



Industrial and Provident Societies Act 1965 (repealed)

1965 CHAPTER 12

Membership and special provisions affecting members

19 Bodies corporate as members of society.

- (1) Shares in a registered society may be held by any other body corporate (if that body's regulations so permit) by its corporate name.
- (2) Where a registered society is a member of another registered society, then, for the purposes of any enactment with respect to the making or signing of any application, instrument or document by members of a registered society, any reference therein to such a member shall, in relation to the first-mentioned society as a member of the second-mentioned society, be construed as a reference to two members of the committee and the secretary of the society.

20 Members under 21.

A person under the age of [^{F1}eighteen] but above the age of sixteen may be a member of a registered society unless provision to the contrary is made by the society's registered rules and may, subject to those rules and to the provisions of this Act, enjoy all the rights of a member and execute all instruments and give all receipts necessary to be executed or given under those rules, but shall not be a member of the committee, trustee, manager or treasurer of the society.

Textual Amendments

- F1** Word substituted by (S.) [Age of Majority \(Scotland\) Act 1969 \(c. 39\), s. 1\(3\) Sch. 1 Pt. I](#) and (E.W.) [Family Law Reform Act 1969 \(c. 46\), s. 1\(3\), Sch. 1 Pt. I](#)

Status: Point in time view as at 01/01/2005.

Changes to legislation: There are currently no known outstanding effects for the Industrial and Provident Societies Act 1965 (repealed), Cross Heading: Membership and special provisions affecting members. (See end of Document for details)

21 Advances to members.

Without prejudice to any provision included by virtue of section 12 of this Act, the rules of a registered society may provide for advances of money to members—

- (a) on the security of real or personal property or, in Scotland, of heritable or moveable estate; or
- (b) if the society is registered to carry on banking business, in any manner customary in the conduct of such business.

22 Remedy for debts from members.

- (1) All moneys payable to a registered society by a member thereof shall be a debt due from that member to the society and shall be recoverable as such in the county court, or, in Scotland, before the sheriff, within whose jurisdiction the society's registered office is situate or within whose jurisdiction the member resides, at the option of the society.
- (2) A registered society shall have a lien on the shares of any member for any debt due to the society by that member, and may set off any sum credited to the member on those shares in or towards the payment of that debt.

23 Nomination to property in society.

- (1) Subject to subsections (2) and (3) of this section, a member of a registered society may, by a written statement signed by him and delivered at or sent to the society's registered office during his lifetime or made in any book kept at that office, nominate a person or persons to become entitled at his death to the whole, or to such part or respective parts as may be specified in the nomination, of any property in the society (whether in shares, loans or deposits or otherwise) which he may have—
 - (a) in the case of a nomination made before 1st January 1914, at the date of the nomination; or
 - (b) in any other case, at the time of his death.
- (2) The nomination by a member of a society under the foregoing subsection of a person who is at the date of the nomination an officer or servant of the society shall not be valid unless that person is the husband, wife, father, mother, child, brother, sister, nephew or niece of the nominator.
- (3) For the purposes of the disposal of any property which is the subject of a nomination under subsection (1) of this section—
 - (a) if the nomination was made before 1st January 1914 and at the date of the nomination the amount credited to the nominator in the society's books exceeded one hundred pounds, the nomination shall not be valid;
 - (b) if the nomination was made after 31st December 1913 and before 5th August 1954 and at the date of the nominator's death the amount of his property in the society comprised in the nomination exceeds one hundred pounds, the nomination shall be valid to the extent of one hundred pounds but not further or otherwise;
 - (c) if the nomination was made after 4th August 1954 and at the date of the nominator's death the amount of his property in the society comprised in the nomination exceeds [^{F2}£1,500], the nomination shall be valid to the extent of [^{F2}£1,500], but not further or otherwise.

Status: Point in time view as at 01/01/2005.

Changes to legislation: There are currently no known outstanding effects for the Industrial and Provident Societies Act 1965 (repealed), Cross Heading: Membership and special provisions affecting members. (See end of Document for details)

- (4) A nomination by a member of a society under subsection (1) of this section may be varied or revoked by a subsequent nomination by him thereunder or by any similar document in the nature of a revocation or variation signed by the nominator and delivered at or sent to the society's registered office during his lifetime, but shall not be revocable or variable by the will of the nominator or by any codicil thereto.
- (5) Every registered society shall keep a book in which the names of all persons nominated under subsection (1) of this section and any revocation or variation of any nomination under that subsection shall be recorded.
- (6) The marriage of a member of a society shall operate as a revocation of any nomination made by him before the marriage and after 31st December 1913; but if any property of that member has been transferred by an officer of the society in pursuance of that nomination in ignorance of a marriage contracted by the nominator subsequent to the date of the nomination, the receipt of the nominee shall be a valid discharge to the society and the society shall be under no liability to any other person claiming the property.

