



# Friendly Societies Act 1992

## 1992 CHAPTER 40

### PART II

#### INCORPORATED FRIENDLY SOCIETIES

##### *Constitution and purposes of incorporated friendly societies*

#### **11 Group insurance.**

- (1) An incorporated friendly society may include among its purposes the carrying on of any group insurance business.
- (2) In this Act “group insurance business” means business (carried on in accordance with the society’s rules) which—
  - (a) is of a description falling within Head A, or class 2 of Head B, of Schedule 2 to this Act; and
  - (b) is carried on as the business of providing benefits, in pursuance of a contract with a qualifying person, for or in respect of the members of a group scheme.
- (3) For the purposes of this section—

“group scheme” means a scheme or other arrangement under which benefits are to be provided for or in respect of persons who are members of the scheme and who qualify for membership by virtue of—

  - (a) being employees of a particular employer, or
  - (b) being members of some other group of persons of a description prescribed in regulations under subsection (7) below;

“qualifying person” means a person who has established or is otherwise responsible for the operation of a group scheme or a trustee of such a scheme; and

“member”, in relation to a group scheme, includes any person for or in respect of whom benefits are to be provided under the scheme, whatever the terms in which such persons are described in the scheme.

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*Status: Point in time view as at 07/02/1994. This version of this provision has been superseded.*

*Changes to legislation: There are currently no known outstanding effects for the Friendly Societies Act 1992, Section 11. (See end of Document for details)*

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- (3) Group insurance business may be carried on by an incorporated friendly society whether or not members of the group scheme are, or are required by the society to be, members of the society.
- (4) Where an incorporated friendly society carries on any group insurance business and the rules of the society so provide, any qualifying person with whom the society contracts (or his nominee) may be accorded the rights of a member of the society (including any right to vote) for the purpose of participating in the affairs of the society in the interests of the members of the group scheme with which he is concerned.
- (5) A person who is accorded the rights of a member of a society by virtue of subsection (4) above shall, for the purposes of any power conferred on the Commission by this Act which is exercisable in the interests of members of the society, be treated as if he were a member of the society.
- (6) The rules of an incorporated friendly society may not prevent a person from being a member of the society in his private capacity by reason only of the fact that he has been accorded the rights of a member by virtue of subsection (4) above.
- (7) The Commission may make regulations specifying the manner in which group insurance business may be carried on by incorporated friendly societies; and such regulations may in particular include limitations or requirements relating to—
  - (a) the contracts in pursuance of which group insurance business may be carried on; or
  - (b) the persons with whom, or the groups of persons for whose benefit, such contracts may be made.

**Status:**

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