



Friendly Societies Act 1992

1992 CHAPTER 40

PART VIII

AMALGAMATIONS, TRANSFERS OF ENGAGEMENTS AND CONVERSION OF FRIENDLY SOCIETIES INTO COMPANIES

Conversions

91 Conversion of friendly society into company

- (1) A friendly society may, in accordance with this Part of this Act, convert itself into a company registered under the Companies Act 1985 or the Companies (Northern Ireland) Order 1986 (“a company”).
- (2) In order to convert itself into a company a friendly society must—
 - (a) comply with the applicable requirements of Part I of Schedule 15 to this Act ;
 - (b) approve the proposed conversion, the terms on which it is to take place and the proposed memorandum and articles of association for the company by special resolution; and
 - (c) obtain the confirmation of the Commission of the conversion;and, on obtaining that confirmation, the society may apply for registration as a company.
- (3) The terms on which the conversion of a friendly society into a company is to take place may include provision for part of the funds of the society or the company to be distributed among, or for other rights in relation to shares in the company to be conferred on, members of the society.
- (4) Where—
 - (a) a special resolution of a society contains the particulars required by the Companies Act 1985 or the Companies (Northern Ireland) Order 1986 to be contained in—
 - (i) the memorandum of association of a company; or

Status: This is the original version (as it was originally enacted).

- (ii) the articles of association of a company; and
 - (b) a copy of the resolution has been registered at the central office, a copy of that resolution under the seal and stamp of the central office shall have the same effect as a memorandum of association or, as the case may be, as articles of association, which have been duly signed under the Companies Act 1985 or the Companies (Northern Ireland) Order 1986.
- (5) On the registration of a friendly society as a company the registration of the society under this Act or the 1974 Act shall be cancelled by the central office.
- (6) Where a friendly society converts into a company the terms approved by the society and confirmed by the Commission shall, in so far as they provide for the conferral of rights on members or officers of the society, be enforceable as if they had been the subject of an agreement between the society and those members and officers.
- (7) Registration of a friendly society as a company shall not affect any right or claim subsisting against the society or any penalty incurred by the society; and for the purpose of enforcing any such right, claim or penalty, the society may be sued and proceeded against in the same manner as if it had not become registered as a company.
- (8) The Commission, with the consent of the Treasury, may make regulations providing for the regulation of the conversion of friendly societies into companies; and such regulations may, in particular make provision—
 - (a) for and in connection with the transition from regulation by and under this Act or the 1974 Act to regulation by and under any other enactments on a society's ceasing to be registered under that Act; and
 - (b) for the treatment, in the hands of the company into which a friendly society has converted, of the property, rights and liabilities of the society immediately before its conversion and for the modification of any enactment in its application to any such property, rights and liabilities.
- (9) Schedule 15 to this Act has effect for supplementing this section.