



# Friendly Societies Act 1992

## 1992 CHAPTER 40

### PART VIII

#### AMALGAMATIONS, TRANSFERS OF ENGAGEMENTS AND CONVERSION OF FRIENDLY SOCIETIES INTO COMPANIES

##### *Conversions*

#### **91 Conversion of friendly society into company.**

- (1) A friendly society may, in accordance with this Part of this Act, convert itself into a company registered under [<sup>F1</sup>the Companies Act 2006] (“a company”).
- (2) In order to convert itself into a company a friendly society must—
  - (a) comply with the applicable requirements of Part I of Schedule 15 to this Act ;
  - (b) approve the proposed conversion, the terms on which it is to take place and the proposed memorandum and articles of association for the company by special resolution; and
  - (c) obtain the confirmation of the [<sup>F2</sup>appropriate authority] of the conversion; and, on obtaining that confirmation, the society may apply for registration as a company.

[<sup>F3</sup>(2A) The PRA must consult the FCA before giving a confirmation under this section.]

- (3) The terms on which the conversion of a friendly society into a company is to take place may include provision for part of the funds of the society or the company to be distributed among, or for other rights in relation to shares in the company to be conferred on, members of the society.

[<sup>F4</sup>(4) Where—

- (a) a special resolution of the society contains the particulars required by subsection (1) of section 8 of the Companies Act 2006 to be contained in the memorandum of association of a company, and
- (b) a copy of the resolution has been registered by the [<sup>F5</sup>FCA],

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*Changes to legislation: There are currently no known outstanding effects for the Friendly Societies Act 1992, Section 91. (See end of Document for details)*

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a copy of that resolution under the seal and stamp of the [F<sup>5</sup>FCA] has the same effect as a memorandum of association duly authenticated as required by subsection (2) of that section.]

- (5) On the registration of a friendly society as a company the registration of the society under this Act or the 1974 Act shall be cancelled by the [F<sup>5</sup>FCA].
- (6) Where a friendly society converts into a company the terms approved by the society and confirmed by the [F<sup>6</sup>appropriate authority] shall, in so far as they provide for the conferral of rights on members or officers of the society, be enforceable as if they had been the subject of an agreement between the society and those members and officers.
- (7) Registration of a friendly society as a company shall not affect any right or claim subsisting against the society or any penalty incurred by the society; and 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.
- (8) The [F<sup>7</sup>Treasury], may make regulations providing for the regulation of the conversion of friendly societies into companies; and such regulations may, in particular make provision—
  - (a) for and in connection with the transition from regulation by and under this Act or the 1974 Act to regulation by and under any other enactments on a society's ceasing to be registered under that Act; and
  - (b) for the treatment, in the hands of the company into which a friendly society has converted, of the property, rights and liabilities of the society immediately before its conversion and for the modification of any enactment in its application to any such property, rights and liabilities.
- (9) Schedule 15 to this Act has effect for supplementing this section.

#### **Textual Amendments**

- F1** Words in s. 91(1) substituted (1.10.2009) by [The Companies Act 2006 \(Consequential Amendments, Transitional Provisions and Savings\) Order 2009 \(S.I. 2009/1941\)](#), art. 1(2), [Sch. 1 para. 133\(5\)\(a\)](#) (with art. 10)
- F2** Words in s. 91(2)(c) substituted (1.4.2013) by [The Financial Services Act 2012 \(Mutual Societies\) Order 2013 \(S.I. 2013/496\)](#), art. 1(1), [Sch. 9 para. 40\(2\)](#) (with Sch. 12)
- F3** S. 91(2A) inserted (1.4.2013) by [The Financial Services Act 2012 \(Mutual Societies\) Order 2013 \(S.I. 2013/496\)](#), art. 1(1), [Sch. 9 para. 40\(3\)](#) (with Sch. 12)
- F4** S. 91(4) substituted (1.10.2009) by [The Companies Act 2006 \(Consequential Amendments, Transitional Provisions and Savings\) Order 2009 \(S.I. 2009/1941\)](#), art. 1(2), [Sch. 1 para. 133\(5\)\(b\)](#) (with art. 10)
- F5** Word in s. 91(4)(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. 40\(4\)](#) (with Sch. 12)
- F6** Words in s. 91(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. 40\(5\)](#) (with Sch. 12)
- F7** Word in s. 91(8) 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. 102\(e\)](#) (with art. 13(3), Sch. 5); [S.I. 2001/3538](#), [art. 2\(1\)](#)

#### **Modifications etc. (not altering text)**

- C1** S. 91(8): functions of Friendly Societies Commission transferred (1.12.2001) by [S.I. 2001/2617](#), arts. 2(b), 4(1), [Sch. 1 Pt. II](#) (with art. 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 91.