



# Friendly Societies Act 1974

## 1974 CHAPTER 46

### *Provisions as to rules*

#### **17 Acknowledgment of registration of rules**

An acknowledgment of the registration of a society or branch under section 15 above shall also constitute an acknowledgment, and be conclusive evidence, of the registration of the rules of the society or branch in force at the date of the registration of the society or branch.

#### **18 Registration of amendments of rules of society or branch**

- (1) Subject to subsection (2) below, any amendment of the rules of a society or branch as for the time being registered under this Act shall not be valid until the amendment has been so registered, and for this purpose copies of the amendment, signed by three members and the secretary of the society or of the branch, as the case may be, shall be sent to the registrar.
- (2) Subsection (1) above shall not apply to a change in the situation of the registered office of a society or branch, but—
  - (a) notice of any change in the situation of the registered office of a society or branch shall be sent to the registrar and, in the case of a change in the situation of the registered office of a branch, shall be sent to the registrar through an officer appointed in that behalf by the society of which the branch forms part; and
  - (b) where notice of such a change is sent to the registrar under paragraph (a) above, he shall register it as an amendment of the rules of the society or branch concerned.

#### **19 Acknowledgment of registration of amendments of rules**

On being satisfied that any amendment of the registered rules of a society or branch is not contrary to the provisions of this Act, the registrar shall issue to the society or

branch, in respect of that amendment, an acknowledgment of registration which shall be conclusive evidence that the amendment is duly registered.

## **20 Appeals from refusal to register amendment of rule**

- (1) Appeals shall lie from a refusal to register an amendment of a rule of a registered society or branch as follows:—
  - (a) if the central office refuse to register the amendment, the society or branch may appeal to the High Court; and
  - (b) if the assistant registrar for Scotland refuses to register the amendment, the society or branch may appeal to the Chief Registrar and, if he refuses, to the Court of Session.
- (2) If a refusal to register an amendment of a rule is overruled on appeal, the registrar shall give an acknowledgment of registration under section 19 above to the society or branch.

## **21 Duty to supply copies of rules**

Every registered society or branch shall deliver to any person on demand, on payment of a sum not exceeding 10p, a copy of the rules of the society or branch.

## **22 Rules of certain registered societies to bind members at law**

- (1) The rules of—
  - (a) a registered cattle insurance society or branch, and
  - (b) such specially authorised societies or branches thereof as the Treasury may allow to take the benefit of this section,shall bind the society or branch and the members thereof, and all persons claiming through them, to the same extent as if each member had subscribed his name and affixed his seal thereto, and as if there were contained in the rules a covenant on the part of himself and his executors or administrators to conform to the rules subject to the provisions of this Act.
- (2) All sums of money payable by a member to a society or branch falling within subsection (1) above shall be deemed to be a debt due from the member to the society or branch and shall be recoverable as such in the county court for the district in which the member resides.
- (3) In the application of this section to Scotland, in subsection (1) the words " and affixed his seal" shall be omitted, and in subsection (2) for the words " in the county court for the district " there shall be substituted the words " before the sheriff of the sheriffdom ".

## **23 Special provisions which may be included in rules**

- (1) The rules of a registered society or branch may provide for the reinsurance, to such extent as may from time to time be approved by a qualified actuary, of risks of any class against which persons are, or are to be, insured by that society or branch.
- (2) The rules of a registered society which is a specially authorised society complying with the provisions of subsection (3) below may provide that it may receive deposits and borrow money at interest from its members or from other persons, and upon the registration of such a rule the same shall be valid.

- (3) A specially authorised society complies with the provisions of this subsection if it has for its object the creation of funds to be lent out to the members of the society or for their benefit, and has in its rules provisions—
- (a) that no part of its funds shall be divided by way of profit, bonus, dividend or otherwise among its members; and
  - (b) that all money lent to members shall be applied to such purpose as the society or its committee may approve.