



Industrial and Provident Societies Act 1965 (repealed)

1965 CHAPTER 12

Name and maximum shareholding

5 Name of society. E+W+S

- (1) No society shall be registered under this Act under a name which in the opinion of the [F1FCA] is undesirable.
- (2) Subject to subsection (5) of this section, [F2the last word in the name of every society registered under this Act shall be “limited” or, if the rules of the society state that its registered office is to be in Wales, either that word or the word “cyfyngedig”].
- (3) A registered society may change its name in the following manner and in that manner only, that is to say—
 - (a) by a resolution for the purpose passed at a general meeting of the society after the giving of such notice as is required by the rules of the society of such a resolution or, if the rules do not make special provision as to notice of such a resolution, after the giving of such notice as is required by the rules of a resolution to amend the rules; and
 - (b) with the approval in writing [F3of the [F1FCA]]
- (4) No change in the name of a registered society shall affect any right or obligation of the society, or of any member thereof, and any pending legal proceedings may be continued by or against the society notwithstanding its new name.
- (5) If [F4the [F1FCA]] is satisfied that the objects of a society applying for registration under this Act or of a registered society are wholly charitable or benevolent, the [F1FCA] may register the society by a name which does not contain the word “limited” [F5or the word “cyfyngedig”] or, as the case may be, permit the society to change its name to one which does not contain [F6either of those words]; but if it subsequently appears to the [F1FCA] that the society, whether in consequence of a change in its rules or otherwise, is not being conducted wholly for charitable or benevolent objects, the [F1FCA] may direct that the word “limited” [F5, or in an

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appropriate case the word “cyfyngedig”,] be added as the last word in the name of the society and shall notify the society accordingly.

(6) Every registered society shall cause its registered name to be painted or affixed, and to be kept painted or affixed, in a conspicuous position and in letters easily legible, on the outside of its registered office and every other office or place in which the business of the society is carried on, and shall have that name^{F7} ... mentioned in legible characters—

- (a) in all notices, advertisements and other official publications of the society;
- (b) in all business letters of the society;
- (c) in all bills of exchange, promissory notes, endorsements, cheques, and orders for money or goods, purporting to be signed by or on behalf of the society;
- (d) in all bills, invoices, receipts, and letters of credit of the society.
- ^{F8}(e) in all its business correspondence and documentation that takes electronic form;
- (f) on all its websites.]

(7) Any officer of a registered society, or any other person acting on such a society’s behalf, who—

- ^{F9}(a)
- (b) issues or authorises the issue of any document such as is mentioned in subsection (6)(a) [^{F10}, (d) or (e)] of this section in which [^{F11}the society’s registered] is not mentioned in legible characters; or
- (c) signs or authorises to be signed on behalf of the society any document such as is mentioned in subsection (6)(c) of this section in which that name is not so mentioned [^{F12}; or]
- ^{F12}(d) causes or authorises the appearance on the internet of a website such as is mentioned in subsection (6)(f) in which the society’s registered name is not mentioned in legible characters,]

shall be liable on summary conviction to a fine not exceeding [^{F13}level 3 on the standard scale] and, in the case of a conviction by virtue of paragraph (c) of this subsection, shall further be personally liable to the holder of any such document as is referred to in that paragraph for the amount specified in the document unless that amount is duly paid by the society.

^{F14}(8) The references in this section and section 5A to a society’s websites include a reference to a section of another person’s website—

- (a) which relates to the society, and
- (b) which the society placed, or the placement of which the society authorised, on the other person’s website.]

