagements to a company formed and registered under the^{F4}that Act].
- (2) If a special resolution for converting a registered society into a company contains the particulars^{F5}required by subsection (1) of section 8 of the Companies Act 2006] to be contained in the memorandum of association of a company and a copy thereof has

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been registered by the registrar, a copy of that resolution bearing the [^{F6}registrar’s seal] shall have the same effect as a memorandum of association duly [^{F7}authenticated as required by subsection (2) of that section].

[^{F8}(3) In this section “special resolution” means a resolution—

- (a) which is passed at a general meeting of which notice, specifying the intention to propose the resolution, has been duly given according to the rules of the society (“the rules”);
- (b) which is passed by not less than three-fourths of such of the qualifying members of the society as may have voted in person or, where the rules allow proxies, by proxy;
- (c) on which not less than half of the qualifying members of the society voted either in person or, where the rules allow proxies, by proxy; and
- (d) which is confirmed by a majority of such of the qualifying members of the society as may have voted in person or, where the rules allow proxies, by proxy at a subsequent general meeting of which notice has been duly given held not less than 14 days nor more than one month from the day of the meeting at which the resolution was passed in accordance with paragraphs (a) to (c),

and references to the qualifying members of a society are references to the members of the society who are for the time being entitled under the society’s rules to vote.

(3A) At any such meeting, a declaration by the chairman that—

- (a) all reasonably practicable steps have been taken to ascertain the number of qualifying members of the society; and
- (b) the resolution has been carried,

shall be deemed conclusive evidence of those facts.

(3B) Subsections (4) and (5) of section 59 shall have effect for the purposes of this section as they have effect for the purposes of that section but as if in subsection (5) of that section for the reference to subsection (2)(b) of that section there were substituted a reference to subsection (3)(d) of this section.]

- (4) Subject to subsection (6), if a registered society is converted into, or transfers all its engagements to, a company under this section, the registration of that society under this Act shall thereupon become void and, subject to section 68(2), be cancelled by the registrar.
- (5) If a registered society is converted into, or transfers its engagements to, a company under this section, the property of the society, or so much of the property of the society as is included in the transfer, shall vest in the company without any conveyance or assignment.
- (6) Registration of a registered society as a company shall not affect any right or claim for the time being subsisting against the society or any penalty for the time being incurred by the society; and—
 - (a) for the purpose of enforcing any such right, claim or penalty, the society may be sued and proceeded against in the same manner as if it had not become registered as a company; and
 - (b) every such right or claim, or the liability to any such penalty, shall have priority as against the property of the company over all other rights or claims against or liabilities of the company.

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- F3** Words in s. 61(1) substituted (1.10.2009) Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), art. 2(1), **Sch. 1 para. 21(6)(a)(i)** (with art. 10)
- F4** Words in s. 61(1) substituted (1.10.2009) Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), art. 2(1), **Sch. 1 para. 21(6)(a)(ii)** (with art. 10)
- F5** Words in s. 61(2) substituted (1.10.2009) Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), art. 2(1), **Sch. 1 para. 21(6)(b)(i)** (with art. 10)
- F6** Words in s. 61(2) substituted (6.4.2018 immediately after 2016 c. 16 (N.I.), s. 8(2) comes into force) by The Financial Services Act 2012 (Mutual Societies) Order 2018 (S.I. 2018/323), art. 1, **Sch. 2 para. 18** (with art. 3)
- F7** Words in s. 61(2) substituted (1.10.2009) Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), art. 2(1), **Sch. 1 para. 21(6)(b)(ii)** (with art. 10)
- F8** S. 61(3)-(3B) substituted (1.7.2006) by Industrial and Provident Societies (Northern Ireland) Order 2006 (S.I. 2006/314 (N.I. 3)), arts. 1(3), 7; S.R. 2006/242, **art 2**

Modifications etc. (not altering text)

- C3** S. 61 applied (with modifications) (31.7.2006) by Community Benefit Societies (Restriction on Use of Assets) Regulations (Northern Ireland) 2006 (S.R. 2006/258), reg. 17, **Sch. 2 para. 6**

