



Friendly Societies Act 1992

1992 CHAPTER 40

PART IV

AUTHORISATION OF FRIENDLY SOCIETIES' BUSINESS

Restrictions on business of certain authorised societies

37 Restriction on combinations of business.

^{F1}(1)

^{F1}(1A)

- (2) This subsection applies to a friendly society which carries on long term business—
- (a) if its rules do not contain provision for calling up additional contributions, for reducing benefits or for claiming assistance from other persons who have undertaken to provide it; or
 - (b) if its annual contribution income from long term business exceeded 500,000 ECU for 3 consecutive years and it is not the subject of a direction under subsection (5) below;

and, for the purposes of paragraph (b) above, years ending before 1st January 1985 shall be disregarded.

- (3) This subsection applies to a friendly society which carries on general business—
- (a) if its rules do not contain provision for calling up additional contributions or for reducing benefits; or
 - (b) if its annual contribution income from general business in any previous year exceeded 1,000,000 ECU and it is not the subject of a direction under subsection (5) below;

and, for the purposes of paragraph (b) above, years ending before 1st January 1993 shall be disregarded.

Changes to legislation: There are currently no known outstanding effects for the Friendly Societies Act 1992, Cross Heading: Restrictions on business of certain authorised societies. (See end of Document for details)

- (4) In subsections (2) and (3) above a reference to a year, in relation to annual contribution income, is a reference to any financial year of a society for which, at the relevant time, accounts have been or ought to have been prepared.
- (5) The [^{F2}appropriate authority] may, if it is satisfied that it is consistent with the international obligations of the United Kingdom to do so, direct that a friendly society—
- (a) which is, by virtue only of paragraph (b) of subsection (2) above, a society to which that subsection applies; or
 - (b) which is, by virtue only of paragraph (b) of subsection (3) above, a society to which that subsection applies;
- shall, unless the direction is revoked, be treated as not being a society to which subsection (2) or, as the case may be, subsection (3) above applies.
- (6) If—
- (a) the [^{F2}appropriate authority] has given a direction under subsection (5) above in relation to a society such as is mentioned in subsection (5)(a) above; and
 - (b) the society's annual contribution income from long term business exceeds 500,000 ECU for 3 consecutive years ending after a date specified in the direction,
- the [^{F2}appropriate authority] shall revoke the direction.
- (7) If—
- (a) the [^{F2}appropriate authority] has given a direction in relation to a society such as is mentioned in subsection (5)(b) above; and
 - (b) the society's annual contribution income from general business in a year ending after a date specified in the direction exceeded 1,000,000 ECU,
- the [^{F2}appropriate authority] shall revoke the direction.

^{F1}(7A)

^{F1}(8)

^{F1}(9)

Textual Amendments

F1 S. 37(1)(1A)(7A)(8)(9) repealed (1.12.2001) by 2000 c. 8, ss. 334, 336, 338, 431(2), Sch. 18 para. 6, Sch. 22; S.I. 2001/3538, art. 2(1)

F2 Words in s. 37 substituted (1.4.2013) by The Financial Services Act 2012 (Mutual Societies) Order 2013 (S.I. 2013/496), art. 1(1), Sch. 9 para. 15 (with Sch. 12)

Modifications etc. (not altering text)

C1 S. 37(4) excluded (1.5.1993) by S.I. 1993/932, reg. 7

Commencement Information

I1 S. 37 wholly in force; s. 37 not in force at Royal Assent see s. 126(2); s. 37 in force for certain purposes at 13.1.1993 by S.I. 1993/16, art. 2, Sch. 1; s. 37 in force for all remaining purposes at 13.9.1993 by S.I. 1993/2213, art. 2(1), Sch. 2

Changes to legislation: There are currently no known outstanding effects for the Friendly Societies Act 1992,
Cross Heading: Restrictions on business of certain authorised societies. (See end of Document for details)

38 Restriction on commercial business.

F3

Textual Amendments

F3 S. 38 repealed (1.12.2001) by 2000 c. 8, ss. 334, 336, 338, 431(2), 432(3), Sch. 18 para. 7, **Sch. 22**;
S.I. 2001/3538, **art. 2(1)**

Changes to legislation:

There are currently no known outstanding effects for the Friendly Societies Act 1992, Cross
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