



Friendly Societies Act 1992

1992 CHAPTER 40

PART II

INCORPORATED FRIENDLY SOCIETIES

Powers of incorporated friendly societies

14 Investment of funds.

- (1) An incorporated friendly society may invest its funds—
 - (a) in the purchase of land, or in the erection of offices or other buildings thereon;
 - (b) upon any other security expressly directed by the rules of the society, other than personal security (but without prejudice to any provision of this Act relating to loans); or
 - (c) in any other investment of a kind which trustees are for the time being by law authorised to make.
- (2) An incorporated friendly society which falls within subsection (3) ^{F1}. . . below may also invest the funds of the society in any other manner authorised by its constitution.
- (3) An incorporated friendly society falls within this subsection if—
 - (a) it is a society to which [^{F2}rules in respect of margins of solvency, made by the [^{F3}appropriate authority under Part 9A] of the Financial Services and Markets Act 2000, apply] and
 - (b) it maintains the margin of solvency which it is required to maintain by virtue of [^{F4}such rules].
- ^{F5}(4)
- (5) Once a society falls within subsection (3) ^{F1}. . . above, it shall be treated as continuing to do so for the purposes of subsection (2) above unless the [^{F6}appropriate authority] serves a notice under subsection (6) below on it.

Changes to legislation: There are currently no known outstanding effects for the Friendly Societies Act 1992, Section 14. (See end of Document for details)

- (6) Where it appears to the [^{F7}appropriate authority] that an incorporated friendly society has ceased to fall within subsection (3) ^{F1}. . . above, it shall serve on the society a notice stating that fact.
- (7) The powers of investment of a society on which a notice is served under subsection (6) above shall accordingly, until the notice is revoked under subsection (10) below, be limited to investment falling within subsection (1) above.
- (8) A notice under subsection (6) above may direct a society to dispose of an investment which it could not have acquired except under subsection (2) above.
- (9) Subject to subsection (8) above, a society may retain any investment which it could only have acquired under subsection (2) above.
- (10) The [^{F8}appropriate authority] may, by a subsequent notice to the society, revoke a notice under this section at any time when it appears to it that the society again falls within subsection (3) ^{F1}. . . above.
- [^{F9}(10A) The PRA must send to the FCA a copy of any notice it serves under subsection (6) or (10).]
- ^{F10}(11)
- (12) The [^{F11}FCA] shall keep a copy of [^{F12}any notice served on a society under subsection (6) or (10) above] in the public file of the society.

Textual Amendments

- F1** Words in s. 14 repealed (1.12.2001) by S.I. 2001/2617, arts. 2, 13(2), **Sch. 4** (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(1)**
- F2** Words in s. 14(3)(a) substituted (17.8.2001 for specified purposes and otherwise 1.12.2001) by S.I. 2001/2617, **arts. 2, 13(1)** Sch. 3 Pt. 1 para. 58(b) (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(1)**
- F3** Words in s. 14(3)(a) substituted (1.4.2013) by **The Financial Services Act 2012 (Mutual Societies) Order 2013** (S.I. 2013/496), art. 1(1), **Sch. 9 para. 7(2)** (with Sch. 12)
- F4** Words in s. 14(3)(b) substituted (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. 58(c)** (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(1)**
- F5** S. 14(4) repealed (1.12.2001) by S.I. 2001/2617, arts. 2, 13(2), **Sch. 4** (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(1)**
- F6** Words in s. 14(5) substituted (1.4.2013) by **The Financial Services Act 2012 (Mutual Societies) Order 2013** (S.I. 2013/496), art. 1(1), **Sch. 9 para. 7(3)** (with Sch. 12)
- F7** Words in s. 14(6) substituted (1.4.2013) by **The Financial Services Act 2012 (Mutual Societies) Order 2013** (S.I. 2013/496), art. 1(1), **Sch. 9 para. 7(3)** (with Sch. 12)
- F8** Words in s. 14(10) substituted (1.4.2013) by **The Financial Services Act 2012 (Mutual Societies) Order 2013** (S.I. 2013/496), art. 1(1), **Sch. 9 para. 7(3)** (with Sch. 12)
- F9** S. 14(10A) inserted (1.4.2013) by **The Financial Services Act 2012 (Mutual Societies) Order 2013** (S.I. 2013/496), art. 1(1), **Sch. 9 para. 7(4)** (with Sch. 12)
- F10** S. 14(11) repealed (1.12.2001) by S.I. 2001/2617, arts. 2, 13(2), **Sch. 4** (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(1)**
- F11** Word in s. 14(12) substituted (1.4.2013) by **The Financial Services Act 2012 (Mutual Societies) Order 2013** (S.I. 2013/496), art. 1(1), **Sch. 9 para. 7(5)** (with Sch. 12)
- F12** Words in s. 14(12) substituted (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 58(g)(i)(ii)** (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(1)**

Changes to legislation:

There are currently no known outstanding effects for the Friendly Societies Act 1992, Section 14.