



Friendly Societies Act 1992

1992 CHAPTER 40

PART V

REGULATION OF FRIENDLY SOCIETIES' BUSINESS

Powers of Commission

54 Supervision of activities of subsidiaries etc

- (1) In this section “friendly society group” means an incorporated friendly society, subsidiaries of that society and bodies jointly controlled by it.
- (2) If it appears to the Commission that the activities of subsidiaries of an incorporated friendly society or bodies jointly controlled by it are or may become disproportionate to those of the friendly society group as a whole, it may direct the society—
 - (a) to take or refrain from taking steps specified in the direction with a view to securing that the activities in question cease to be or do not become disproportionate; or
 - (b) to take steps so specified with a view to securing—
 - (i) that it ceases to have control or joint control of any subsidiary or jointly controlled body in question; or
 - (ii) that any such subsidiary or jointly controlled body is wound up.
- (3) If it appears to the Commission that any activity of a subsidiary of an incorporated friendly society or of a body jointly controlled by such a society is unsuitable for a member of a friendly society group, it may direct the society—
 - (a) to take steps specified in the direction with a view to securing that that activity ceases; or
 - (b) to take steps so specified with a view to securing—
 - (i) that it ceases to have control or joint control of the subsidiary or jointly controlled body; or
 - (ii) that the subsidiary or jointly controlled body is wound up.

Status: This is the original version (as it was originally enacted).

- (4) A direction under this section may specify when the society is to comply with it and may do so by reference to a date, the end of a period or the happening of an event.
- (5) A society given a direction under this section must—
 - (a) comply with the direction; or
 - (b) convert itself into a company in accordance with Part VIII of this Act.
- (6) The Commission may by notice to the society vary or revoke a direction under this section.
- (7) If a society requests the Commission to notify it as to whether in the opinion of the Commission it has complied with a direction under this section, the Commission shall comply with the request.
- (8) The Commission may issue to incorporated friendly societies (or to any description of such societies) such general guidance as it thinks appropriate as to circumstances in which a direction under this section is or is not likely to be given.
- (9) The Commission shall send to the central office a copy—
 - (a) of a direction under this section;
 - (b) of a notice under subsection (6) above; or
 - (c) of a notification under subsection (7) above;and the central office shall keep a copy in the public file of the society.