Textual Amendments

- F1** Word in s. 5 substituted (1.4.2013) by [The Financial Services Act 2012 \(Mutual Societies\) Order 2013 \(S.I. 2013/496\)](#), art. 1(1), Sch. 2 para. 2(1)(a)(2)(d) (with Sch. 12)
- F2** Words in s. 5(2) substituted (21.12.1993) by 1993 c. 38, **ss. 28(2)**, 36(1)
- F3** Words in s. 5(3)(b) substituted (1.12.2001) for subparagraphs (i)(ii) by S.I. 2001/2617, arts. 2(b), 13(1), **Sch. 3 Pt. III para. 216(a)** (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(1)**
- F4** Words in s. 5(1)(5) substituted (1.12.2001) by S.I. 2001/2617, arts. 2(b), 13(1), **Sch. 3 Pt. III para. 215** (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(1)**
- F5** Words in s. 5(5) inserted (21.12.1993) by 1993 c. 38, **ss. 28(3)(a)(c)**, 36(1)

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- F6** Words in s. 5(5) substituted (21.12.1993) by 1993 c. 38, **ss. 28(3)(b)**, 36(1)
- F7** Words in s. 5(6) repealed (20.10.2003) by Co-operatives and Community Benefit Societies Act 2003 (c. 15), **ss. 5(3)**, 7(1), **Sch.**; S.I. 2003/2678, art. 2(2)
- F8** S. 5(6)(e)(f) inserted (12.4.2011) by Mutual Societies (Electronic Communications) Order 2011 (S.I. 2011/593), arts. 1(1), **22(1)**
- F9** S. 5(7)(a) repealed (20.10.2003) by Co-operatives and Community Benefit Societies Act 2003 (c. 15), **ss. 5(4)(a)**, 7(1), **Sch.**; S.I. 2003/2678, art. 2(2)
- F10** Words in s. 5(7)(b) substituted (12.4.2011) by Mutual Societies (Electronic Communications) Order 2011 (S.I. 2011/593), arts. 1(1), **22(2)(a)**
- F11** Words in s. 5(7)(b) substituted (20.10.2003) by Co-operatives and Community Benefit Societies Act 2003 (c. 15), **ss. 5(4)(b)**, 7(1); S.I. 2003/2678, art. 2(2)
- F12** S. 5(7)(d) and word inserted (12.4.2011) by Mutual Societies (Electronic Communications) Order 2011 (S.I. 2011/593), arts. 1(1), **22(2)(b)**
- F13** Words substituted (E.W.S.) by virtue of (E.W.) Criminal Justice Act 1982 (c. 48, SIF 39:1), **ss. 38**, 46 and (S.) Criminal Procedure (Scotland) Act 1975 (c. 21, SIF 39:1), **ss. 289F**, 289G
- F14** S. 5(8) inserted (12.4.2011) by Mutual Societies (Electronic Communications) Order 2011 (S.I. 2011/593), arts. 1(1), **22(3)**

Modifications etc. (not altering text)

- C1** S. 5 power to amend or repeal conferred (1.12.2013) by Co-operative and Community Benefit Societies and Credit Unions Act 2010 (c. 7), **ss. 4(1)(2)(b)(4)**, 8(2); S.I. 2013/2936, art. 2
- C2** S. 5(5) amended by Credit Unions Act 1979 (c. 34, SIF 55:3), **s. 3(4)**

[^{F15}**5A** **Status of charitable societies to appear on correspondence etc** **E+W+S**

- (1) Where a registered society is a charity and its registered name does not include the word “charity” or the word “charitable”, the society must state the fact that it is a charity in legible characters—
- (a) in all notices, advertisements and other official publications of the society;
 - (b) in all business letters of the society;
 - (c) in all bills of exchange, promissory notes, endorsements, cheques and orders for money or goods, purporting to be signed by or on behalf of the society;
 - (d) in all bills, invoices, receipts and letters of credit of the society;^{F16} ...
 - (e) in all conveyances purporting to be executed by or on behalf of the society.
 - [^{F17}(f) in all its business correspondence and documentation that takes electronic form; and
 - (g) on all its websites.]
- (2) Where a society’s registered name includes the words “elusen” or the word “elusennol”, subsection (1) of this section shall not apply in relation to any document which is wholly in Welsh.
- (3) The statement required by subsection (1) of this section shall be in English, except that, in the case of a document which is otherwise wholly in Welsh, the statement may be in Welsh if it consists of or includes the word “elusen” or the word “elusennol”.
- (4) Section 62 of this Act does not apply in respect of an offence committed by a registered society under section 61 of this Act where the offence consists of a failure to comply with this section.
- (5) Any officer of a registered society, or any other person acting on such a society’s behalf, who—

