



Friendly Societies Act 1992

1992 CHAPTER 40

PART II

INCORPORATED FRIENDLY SOCIETIES

Constitution and purposes of incorporated friendly societies

13 Control of subsidiaries and other bodies corporate.

- (1) Subject to the following provisions of this section, an incorporated friendly society may include among its purposes any of the following activities—
 - (a) forming subsidiaries;
 - (b) taking part with others in forming bodies corporate to be jointly controlled by it;
 - (c) otherwise acquiring, or keeping, control or joint control of bodies corporate.
- (2) ^{F1}
- (3) ^{F1}
- (4) ^{F1}
- (5) ^{F1}
- (6) Any alteration of the memorandum of an incorporated friendly society to include among its purposes and powers the carrying on of any activity such as is mentioned in subsection (1) above must be adopted by a special resolution of the society in general meeting; and any amendment of a provision in its memorandum which permits it to do so must also be so adopted.
- (7) A registered friendly society may not include in a memorandum adopted for the purposes of paragraph 2(1)(c) of Schedule 3 to this Act any provision enabling it on incorporation to carry on any activity such as is mentioned in subsection (1) above unless its inclusion has been authorised by a special resolution of the society in general meeting.

Changes to legislation: There are currently no known outstanding effects for the Friendly Societies Act 1992, Section 13. (See end of Document for details)

- (8) ^{F2}
- (9) For the purposes of this Act—
- (a) an incorporated friendly society has control of a body corporate if the society—
- (i) holds a majority of the voting rights in it; or
 - (ii) is a member of it and has the right to appoint or remove a majority of its board of directors; or
 - (iii) is a member of it and controls alone, pursuant to an agreement with other shareholders or members, a majority of the voting rights in it;
- [^{F3}(aa) an incorporated friendly society also has control of a body corporate if the body corporate is itself a body controlled in one of the ways mentioned in paragraph (a)(i), (ii) or (iii) by a body corporate of which the society has control;]
- (b) a body corporate is a subsidiary of an incorporated friendly society if the society has control of it.
- (c) an incorporated friendly society has joint control of a body corporate if, in pursuance of an agreement or other arrangement between them, the society and another person—
- (i) hold a majority of the voting rights in that body; or
 - (ii) are members of it and together have the right to appoint or remove a majority of its board of directors; or
 - (iii) are members of it and alone control, pursuant to an agreement with other shareholders or members, a majority of the voting rights in it;
- [^{F4}(cc) an incorporated friendly society also has joint control of a body corporate if—
- (i) a subsidiary of the society has joint control of the body corporate in a way mentioned in paragraph (c)(i), (ii) or (iii);
 - (ii) a body corporate of which the society has joint control has joint control of the body corporate in such a way; or
 - (iii) the body corporate is controlled in a way mentioned in paragraph (a) (i), (ii) or (iii) by a body corporate of which the society has joint control;]

(d) a body corporate is a body jointly controlled by an incorporated friendly society if the society has joint control of it;

and a society acquires joint control whenever any of the conditions mentioned in paragraph (c) [^{F5} or (cc)] above are satisfied with respect to a body corporate, notwithstanding that it may already be a subsidiary of the society.

(10) Schedule 8 to this Act shall have effect for supplementing this section.

(11) ^{F2}

Textual Amendments

- F1** S. 13(2)(3)(4)(5) repealed (1.12.2001) by 2000 c. 8, ss. 334, 336, 338, 431(2), 432(3), Sch. 18 para. 10(1), **Sch. 22**; S.I. 2001/3538, **art. 2(1)**
- F2** S. 13(8)(11) repealed (1.12.2001) by 2000 c. 8, ss. 334, 336, 338, 431(2), 432(3), Sch. 18 para. 10(2) (a), **Sch. 22**; S.I. 2001/3538, **art. 2(1)**
- F3** S. 13(9)(aa) inserted (1.12.2001) by 2000 c. 8, ss. 334, 336, 338, 431(2), **Sch. 18 para. 11**; S.I. 2001/3538, **art. 2(1)**

Changes to legislation: *There are currently no known outstanding effects for the Friendly Societies Act 1992, Section 13. (See end of Document for details)*

- F4** S. 13(9)(cc) inserted (1.12.2001) by 2000 c. 8, ss. 334, 336, 338, 431(2), **Sch. 18 para. 12**; S.I. 2001/3538, **art. 2(1)**
- F5** Words in s. 13(9) inserted (1.12.2001) by 2000 c. 8, ss. 334, 336, 338, 431(2), **Sch. 18 para. 13**; S.I. 2001/3538, **art. 2(1)**

Changes to legislation:

There are currently no known outstanding effects for the Friendly Societies Act 1992, Section 13.