
STATUTORY INSTRUMENTS

2006 No. 314

The Co-operative and Community Benefit Societies (Northern Ireland) Order 2006

Amendments to the principal Act

Execution of deeds and other documents

6.—(1) After section 28A of the principal Act (as inserted by Article 5 of this Order) there shall be inserted the following sections—

“28B Common seal

(1) Notwithstanding any statutory provision or rule of law, a registered society need not have a common seal.

(2) If a registered society has a common seal, the society shall have its registered name engraved on the seal in legible characters.

(3) If, after the coming into operation of subsection (1), a registered society decides to have a common seal, it shall not cause such a seal to be made unless the registered rules of the society contain provision for the custody and use of that seal.

(4) Section 71 shall not apply in respect of an offence committed by a registered society under section 70 where the offence consists of a failure to comply with subsection (2) or (3) of this section.

(5) Any officer of a registered society, or any other person acting on such a society's behalf, who uses or authorises the use of any seal purporting to be the common seal of the society which does not have the society's registered name engraved on it in legible characters shall be liable on summary conviction to a fine not exceeding level 3 on the standard scale.

28C Execution of documents

(1) The following provisions shall have effect with respect to the execution of documents by a registered society.

(2) A registered society may, if it has a common seal, execute a document by affixing that seal to it.

(3) A document—

(a) signed by a member of the committee of a registered society and the secretary of the society, or by two members of that committee, and

(b) expressed (in whatever form of words) to be executed by the society,

shall have the same effect as if it were executed under the common seal of the society.

(4) A document executed by a registered society which makes it clear on its face that it is intended by the person or persons making it to be a deed shall have effect, upon delivery, as a deed, and it shall be presumed, unless a contrary intention is proved, to be delivered upon its being so executed.

(5) In favour of a purchaser a document shall be deemed to have been duly executed by a registered society if it purports to be signed by a member of the committee of the society and the secretary of the society, or by two members of the committee, and, where it makes it clear on its face that it is intended by the person or persons making it to be a deed, to have been delivered upon its being executed.

(6) Subsections (3) to (5) shall apply whether or not the society has a common seal, and, in subsection (5), “purchaser” means a purchaser in good faith for valuable consideration and includes a lessee, mortgagee or other person who for valuable consideration acquires an interest in property.

28D Power of society to have official seal for use abroad

(1) This section shall apply to a registered society if—

- (a) it has a common seal; and
- (b) its objects require or comprise the transaction of business in foreign countries.

(2) The society may, if authorised by its registered rules, have an official seal for use in any territory, district, or place elsewhere than in the United Kingdom.

(3) An official seal is a facsimile of the society's common seal with the addition on its face of the name of every territory, district or place where it is to be used.

28E Effect of use of official seal

28E. The official seal of a registered society when duly affixed to a document shall have the same effect as the society's common seal.

28F Authorisation of use of official seal

(1) If a registered society has an official seal, it may authorise any person appointed for the purpose as respects any territory, district or place appearing on the face of that seal to affix it to any deed or other document to which the society is party there.

(2) An authorisation for the purposes of subsection (1) shall be given by writing under the society's common seal.

(3) As between the society and a person dealing with such an agent, the agent's authority shall continue—

- (a) if a period is mentioned in the authorisation, during that period; or
- (b) if no period is there mentioned, until notice of the revocation or determination of the agent's authority has been given to the person dealing with him.

(4) The person affixing the official seal shall certify in writing on the deed or other instrument to which the seal is affixed the date on which and the place at which it is affixed.”.

(2) In section 3 of the principal Act (registration to effect incorporation of society) there shall be omitted the words “a common seal and with”.

(3) In subsection (6) of section 5 of the principal Act (name of society) there shall be omitted the words “engraven in legible characters on its seal and”.

(4) In subsection (7) of that section—

- (a) paragraph (a) shall be omitted; and
- (b) in paragraph (b) for the words “that name” there shall be substituted the words “ the society's registered name ”.

(5) In section 102(4) of the principal Act (provisions which apply to Great Britain societies that have recorded their rules with the registrar), after “25 to 28” there shall be inserted “ , 28B, 28C ”.

(6) For paragraph 13 of Schedule 1 to the principal Act there shall be substituted the following paragraph—

“**13.** If the society is to have a common seal, provision for its custody and use.”.

Changes to legislation:

There are currently no known outstanding effects for the The Co-operative and Community Benefit Societies (Northern Ireland) Order 2006, Section 6.