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- (a) issues or authorises the issue of any document such as is mentioned in subsection (1)(a), (b) ^{F18}, (d) or (f) of this section;
- (b) signs or authorises to be signed on behalf of the society any document such as is mentioned in subsection (1)(c) of this section; ^{F19} ...
- (c) executes or authorises to be executed on behalf of the society any document such as is mentioned in subsection (1)(e) of this section ^{F20}; or
- (d) causes or authorises the appearance on the internet of a website such as is mentioned in subsection (1)(g) in which the society's registered name is not mentioned in legible characters,]

in which a statement required by subsection (1) is not made in accordance with this section shall be liable on summary conviction to a fine not exceeding level 3 on the standard scale.

- (6) In the case of a conviction by virtue of paragraph (b) of subsection (5) of this section, the officer or other person shall further be personally liable to the holder of any such document as is referred to in that paragraph for the amount specified in the document unless that amount is duly paid by the society.
- (7) In this section "charity"—
 - (a) in relation to a society whose registered office is situated in England or Wales, has the same meaning ^{F21}as it has under section 1(1) of the Charities Act 2011];
 - (b) in relation to a society whose registered office is situated in Scotland, means a body established for charitable purposes only (that expression having the same meaning as in the Income Tax Acts);
 - (c) in relation to a society whose registered office is situated in one of the Channel Islands, means a society established for charitable purposes only ("charitable purposes" having the meaning given by the law of the Island in question) .
- (8) In this section "conveyance" means any document for the creation, transfer, variation or extinction of an interest in land.
- (9) In subsection (5)(c) of this section the references to execution include—
 - (a) purported execution; and
 - (b) the doing of any act which (though not by itself execution) combined with other acts constitutes execution or purported execution.]

Textual Amendments

- F15** S. 5A inserted (1.4.2004) by [Co-operatives and Community Benefit Societies Act 2003 \(c. 15\)](#) , **ss. 2** , 7(1) ; S.I. 2003/2678 , art. 2(1)
- F16** Word in s. 5A(1) omitted (12.4.2011) by virtue of [Mutual Societies \(Electronic Communications\) Order 2011 \(S.I. 2011/593\)](#) , arts. 1(1) , **22(4)**
- F17** S. 5A(1)(f) (g) inserted (12.4.2011) by [Mutual Societies \(Electronic Communications\) Order 2011 \(S.I. 2011/593\)](#) , arts. 1(1) , **22(4)**
- F18** Words in s. 5A(5)(a) substituted (12.4.2011) by [Mutual Societies \(Electronic Communications\) Order 2011 \(S.I. 2011/593\)](#) , arts. 1(1) , **22(5)(a)**
- F19** Word in s. 5A(5)(b) omitted (12.4.2011) by virtue of [Mutual Societies \(Electronic Communications\) Order 2011 \(S.I. 2011/593\)](#) , arts. 1(1) , **22(5)(b)**
- F20** S. 5A(5)(d) and word inserted (12.4.2011) by [Mutual Societies \(Electronic Communications\) Order 2011 \(S.I. 2011/593\)](#) , arts. 1(1) , **22(5)(c)**

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F21 Words in s. 5A(7)(a) substituted (14.3.2012) by Charities Act 2011 (c. 25), s. 355, Sch. 7 para. 14 (with s. 20(2), Sch. 8, Sch. 9 para. 28)

6 Maximum shareholding in society. **E+W+S**

(1) Where a society is, or is to be, registered under this Act, no member thereof other than—

- (a) a registered society; or
- (b) an authority who acquired the holding by virtue of [^{F22}section [^{F23}58] or 59(2) of the Housing Associations Act 1985 [^{F24}or section 22 of the Housing Act 1996]] ;or
- (c) a member who acquired the holding by virtue of paragraph 2 of Part I of the Schedule to the ^{MI}Agricultural Credits Act 1923 at a time when section 2 of that Act applied to the society,

shall have or claim any interest in the shares of the society exceeding [^{F25} twenty thousand pounds] .

