



# Friendly Societies Act 1992

## 1992 CHAPTER 40

### PART II

#### INCORPORATED FRIENDLY SOCIETIES

##### *Dissolution and winding up*

#### **24 Continuation of long term business.**

- (1) This section has effect in relation to the winding up of an incorporated friendly society which carries on long term business (including any reinsurance business).
- (2) The liquidator shall, unless the court otherwise orders, carry on the long term business of the society with a view to its being transferred as a going concern under this Act; and, in carrying on that business, the liquidator may agree to the variation of any contracts of insurance in existence when the winding up order is made but shall not effect any new contracts of insurance.
- (3) If the liquidator is satisfied that the interests of the creditors in respect of liabilities of the society attributable to its long term business require the appointment of a special manager of the society's long term business, he may apply to the court, and the court may on such application appoint a special manager of that business to act during such time as the court may direct, with such powers (including any of the powers of a receiver or manager) as may be entrusted to him by the court.
- (4) Section 177(5) of the <sup>M1</sup>Insolvency Act 1986 or, as the case may be, Article 151 of the <sup>M2</sup>Insolvency (Northern Ireland) Order 1989 shall apply to a special manager appointed under subsection (3) above as it applies to a special manager appointed under that section or that Article.
- (5) The court may, if it thinks fit and subject to such conditions (if any) as it may determine, reduce the amount of the contracts made by the society in the course of carrying on its long term business.

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*Changes to legislation: There are currently no known outstanding effects for the Friendly Societies Act 1992, Section 24. (See end of Document for details)*

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- (6) The court may, on the application of the liquidator, a special manager appointed under subsection (3) above or the [F<sup>1</sup>FCA or the PRA] appoint an independent actuary to investigate the long term business of the society and to report to the liquidator, the special manager or the [F<sup>1</sup>FCA or the PRA], as the case may be, on the desirability or otherwise of that business being continued and on any reduction in the contracts made in the course of carrying on that business that may be necessary for its successful continuation.

**Textual Amendments**

- F1** Words in s. 24(6) substituted (1.4.2013) by [The Financial Services Act 2012 \(Mutual Societies\) Order 2013 \(S.I. 2013/496\)](#), art. 1(1), [Sch. 9 para. 11](#) (with Sch. 12)

**Marginal Citations**

- M1** [1986 c. 45](#).  
**M2** [S.I.1989/2405 \(N.I.19\)](#).

**Changes to legislation:**

There are currently no known outstanding effects for the Friendly Societies Act 1992, Section 24.