



Friendly Societies Act 1992

1992 CHAPTER 40

PART VIII

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

Transfers of engagements

90 Power of Commission to effect transfer of engagements

- (1) Subject to the following provisions of this section the Commission may give a direction under this section (“a direction”) providing for the transfer of such of the engagements of a friendly society (“the society”) as are specified in the order to a person so specified (“the transferee”).
- (2) The Commission may give a direction if—
 - (a) it considers that—
 - (i) the society is unable to manage its affairs satisfactorily in relation to the engagements specified in the order; and
 - (ii) a transfer of those engagements would be expedient to protect the interests of the members of the society; and
 - (b) the proposed transferee has complied with paragraph 1 of Schedule 15 to this Act and has resolved to undertake to fulfil the engagements by special resolution or, if the Commission consents to that mode of proceeding, by resolution of the committee of management;but the Commission may direct that paragraph (b) above shall be modified in relation to a particular proposed transfer (but not to permit a society to resolve to undertake to fulfil the engagements by less than a majority or more than a three-quarters majority of those voting).
- (3) The Commission may not give a direction if, were the transfer to be proposed to be made under section 86 above, it would be precluded from confirming it by any provision of paragraphs 13 to 17 of Schedule 15 to this Act.

- (4) Before giving a direction, the Commission shall—
- (a) serve on the society a notice stating that it proposes to give the direction and specifying the considerations which have led it to conclude that giving the direction would be expedient to protect the interests of the members of the society; and
 - (b) publish notice of the proposed direction in one or more of the London Gazette, the Belfast Gazette or the Edinburgh Gazette, as it thinks appropriate, and, if it thinks appropriate, in one or more newspapers.
- (5) A notice published in pursuance of subsection (4)(b) above shall—
- (a) state that any interested party has the right to make representations to the Commission with respect to the proposed direction;
 - (b) specify a date determined by the Commission before which any written representations or notice of a person's intention to make oral representations must be received by the Commission; and
 - (c) specify a date determined by the Commission as the day on which it intends to hear any oral representations.
- (6) After the date specified in pursuance of subsection (5)(b) above, the Commission shall—
- (a) determine the time and place at which oral representations may be made;
 - (b) give notice of that determination to the society and the proposed transferee and to any persons who have given notice of their intention to make oral representations; and
 - (c) send copies of the written representations received by the Commission to the society concerned and the proposed transferee.
- (7) The Commission shall allow the society and the proposed transferee an opportunity to comment on the written representations, whether at a hearing or in writing before the expiration of such period as the Commission specifies in a notice to it.
- (8) If the Commission gives a direction it shall furnish a copy to the central office, who shall—
- (a) register that copy; and
 - (b) issue a registration certificate to the transferee;
- and the registration certificate shall specify a date as the transfer date for the transfer.
- (9) On the transfer date—
- (a) the property, rights and liabilities of the society shall by virtue of this subsection become, to the extent provided in the direction, the property, rights and liabilities of the transferee; and
 - (b) if the transfer is of all the society's engagements, the society shall be dissolved; but the transfer shall be deemed to have been effected before any such dissolution.
- (10) The central office shall keep a copy of a direction and of the registration certificate—
- (a) if the transferee is a friendly society, in the public file of that society;
 - (b) in any other case, in the public file of the society transferring the engagements.
- (11) Where a friendly society is dissolved by subsection (9)(b) above, its registration under this Act or the 1974 Act shall be cancelled by the central office.