[^{F26}(1ZA) Any interest in the shares of the society which are not withdrawable shall be disregarded for the purposes of subsection (1) of this section.]

[^{F27}(1A) In the case of a society which is a private registered provider of social housing, the restriction in subsection (1) does not apply to shares acquired by a local authority under the power in section 2 of the Local Government Act 2000 [^{F28}or the power in section 1 of the Localism Act 2011].]

(2) Where in the case of a society to which section 4 of this Act applies—

- (a) immediately before 27th April 1952 the rules of the society provided for the maximum amount of the interest in the shares of the society permitted to be held by a member (other than a registered society) to be two hundred pounds; and
- (b) no amendment of the rules of the society has been registered since that date; and
- (c) on or after that date and before 22nd July 1961 the society's committee has by a resolution recorded in writing resolved that the said maximum amount shall be a specified amount greater than two hundred pounds but not greater than five hundred pounds,

then, subject to subsection (4) of this section, the registered rules of the society shall have effect subject to that resolution.

(3) Where in the case of a society to which section 4 of this Act applies—

- (a) immediately before 22nd July 1961 the rules of the society provided for the maximum amount aforesaid to be five hundred pounds; and
- (b) no amendment of the society's rules has been registered since that date; and
- (c) on or after that date and before 22nd January 1963 the society's committee has by a resolution recorded in writing resolved that the said maximum amount shall be a specified amount greater than five hundred pounds but not greater than one thousand pounds,

then, subject to subsection (4) of this section, the registered rules of the society shall have effect subject to that resolution.

(4) Where subsection (2) or (3) of this section applies to any society, the society's committee shall not have power to vary or revoke the resolution referred to in that

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subsection; but upon the registration after the commencement of this Act under section 10 thereof of any amendment of the society's rules the registered rules of the society shall have effect as if the resolution had not been passed, so, however, that this subsection shall not affect any interest in the shares of the society held by a member immediately before the date of that registration.

Textual Amendments

- F22** Words substituted by [Housing \(Consequential Provisions\) Act 1985 \(c. 71, SIF 61\)](#), s. 4, **Sch. 2 para. 8**
- F23** S. 6(1)(b) words substituted (1.4.1997) by [S.I. 1997/627](#), arts. 1, 2, **Sch. para. 1**
- F24** S. 6(1)(b) words inserted (1.4.1997) by [S.I. 1997/627](#), arts. 1, 2, **Sch. para. 1**
- F25** S. 6(1) words substituted (15.3.1994) by [S.I. 1994/341](#), **arts. 1, 3**
- F26** S. 6(1ZA) inserted (8.1.2012) by [The Legislative Reform \(Industrial and Provident Societies and Credit Unions\) Order 2011 \(S.I. 2011/2687\)](#), arts. 1(1)(b), **3** (with arts. 25, 26)
- F27** S. 6(1A) inserted (1.4.2010) by [The Housing and Regeneration Act 2008 \(Consequential Provisions\) Order 2010 \(S.I. 2010/866\)](#), art. 1(2), **Sch. 2 para. 1** (with art. 6, Sch. 3)
- F28** Words in s. 6(1A) inserted (28.3.2012) by [The Localism Act 2011 \(Consequential Amendments\) Order 2012 \(S.I. 2012/961\)](#), art. 1(2), **Sch. 1 para. 1**

Modifications etc. (not altering text)

- C3** Power to amend s. 6(1) conferred by [Industrial and Provident Societies Act 1975 \(c. 41\)](#), s. **2(1)**

Marginal Citations

- M1** 1923 c. 34.

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