



# Friendly Societies Act 1992

## 1992 CHAPTER 40

### PART II

#### INCORPORATED FRIENDLY SOCIETIES

##### *Constitution and purposes of incorporated friendly societies*

#### **7 Purposes and powers of an incorporated friendly society.**

- (1) The purposes of an incorporated friendly society shall be those provided for by the society's memorandum.
- (2) The purposes for which an incorporated friendly society may exist are—
  - (a) the carrying on, subject to section 5(2)(b) above, of—
    - (i) any business of any description falling within a class specified in Head A or B or within Head C of Schedule 2 to this Act, or
    - (ii) any activity falling within Head D of that Schedule; and
  - (b) the carrying on, in addition to any business or activity falling within paragraph (a) above, of any of the following, namely—
    - (i) social or benevolent activities in accordance with section 10 below;
    - (ii) group insurance business in accordance with section 11 below;
    - (iii) reinsurance, in accordance with section 12 below, of risks insured by other friendly societies;
    - (iv) control or joint control of bodies corporate in accordance with section 13 below;and the memorandum of an incorporated friendly society may also confer on the society power to do anything falling within Schedule 5 to this Act.
- (3) The memorandum of an incorporated friendly society may confer on it any other power specified in this Part of this Act, but no such power may be exercised except for carrying out the society's purposes.

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*Changes to legislation: There are currently no known outstanding effects for the Friendly Societies Act 1992, Section 7. (See end of Document for details)*

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- (4) An incorporated friendly society shall, subject to the provisions of this Act, its memorandum and its rules, have any other power which is incidental or conducive to the carrying out of its purposes or for doing anything falling within Schedule 5 to this Act.
- (5) Nothing in this Act shall be taken as preventing an incorporated friendly society from providing in its rules—
- (a) for such system of representation of the members in the making of decisions by the society as the society may think fit;
  - (b) for the division of the society's members into groups under the control of the society and bound to contribute to the funds of the society but, subject to that, having funds and property of their own vested in trustees and administered by themselves or through their own trustees, officers or committees (and in accordance with their own rules);
  - (c) for the delegation of authority to any such group (or to its committee or any of its officers) to act, within such limits as the society may set, on the society's behalf;
- but no such group may do anything on its own account which does not fall [<sup>F1</sup>within section 10 below or] within Head D of Schedule 2 or within Schedule 5 to this Act.
- (6) Schedule 6 to this Act shall have effect in relation to the making of contracts and execution of documents by incorporated friendly societies.

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**Textual Amendments**

**F1** Words in s. 7(5) inserted (1.8.1996) by S.I. 1996/1188 art. 3

**Changes to legislation:**

There are currently no known outstanding effects for the Friendly Societies Act 1992, Section 7.