



# Friendly Societies Act 1974

## 1974 CHAPTER 46

### *Cancellation and suspension of registration and dissolution*

#### **95 Dissolution by award.**

- (1) On receipt of an application under this section relating to a registered society or branch and after giving not less than one month's notice in writing to the society or branch, the [<sup>F1</sup>[<sup>F2</sup>appropriate authority] may appoint one or more competent persons to conduct an investigation on its behalf into] the affairs of the society or branch.
- (2) An application under this section shall be made in writing under the hands of the like proportion or number of members and, in the case of a society with branches with the like consent, as are required for the making of an application under section 90 above and shall—
  - (a) state that the funds of the society or branch are insufficient to meet the existing claims thereon, or that the rates of contribution fixed in the rules of the society or branch are insufficient to cover the benefits assured; and
  - (b) set forth the grounds on which the insufficiency is alleged; and
  - (c) request an investigation into the affairs of the society or branch with a view to the dissolution thereof.
- (3) Subject to subsection (4) below, if upon an investigation under this section it appears that the funds of the society or branch are insufficient to meet the existing claims thereon, or that the rates of contribution fixed in the rules of the society or branch are insufficient to cover the benefits assured to be given by the society or branch, the [<sup>F3</sup>appropriate authority] may, if [<sup>F4</sup>it] considers it expedient to do so, award that the society or branch be dissolved and its affairs wound up, and where such an award is made the [<sup>F3</sup>appropriate authority] shall direct in what manner the assets of the society or branch shall be divided or appropriated.

[<sup>F5</sup>(3A) The PRA must consult the FCA before making an award and direction under subsection (3).]

- (4) Where the [<sup>F6</sup>appropriate authority] makes an award under subsection (3) above [<sup>F4</sup>it] may suspend the operation thereof for such period as [<sup>F4</sup>it] may deem necessary to

*Changes to legislation: There are currently no known outstanding effects for the Friendly Societies Act 1974, Section 95. (See end of Document for details)*

enable the society or branch to make such alterations and adjustments of contributions and benefits as will in [<sup>F4</sup>its] judgment prevent the necessity of the award of dissolution coming into operation; and where within that period the society makes such alterations and adjustments the [<sup>F6</sup>appropriate authority] may cancel the award.

<sup>F7</sup>(5) .....

(6) Within twenty-one days after the making of an award of dissolution of a society or branch, the [<sup>F8</sup>appropriate authority] shall cause notice of the award of dissolution to be advertised in the Gazette and in some newspaper in general circulation in the neighbourhood of the registered office of the society or branch; and unless—

- (a) within three months from the date on which that advertisement appears, a member or other person interested in or having any claim on the funds of the society or branch commences proceedings to set aside the dissolution of the society or branch consequent upon the award, and
- (b) the dissolution is set aside accordingly,

the society or branch shall be legally dissolved from the date of the advertisement, and the requisite consents to the application under this section shall be deemed to have been duly obtained without proof of the signatures thereto.

(7) The expenses of every investigation and award under this section and of advertising every notice of dissolution shall be paid out of the funds of the society or branch before any other appropriation thereof is made.

#### Textual Amendments

- F1** Words in s. 95(1) substituted (17.8.2001 for certain purposes, otherwise 1.12.2001) by S.I. 2001/2617, arts. 2, 8, 13(1), **Sch. 3 Pt. I para. 39(a)** (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(1)**
- F2** Words in s. 95(1) substituted (1.4.2013) by *The Financial Services Act 2012 (Mutual Societies) Order 2013* (S.I. 2013/496), art. 1(1), **Sch. 5 para. 18(2)** (with Sch. 12)
- F3** Words in s. 95(3) substituted (1.4.2013) by *The Financial Services Act 2012 (Mutual Societies) Order 2013* (S.I. 2013/496), art. 1(1), **Sch. 5 para. 18(2)** (with Sch. 12)
- F4** Words in s. 95(3)(4) substituted (17.8.2001 for certain purposes, otherwise 1.12.2001) by S.I. 2001/2617, arts. 2, 8, 13(1), **Sch. 3 Pt. I para. 39(c)(d)** (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(1)**
- F5** S. 95(3A) inserted (1.4.2013) by *The Financial Services Act 2012 (Mutual Societies) Order 2013* (S.I. 2013/496), art. 1(1), **Sch. 5 para. 18(3)** (with Sch. 12)
- F6** Words in s. 95(4) substituted (1.4.2013) by *The Financial Services Act 2012 (Mutual Societies) Order 2013* (S.I. 2013/496), art. 1(1), **Sch. 5 para. 18(2)** (with Sch. 12)
- F7** S. 95(5) repealed (17.8.2001 for certain purposes, otherwise 1.12.2001) by S.I. 2001/2617, arts. 2, 8, 13(1)(2), Sch. 3 Pt. I para. 39(e), **Sch. 4** (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(1)**
- F8** Words in s. 95(6) substituted (1.4.2013) by *The Financial Services Act 2012 (Mutual Societies) Order 2013* (S.I. 2013/496), art. 1(1), **Sch. 5 para. 18(2)** (with Sch. 12)

#### Modifications etc. (not altering text)

- C1** By *Friendly Societies Act 1992* (c. 40), s. 95, **Sch. 16 para. 39** (with ss. 7(5) and 93(4)); S.I. 1993/1186, art. 2, **Sch. 3**, it is provided that s. 95 shall cease to have effect (28.4.1993) in relation to registered friendly societies.

**Changes to legislation:**

There are currently no known outstanding effects for the Friendly Societies Act 1974, Section 95.