
STATUTORY INSTRUMENTS

1993 No. 3084

FRIENDLY SOCIETIES

The Friendly Societies Act 1992 (Transitional and Consequential Provisions) Regulations 1993

<i>Made</i>	- - - -	<i>8th December 1993</i>
<i>Laid before Parliament</i>		<i>9th December 1993</i>
<i>Coming into force</i>	- -	<i>1st January 1994</i>

The Treasury, in exercise of the powers conferred on them by section 123 of the Friendly Societies Act 1992(1), and of all other powers enabling them in that behalf, hereby make the following Regulations—

Citation and commencement

1.—(1) These Regulations may be cited as the Friendly Societies Act 1992 (Transitional and Consequential Provisions) Regulations 1993.

(2) These Regulations shall come into force on 1st January 1994.

Interpretation

2. In these Regulations—

“the 1948 Act” means the Industrial Assurance and Friendly Societies Act 1948(2);

“the 1974 Act” means the Friendly Societies Act 1974(3);

“the 1992 Act” means the Friendly Societies Act 1992;

“collecting society” has the meaning given to that term in section 1(1A) of the Industrial Assurance Act 1923(4);

“friendly society” has the meaning given to that term in section 116 of the 1992 Act;

“industrial assurance company” has the meaning given to that term in section 1(1A) of the Industrial Assurance Act 1923;

“insurance business” has the meaning given to that term in section 117(1) of the 1992 Act;

(1) 1992 c. 40.

(2) 11 and 12 Geo. 6 c.39.

(3) 1974 c. 46.

(4) 13 and 14 Geo. 5 c.8; section 1(1A) was inserted by section 97 of, and Part II of Schedule 6 to the Companies Act 1967 (c. 81) and substituted by paragraph 2(1) of Part I of Schedule 19 to the Friendly Societies Act 1992 (c. 40.).

“registered friendly society” means a friendly society registered under the 1974 Act.

Transitional provisions

3. The matters which an industrial assurance company and a collecting society shall cause to be set out in the premium receipt books provided by them for use in respect of policies of industrial assurance under section 12(2) of the 1948 Act remain the matters specified in the Third Schedule to the 1948 Act relating to the provisions listed in that Schedule prior to the partial repeal of that Schedule⁽⁵⁾ and the amendments made to the provisions listed in it by the 1992 Act⁽⁶⁾ notwithstanding such partial repeal and amendment until any such company or society reprints its premium receipt books or until 1st January 1996, whichever is the earlier.

4. In the first financial year of a friendly society in which the obligation described in section 69(6) of the Building Societies Act 1986⁽⁷⁾ applies, if an order under paragraph 16 of Part II of Schedule 11 to the 1992 Act (which empowers the prescription of bands) is made so as to come into force during that financial year—

- (a) the society may, for the purposes of subsection (8) of section 69 of the Building Societies Act 1986 (which deals with election for the purposes of disclosure of requisite particulars), give notice of an election with respect to that financial year at any time before the end of that financial year, and
- (b) that election shall be treated as an effective election for the purposes of that subsection.

Consequential provisions

5. In section 93(1)(c) of the 1974 Act⁽⁸⁾, after the word “or” there is inserted the words “of the Commission under”.

6. Where a friendly society authorised to carry on insurance business under the Friendly Societies (Long Term Insurance Business) Regulations 1987⁽⁹⁾ before 1st January 1993 has had its authorisation extended in accordance with regulation 9 of those Regulations and is incorporated under the 1992 Act on 1st January 1994, the authorisation as extended has effect for the purpose of the application of section 32(7) of the 1992 Act to that society as if it were an authorisation in force immediately before the commencement of section 31 of the 1992 Act.

7. In section 19 of the Trade Union and Labour Relations (Consolidation) Act 1992⁽¹⁰⁾ (application to trade unions of certain provisions relating to the insurance of childrens lives by industrial assurance companies), for subsection (1) there is substituted the following subsection—

“(1) Section 99 of the Friendly Societies Act 1992 (insurance of lives of children under 10) applies to a trade union as to an industrial assurance company.”

8. Section 19(2) of the Trade Union and Labour Relations (Consolidation) Act 1992 is repealed.

(5) The Third Schedule to the Industrial Assurance and Friendly Societies Act 1948 (11 & 12 Geo. 6 c.39.) was repealed in part by Part I of Schedule 22 to the Friendly Societies Act 1992.

(6) New sections were substituted for sections 23 and 32 of the Industrial Assurance Act 1923 (13 and 14 Geo. 5 c.8) by paragraphs 7 and 9 of Part I of Schedule 19 to the Friendly Societies Act 1992, section 8 of the Industrial Assurance and Friendly Societies Act 1948 was amended by paragraph 13 of Part I of Schedule 19 to the Friendly Societies Act 1992 and section 10 of the Industrial Assurance and Friendly Societies Act 1948 was repealed by Part I of Schedule 22 to the Friendly Societies Act 1992. The repeal of section 10 of the Industrial Assurance and Friendly Societies Act 1948 was partly brought into force by the Friendly Societies Act 1992 (Commencement No. 3 and Transitional Provisions) Order 1993 (S.I. 1993/16).

(7) 1986 c. 53. Section 69 is applied to friendly societies by section 27(5) of, and Part II of Schedule 11 to, the Friendly Societies Act 1992.

(8) Section 93(1)(c) was amended by paragraph 38 of Schedule 16 to the Friendly Societies Act 1992.

