



2008 CHAPTER 12

PART 11

CHARITABLE INCORPORATED ORGANISATIONS

Conversion, amalgamation and transfer

Amalgamation of CIOs

116.—(1) Any two or more CIOs (“the old CIOs”) may, in accordance with this section, apply to the Commission to be amalgamated, and for the incorporation and registration as a charity of a new CIO (“the new CIO”) as their successor.

(2) Such an application is referred to in this section and section 117 as an “application for amalgamation”.

(3) Subsections (2) to (4) of section 110 apply in relation to an application for amalgamation as they apply to an application for a CIO to be constituted, but in those subsections—

- (a) “the applicants” shall be construed as meaning the old CIOs, and
- (b) references to the CIO are to the new CIO.

(4) In addition to the documents and information referred to in section 110(2), the old CIOs shall supply the Commission with—

- (a) a copy of a resolution of each of the old CIOs approving the proposed amalgamation, and
- (b) a copy of a resolution of each of the old CIOs adopting the proposed constitution of the new CIO.

(5) The resolutions referred to in subsection (4) must have been passed—

- (a) by a 75% majority of those voting at a general meeting of the CIO (including those voting by proxy or by post, if voting that way is permitted), or
 - (b) unanimously by the CIO's members, otherwise than at a general meeting.
- (6) The date of passing of such a resolution is—
- (a) the date of the general meeting at which it was passed, or
 - (b) if it was passed otherwise than at a general meeting, the date on which provision in the CIO's constitution or in regulations made under paragraph 13 of Schedule 7 deems it to have been passed (but that date may not be earlier than that on which the last member agreed to it).
- (7) Each old CIO shall—
- (a) give notice of the proposed amalgamation in the way (or ways) that in the opinion of its charity trustees will make it most likely to come to the attention of those who would be affected by the amalgamation, and
 - (b) send a copy of the notice to the Commission.
- (8) The notice shall invite any persons who consider that they would be affected by the proposed amalgamation to make representations to the Commission not later than a date determined by the Commission and specified in the notice.
- (9) In addition to being required to refuse it on one of the grounds mentioned in section 110(3) as applied by subsection (3) of this section, the Commission shall refuse an application for amalgamation if it considers that there is a serious risk that the new CIO would be unable properly to pursue its purposes.
- (10) The Commission may refuse an application for amalgamation if it is not satisfied that the provision in the constitution of the new CIO about the matters mentioned in subsection (11) is the same, or substantially the same, as the provision about those matters in the constitutions of each of the old CIOs.
- (11) The matters are—
- (a) the purposes of the CIO,
 - (b) the application of property of the CIO on its dissolution, and
 - (c) authorisation for any benefit to be obtained by charity trustees or members of the CIO or persons connected with them.
- (12) For the purposes of subsection (11)(c)—
- (a) "benefit" means a direct or indirect benefit of any nature, except that it does not include any remuneration (within the meaning of section 88) whose receipt may be authorised under that section, and
 - (b) the same rules apply for determining whether a person is connected with a charity trustee or member of the CIO as apply, in accordance with

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section 89(5) and (6), for determining whether a person is connected with a charity trustee for the purposes of section 88.