



# Co-operative and Community Benefit Societies Act 2014

## 2014 CHAPTER 14

### PART 3

#### MEMBERS AND OFFICERS

##### *Dealings with members*

#### **34 Advances to members**

A registered society's rules 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 way that is customary in the conduct of such business.

#### **35 Remedies for members' debts**

(1) Money payable by a member to a registered society is a debt due from the member to the society, and is recoverable as a debt—

- (a) in the county court, or
- (b) in Scotland, before the sheriff whose jurisdiction contains the society's registered office or the member's residence, at the option of the society.

(2) A registered society has a lien on a member's shares in the society for any debt due from the member to the society, and may set off any sum credited to the member on those shares in or towards the payment of that debt.

#### **36 Payments in respect of persons lacking capacity**

(1) This section applies if—

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**Changes to legislation:** There are currently no known outstanding effects for the Co-operative and Community Benefit Societies Act 2014, Cross Heading: Dealings with members. (See end of Document for details)

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- (a) a registered society's committee is satisfied (after considering medical evidence) that a member is incapable of managing the member's own affairs by reason of a mental disorder or mental disability, and
  - (b) the committee is satisfied that no person has been duly appointed to administer the member's property on behalf of the member.
- (2) The society may (if it is proved to the committee's satisfaction that it is just and expedient so to do) pay the amount of any shares, loans, and deposits belonging to the member to a person whom the committee judges proper to receive it on behalf of the member.
- (3) Receipt by that person is a valid discharge to the society for the sum paid.
- (4) Subsections (1) to (3) do not apply where—
  - (a) the member lacks capacity (within the meaning of the Mental Capacity Act 2005) for the purposes of this Act,
  - (b) there is a donee of an enduring power of attorney or lasting power of attorney (within the meaning of that Act) or a deputy appointed for the member by the Court of Protection, and
  - (c) the donee or deputy has power in relation to the member for the purposes of this Act.
- (5) In this section references to a member include a person claiming through a member.
- (6) A payment made under this section to a person appearing to the committee at the time of the payment to be entitled under this section is valid and effectual against any demand made upon the committee or society by any other person.

**Changes to legislation:**

There are currently no known outstanding effects for the Co-operative and Community Benefit Societies Act 2014, Cross Heading: Dealings with members.