



# Friendly Societies Act 1974

## 1974 CHAPTER 46

*[<sup>F1</sup>Winding-up, suspension of business and inspection]*

### Textual Amendments

- F1** S. 87 and heading substituted (28.4.1993) by Friendly Societies Act 1992 (c. 40), s. 95, **Sch. 16 para.34** (with ss. 7(5) and 93(4)); S.I. 1993/1186, art. 2, **Sch. 3**.

**87** <sup>F2</sup>**[Power of [<sup>F3</sup>FCA and of PRA]] to apply for winding-up of registered friendly societies and branches.**

- (1) If, on receiving the report on the state and conduct of the activities of a registered friendly society from a person appointed under section 65 of the 1992 Act, it appears to the [<sup>F4</sup>FCA or the PRA] that it is in the interests of the members of the society or of the public that the society should be wound up, then, unless the society is already being wound up by the court, the [<sup>F5</sup>FCA, after consulting the PRA, or the PRA, after consulting the FCA,] may present a petition to the High Court or, in Scotland, to the Court of Session for the society to be wound up by the court in accordance with the Insolvency Act 1986 or, as the case may be, the Insolvency (Northern Ireland) Order 1989 if the court thinks it just and equitable that this should be done.
- (2) Subsection (1) above applies in relation to a registered branch of a registered friendly society as it applies in relation to such a society.
- [<sup>F6</sup>(3) Subsection (1) does not require the FCA to consult the PRA if the society in question is not a PRA -authorised person.
- (4) The PRA may only present a petition under subsection (1) in respect of a society which is a PRA -authorised person. ]

### Textual Amendments

- F2** S. 87 and heading substituted (28.4.1993) by Friendly Societies Act 1992 (c. 40), s. 95, **Sch. 16 para. 34** (with ss. 7(5) and 93(4)); S.I. 1993/1186, art. 2, **Sch. 3**.

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*Changes to legislation: There are currently no known outstanding effects for the Friendly Societies Act 1974, Cross Heading: Winding-up, suspension of business and inspection. (See end of Document for details)*

- F3** Words in s. 87 heading substituted (1.4.2013) by [The Financial Services Act 2012 \(Mutual Societies\) Order 2013 \(S.I. 2013/496\)](#), art. 1(1), **Sch. 5 para. 13(4)** (with Sch. 12)
- F4** Words in s. 87(1) substituted (1.4.2013) by [The Financial Services Act 2012 \(Mutual Societies\) Order 2013 \(S.I. 2013/496\)](#), art. 1(1), **Sch. 5 para. 13(2)(a)** (with Sch. 12)
- F5** Words in s. 87(1) substituted (1.4.2013) by [The Financial Services Act 2012 \(Mutual Societies\) Order 2013 \(S.I. 2013/496\)](#), art. 1(1), **Sch. 5 para. 13(2)(b)** (with Sch. 12)
- F6** S. 87(3)(4) inserted (1.4.2013) by [The Financial Services Act 2012 \(Mutual Societies\) Order 2013 \(S.I. 2013/496\)](#), art. 1(1), **Sch. 5 para. 13(3)** (with Sch. 12)

**Modifications etc. (not altering text)**

- C1** S. 87(1) extended (1.2.1993 for the purpose of application of Financial Services Act 1986 to incorporated friendly societies and 1.1.1994 for all other purposes) by [1986 c. 60, Sch. 11 para. 26\(2\)](#) as substituted (1.2.1993) by [1992 c. 40, s. 98, Sch. 18, Pt. II para. 16](#) (with ss. 7(5), 93(4)); [S.I. 1993/16, art. 2 Sch. 4](#) ; [S.I. 1993/2213, art. 2, Sch. 5](#).

**F7 88** .....

**Textual Amendments**

- F7** [S. 88](#) repealed (28.4.1993) by [Friendly Societies Act 1992 \(c. 40\)](#), ss. 95, 120(2), [Sch. 16 para. 35, Sch. 22 Pt.I](#) (with ss. 7(5) and 93(4)); [S.I. 1993/1186, art. 2\(3\), Sch. 3](#)appendix.

**F8 89** .....

**Textual Amendments**

- F8** [S. 89](#) repealed (28.4.1993) by [Friendly Societies Act 1992 \(c. 40\)](#), ss. 95, 120(2), [Sch. 16 para. 35, Sch. 22 Pt.I](#) (with ss. 7(5) and 93(4)); [S.I. 1993/1186, art. 2\(3\), Sch. 3](#)appendix.

**90 Appointment of inspectors and calling of special meetings.**

- (1) Subject to subsection (2) below, upon the application of one-fifth of the whole number of members of a registered society or, in the case of a society of not less than 1,000 members, of the appropriate number of those members, [<sup>F9</sup>the FCA or the PRA], may—
  - (a) appoint an inspector or inspectors to examine into and report on the affairs of the society; or
  - (b) call a special meeting of the society.
- (2) For the purposes of subsection (1) above the appropriate number—
  - (a) is 100 in the case of a society of not less than 1,000 and not more than 10,000 members, and
  - (b) is 500 in the case of a society of more than 10,000 members;
 but this section shall not apply to any society with branches (regardless of the number of members) except with the consent of the central body of that society.
- (3) An application under this section shall be supported by such evidence for the purpose of showing that the applicants have good reason for requiring the inspection or meeting

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and are not actuated by malicious motives, and such notice of the application shall be given to the society, as [F9the FCA or the PRA] may direct.

- (4) [F9The FCA or the PRA] may, if [F10it] thinks fit, require the applicants to give security for the costs of the proposed inspection or meeting before appointing any inspector or calling the meeting.
- (5) All expenses of and incidental or preliminary to any such inspection or meeting shall be defrayed by the members applying for it, or out of the funds of the society, or by members or officers, or former members or officers, of the society in such proportions as [F9the FCA or the PRA] may direct.
- (6) An inspector appointed under this section may require the production of all or any of the books and documents of the society, and may examine on oath its officers, members, agents and servants in relation to its business, and may for that purpose administer oaths.
- (7) [F9The FCA or the PRA] may direct at what time and place a special meeting under this section is to be held, and what matters are to be discussed and determined at the meeting; and the meeting shall have all the powers of a meeting called according to the rules of the society, and shall have power to appoint its own chairman notwithstanding any rule of the society to the contrary.

#### Textual Amendments

**F9** Words in s. 90 substituted (1.4.2013) by [The Financial Services Act 2012 \(Mutual Societies\) Order 2013 \(S.I. 2013/496\)](#), art. 1(1), [Sch. 5 para. 14](#) (with [Sch. 12](#))

**F10** Word in s. 90(4) substituted (17.8.2001 for certain purposes, otherwise 1.12.2001) by [S.I. 2001/2617](#), arts. 2, 8, 13(1), [Sch. 3 Pt. 1 para. 34\(b\)](#) (with art. 13(3), [Sch. 5](#)); [S.I. 2001/3538](#), [art. 2\(1\)](#)

#### Modifications etc. (not altering text)

**C2** By [Friendly Societies Act 1992 \(c. 40\)](#), s. 95, [Sch. 16 para. 36](#) (with ss. 7(5) and 93(4)); [S.I. 1993/1186](#), art. 2, [Sch. 3](#), it is provided that s. 90 shall cease to have effect (28.4.1993) in relation to registered friendly societies.

**Status:**

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**Changes to legislation:**

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