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STATUTORY INSTRUMENTS

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**2011 No. 2687**

The Legislative Reform (Industrial and Provident Societies and Credit Unions) Order 2011

PART 3

Industrial and Provident Societies and Credit Unions

**Dissolution**

**9.—(1)** In section 55(1) of the 1965 Act (dissolution of registered society) for subsection (1) (b) substitute—

- “(b) in accordance with section 58 of this Act, by an instrument of dissolution—
- (i) to which not less than three-fourths of the members of the society have given their consent testified by their signatures to the instrument;
  - (ii) in the case of a dormant society which is not a credit union, which has been approved by a special resolution of the society; or
  - (iii) in the case of a credit union, which has been approved by a special resolution of the society and confirmed by the Authority.”

(2) In that section after subsection (1) insert—

“(1A) In subsection (1)(b) above “special resolution” has the same meaning as in section 50 of this Act.

(1B) In subsection (1)(b)(ii) above a society is “dormant” if its accounts for the current year of account and the two years of account immediately preceding the current year of account show no accounting transactions other than—

- (a) fees paid to the Authority;
- (b) payment of dividends; or
- (c) payment of interest;

and it has notified the Authority that it is dormant.

(1C) For the purposes of subsection (1)(b)(iii) above the Authority shall be deemed to have confirmed a special resolution if, within twenty one days of the credit union sending a copy of that special resolution to the Authority, the Authority has not notified the credit union in writing to the contrary.”

(3) In section 58(2) of the 1965 Act (instrument of dissolution)—

- (a) in subsection (3) at the end insert “or, if the instrument was approved by a special resolution of the society, by a further special resolution.”;
- (b) after subsection (5) insert—

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(1) Section 55 was substituted by [S.I. 2009/1941](#).

(2) Section 58 was amended by [S.I. 2001/2617](#), [S.I. 2001/3649](#) and [S.I. 2009/1941](#).

“(5A) Subsection (5) of this section does not apply to an instrument which pursuant to section 55(1)(b)(iii) above is not confirmed by the Authority.

(5B) A copy of every special resolution for the purposes of section 55(1)(b) of this Act or subsection (3) 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 Authority before the end of the period of fourteen days beginning with the day on which the resolution was confirmed.

(5C) The Authority shall register any copy of a special resolution sent to it in accordance with subsection (5B) of this section at the same time as it registers the instrument of dissolution and any alterations thereto.”;

(c) in subsection (6)—

(i) after “consents to” insert “, or approval of,”;

(ii) at the end insert “or of the special resolution, as the case may be”;

(d) at the end insert—

“(10) In this section “special resolution” has the same meaning as in section 50 of this Act.”