Textual Amendments

F2 Word substituted by [S.I. 1975/1137](#), [art. 3\(a\)](#)

24 Proceedings on death of nominator.

- (1) Subject to subsections (2) and (4) of this section, where any member of a registered society has made a nomination under section 23 of this Act, the committee of the society, on receiving satisfactory proof of the death of that member, and if and to the extent that the nomination is valid under subsections (2) and (3) of that section, shall in the case of each person entitled under the nomination either transfer to him, or pay him the full value of, any property to which he is so entitled.
- (2) Where any of the property comprised in such a nomination as aforesaid consists of shares in the society, the foregoing subsection shall have effect notwithstanding that the rules of the society declare the shares therein not to be transferable; but if the transfer of any shares comprised in the nomination in the manner directed by the nominator would raise the share capital of any nominee beyond the maximum for the time being permitted in the case of that society, the committee of the society shall not transfer to that nominee more of those shares than will raise his share capital to that maximum and shall pay him the value of any of those shares not transferred.
- (3) Where any sum falls to be paid under the foregoing provisions of this section to a nominee who is under sixteen years of age, the society may pay that sum to either parent, or to a guardian, of the nominee or to any other person of full age who will undertake to hold it on trust for the nominee or to apply it for his benefit and whom the society may think a fit and proper person for the purpose, and the receipt of that parent, guardian or other person shall be a sufficient discharge to the society for all moneys so paid.
- (4)

F3

*Status: Point in time view as at 01/01/2005.**Changes to legislation: There are currently no known outstanding effects for the Industrial and Provident Societies Act 1965 (repealed), Cross Heading: Membership and special provisions affecting members. (See end of Document for details)***Textual Amendments****F3** S. 24(4) repealed by [Administration of Estates \(Small Payments\) Act 1965 \(c. 32\)](#), **Sch. 4****25 Provision for intestacy.**

- (1) If any member of a registered society dies . . . ^{F4} and at his death his property in the society in respect of shares, loans or deposits does not exceed in the whole [^{F5}£5,000] and is not the subject of any nomination under section 23 of this Act, then, subject to subsection (2) of this section, the committee of the society may, without letters of administration [^{F6}or probate of any will] or, in Scotland, without confirmation having been obtained, distribute that property among such persons as appear to the committee on such evidence as they deem satisfactory to be entitled by law to receive it.
- (2) If the member aforesaid was illegitimate [^{F7}and leaves no widow, widower or issue, (including any illegitimate child of the member) and neither of his parents survives him], the committee shall deal with his property in the society as the Treasury shall direct.

Textual Amendments

- F4** Word repealed by [Administration of Estates \(Small Payments\) Act 1965 \(c. 32\)](#), **Sch. 3**
- F5** “£5,000” substituted by virtue of [Administration of Estates \(Small Payments\) Act 1965 \(c. 32\)](#), SIF 116:1, ss. 1(1), 6, **Sch. 1 Pt. I** and S.I. 1984/539, **art. 2(a)**
- F6** Words inserted by [Administration of Estates \(Small Payments\) Act 1965 \(c. 32\)](#), **Sch. 3**
- F7** Words substituted by [Family Law Reform Act 1969 \(c. 46\)](#), **s. 19(2)**

Modifications etc. (not altering text)

- C1** Power to amend s. 25 conferred by [Administration of Estates \(Small Payments\) Act 1965 \(c. 32\)](#), s. 6(1), **Sch. 1 Pt. I**

26 Payments in respect of mentally incapable persons.

- (1) Subject to subsection (2) of this section, where in the case of a member of a registered society or a person claiming through such a member the society’s committee are satisfied after considering medical evidence that the member or person is incapable through disorder or disability of mind of managing his own affairs and are also satisfied that no person has been duly appointed to administer his property on his behalf, and it is proved to the satisfaction of the committee that it is just and expedient so to do, the society may pay the amount of any shares, loans, and deposits belonging to that member or person to any person whom they judge proper to receive it on his behalf, whose receipt shall be a good discharge to the society for any sum so paid.
- (2) The foregoing subsection shall not apply when the member or person in question is—
- (a) a patient within the meaning of Part VIII of the ^{M1}Mental Health Act 1959; or
 - (b) a person as to whom powers are exercisable and have been exercised under section 104 of that Act.

Status: Point in time view as at 01/01/2005.

Changes to legislation: There are currently no known outstanding effects for the Industrial and Provident Societies Act 1965 (repealed), Cross Heading: Membership and special provisions affecting members. (See end of Document for details)

Marginal Citations

M1 1959 c. 72.

27 Validity of payment to persons apparently entitled.

All payments or transfers made by the committee of a registered society under section 25 or 26(1) of this Act or any corresponding provision of any Act repealed by this Act to any person appearing to the committee at the time of the payment or transfer to be entitled thereunder shall be valid and effectual against any demand made upon the committee or society by any other person.

Status:

Point in time view as at 01/01/2005.

Changes to legislation:

There are currently no known outstanding effects for the Industrial and Provident Societies Act 1965 (repealed), Cross Heading: Membership and special provisions affecting members.