(9) S.I. 1987/2132.

(10) 1992 c. 52.

9. Paragraphs 12 to 17 of Part I of Schedule 21 to the 1992 Act and the entry in Part I of Schedule 22 to the 1992 Act relating to section 19(2) of the Trade Union and Labour Relations Act 1992 are repealed.

10.—(1) Notwithstanding section 44(2)(a) of the 1992 Act, a friendly society which carried on long-term business in the United Kingdom on 13th January 1993 and which is incorporated under the 1992 Act on or after 1st January 1994 is not required under section 44(1) of the 1992 Act to appoint an actuary as actuary to the society until the end of the period of one month beginning with the date on which it is incorporated, and such period shall be treated for the purposes of section 44(1) as the relevant period.

(2) Paragraph (1) above does not apply to a friendly society which was formerly a registered friendly society required to appoint an actuary under section 44(1) of the 1992 Act.

8th December 1993

Timothy Kirkhope
Tim Wood
Two of the Lords Commissioners of Her
Majesty's Treasury

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

EXPLANATORY NOTE

(This note is not part of the Regulations.)

These Regulations make transitional and consequential provisions in consequence of the coming into force of provisions of the Friendly Societies Act 1992 by virtue of the Friendly Societies Act 1992 (Commencement No. 3 and Transitional Provisions) Order 1993 (S.I. 1993/16 (c.1)), the Friendly Societies Act 1992 (Commencement No. 5 and Savings) Order 1993 (S.I. 1993/1186 (c. 23)) and the Friendly Societies Act 1992 (Commencement No. 6 and Transitional Provisions) Order 1993 (S.I. 1993/2213 (c. 43)).

Regulation 3 provides for a transitional period during which industrial assurance companies and collecting societies are to change the particulars in their premium receipt books to reflect the amendments to the Industrial Assurance and Friendly Societies Act 1948 by provisions of the Friendly Societies Act 1992 brought into force by the Friendly Societies Act 1992 (Commencement No. 3 and Transitional Provisions) Order 1993, the Friendly Societies Act 1992 (Commencement No. 5 and Savings) Order 1993 and the Friendly Societies Act 1992 (Commencement No. 6 and Transitional Provisions) Order 1993. The period lasts until such companies or societies reprint their premium receipt books or until 1st January 1996, whichever is the sooner.

Under regulation 4 friendly societies, in the first financial year in which they are obliged (under section 69 of the Building Societies Act 1986 as applied to friendly societies by section 27 of, and Schedule 11 to, the 1992 Act) to give details of related business, may elect to provide the details in banded form as prescribed by the Commission after the start of the financial year. Section 27 and Schedule 11 were brought into force by the Friendly Societies Act 1992 (Commencement No. 3 and Transitional Provisions) Order 1993 and by the Friendly Societies Act 1992 (Commencement No. 6 and Transitional Provisions) Order 1993.

Regulation 5 is a corrective provision to add a necessary reference to the Friendly Societies Commissions power to award the dissolution of a registered friendly society under section 95A(1) of the Friendly Societies Act 1974 to section 93(1)(c) of the 1974 Act. Section 95A(1) was inserted by the Friendly Societies Act 1992 and brought into force by the Friendly Societies Act 1992 (Commencement No. 5 and Savings) Order 1993.

Owing to the staggered commencement of sections 31 and 32 of the Friendly Societies Act 1992 by the Friendly Societies Act 1992 (Commencement No. 3 and Transitional Provisions) Order 1993 and the Friendly Societies Act 1992 (Commencement No. 6 and Transitional Provisions) Order 1993 there was a potential gap in the application of section 32(7) of the Act to registered friendly societies which had been authorised to carry on insurance business before 1st January 1993 under the Friendly Societies (Long Term Insurance Business) Regulations 1987 (S.I. 1987/2132) and which incorporate under the Friendly Societies Act 1992 on 1st January 1994. Regulation 6 ensures that section 32(7) has full effect in deeming that an authorisation granted under the 1987 Regulations, including one which has been extended in accordance with regulation 9 of those Regulations, is treated as if it were a corresponding authorisation under section 32 of the 1992 Act.

Regulations 7 and 8 respectively amend and repeal section 19(1) and (2) of the Trade Union and Labour Relations (Consolidation) Act 1992 consequent on the repeals of section 4 of the Industrial Assurance Act 1923 and of section 6 of the Industrial Assurance and Friendly Societies Act 1948 by the Friendly Societies Act 1992, and their replacement by section 99 of the 1992 Act, all of which were brought into force by the Friendly Societies Act 1992 (Commencement No. 3 and Transitional Provisions) Order 1993.

Regulation 9 repeals amendments of proposed enactments by the 1992 Act which were not in the event enacted until after the 1992 Act. The provisions of the 1992 Act relating to which the amendments were made have now all been brought into force and appropriate secondary legislation, including regulations 7 and 8 of these Regulations will make the necessary amendments instead.

Regulation 10 allows friendly societies which incorporate on or after 1st January 1994 and which carried on long-term business on 13th January 1993, the date on which section 44 of the 1992 Act came into force for incorporated friendly societies under the Friendly Societies Act 1992 (Commencement No. 3 and Transitional Provisions) Order 1993, one month after their incorporation in which to appoint an actuary notwithstanding that the effect of section 44(2)(a) of the 1992 Act is to require an actuary to be appointed on incorporation. This provision does not apply to friendly societies which are already required under section 44 of the 1992 Act to appoint an actuary before they incorporate.