62 Conversion of company into registered society.

- (1) A company formed and registered under^{F9} the Companies Act 2006] may,^{F10} by special resolution], determine to convert itself into a registered society; and for this purpose, in any case where the nominal value of the company's shares held by any member other than a registered society exceeds [^{F11} the maximum for the time being permitted by section 6(1)], the resolution may provide for the conversion of the shares representing that excess into a transferable loan stock bearing such rate of interest as may be fixed, and repayable on such conditions only as are determined by the resolution.
- (2) Any such resolution as aforesaid shall be accompanied by a copy of the rules of the society therein referred to and shall appoint^{F12} three] persons, being members of the company, who, together with the secretary [^{F13}(or if the company has no secretary, a director)], shall sign the rules and who may either—
- (a) be authorised to accept any alterations made by the registrar therein without further consulting the company; or
 - (b) be required to lay any such alterations before the company in general meeting for acceptance as the resolution may direct.
- (3) A copy of the resolution aforesaid shall be sent with a copy of the rules aforesaid to the registrar who, upon the registration of the society under this Act, shall give to it, in addition to an acknowledgment of registration under section 2(3), a certificate that the rules of the society referred to in the resolution have been registered.
- (4) A copy of any such resolution as aforesaid^{F14} . . . together with the certificate issued as aforesaid by the registrar shall be sent for registration to the registrar of companies^{F15} . . . and, upon his registering the copy of the resolution and the certificate, the conversion shall take effect and the property of the company shall vest in the society without any conveyance or assignment.

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- (5) The name under which any company is registered under this section as a registered society shall not include the word “company” .
- (6) Subject to subsection (7), upon the conversion of a company into a registered society under this section, the registration of the company under^{F16}the Companies Act 2006] shall become void and the registrar of companies shall thereupon strike the name of the company off the register.
- (7) The registration of a company as a registered society shall not affect any right or claim for the time being subsisting against the company or any penalty for the time being incurred by the company; and—
- (a) for the purpose of enforcing any such right, penalty or claim the company may be sued and proceeded against in the same manner as if it had not been registered as a society;
 - (b) any such right or claim and the liability to any such penalty shall have priority as against the property of the registered society over all other rights or claims against or liabilities of the society.

- F9** Words in s. 62(1) substituted (1.10.2009) Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), art. 2(1), **Sch. 1 para. 21(7)(a)** (with art. 10)
- F10** Words in s. 62(1) substituted (1.10.2007) by Companies Act 2006 (Commencement No. 3, Consequential Amendments, Transitional Provisions and Savings) Order 2007 (S.I. 2007/2194), arts. 1(3)(a), 10(1), **Sch. 4 para. 30** (with saving in art. 12)
- F11** 1976 NI 7
- F12** 1997 NI 22
- F13** Words in s. 62(2) inserted (1.10.2009) Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), art. 2(1), **Sch. 1 para. 21(7)(b)** (with art. 10)
- F14** Words in s. 62(4) omitted (1.10.2009) by virtue of Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), art. 2(1), **Sch. 1 para. 21(7)(c)(i)** (with art. 10)
- F15** Words in s. 62(4) omitted (1.10.2009) by virtue of Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), art. 2(1), **Sch. 1 para. 21(7)(c)(ii)** (with art. 10)
- F16** Words in s. 62(6) substituted (1.10.2009) Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), art. 2(1), **Sch. 1 para. 21(7)(d)** (with art. 10)

Modifications etc. (not altering text)

- C4** S. 62 applied (with modifications) by S.I. 2005/1788, reg. 6A(b) (as inserted (1.10.2009) by Community Interest Company (Amendment) Regulations 2009 (S.I. 2009/1942), reg. 5)

63 Saving for rights of creditors.

An amalgamation or transfer of engagements in pursuance of section 59, 60 or 61 shall not prejudice any right of a creditor of any registered society which is a party thereto.

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