



Friendly Societies Act 1992

1992 CHAPTER 40

PART X

GENERAL AND SUPPLEMENTARY

General

106 Officers and auditors not to be exempted from liability.

- (1) Subject to subsection (3) below, any provision to which this section applies, whether contained in the constitution of a friendly society or in any contract with a friendly society or otherwise, shall be void.
- (2) This section applies to any provision for—
 - (a) exempting any member of the committee of management, other officer, or person employed as auditor of a friendly society from any liability which, by virtue of any rule of law, would otherwise attach to him in respect of the negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the society; or
 - (b) indemnifying any such person against any such liability.
- (3) Subsection (1) above shall not prevent a friendly society—
 - (a) from purchasing and maintaining for such a person insurance against any such liability; or
 - (b) from indemnifying such a person against any liability incurred by him in defending any proceedings (whether criminal or civil) in which judgement is given in his favour or in which he is acquitted.
- (4) [^{F1}Section 1157 of the Companies Act 2006] (^{F2}... which empowers the court to grant relief in certain cases of negligence, default, breach of duty or breach of trust) shall apply in relation to officers and auditors of a friendly society as it applies in relation to officers and auditors of a company.

Status: Point in time view as at 01/10/2009.

Changes to legislation: There are currently no known outstanding effects for the Friendly Societies Act 1992, Section 106. (See end of Document for details)

- (5) For the purposes of this section a reference to an officer of a friendly society includes a reference to the appropriate actuary.

Textual Amendments

- F1** Words in s. 106(4) substituted (1.10.2009) by [The Companies Act 2006 \(Consequential Amendments, Transitional Provisions and Savings\) Order 2009 \(S.I. 2009/1941\)](#), art. 1(2), **Sch. 1 para. 133(6)(a)** (with art. 10)
- F2** Words in s. 106(4) omitted (1.10.2009) by virtue of [The Companies Act 2006 \(Consequential Amendments, Transitional Provisions and Savings\) Order 2009 \(S.I. 2009/1941\)](#), art. 1(2), **Sch. 1 para. 133(6)(b)** (with art. 10)

Status:

Point in time view as at 01/10/2009.

Changes to legislation:

There are currently no known outstanding effects for the Friendly Societies Act 1992, Section 106.