

Status: Point in time view as at 02/07/2002.

Changes to legislation: Financial Services and Markets Act 2000, SCHEDULE 18 is up to date with all changes known to be in force on or before 02 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

SCHEDULES

SCHEDULE 18

Sections 334, 336 and 338.

MUTUALS

PART I

FRIENDLY SOCIETIES

The Friendly Societies Act 1974 (c.46)

- 1 Omit sections 4 (provision for separate registration areas) and 10 (societies registered in one registration area carrying on business in another).
- 2 In section 7 (societies which may be registered), in subsection (2)(b), for “in the central registration area or in Scotland” substitute “ in the United Kingdom, the Channel Islands or the Isle of Man ”.
- 3 In section 11 (additional registration requirements for societies with branches), omit “and where any such society has branches in more than one registration area, section 10 above shall apply to that society”.
- 4 In section 99(4) (punishment of fraud etc and recovery of property misapplied), omit “in the central registration area”.

The Friendly Societies Act 1992 (c.40)

- 5 Omit sections 31 to 36A (authorisation of friendly societies business).
- 6 In section 37 (restrictions on combinations of business), omit subsections (1), (1A) and (7A) to (9).
- 7 Omit sections 38 to 43 (restrictions on business of certain authorised societies).
- 8 Omit sections 44 to 50 (regulation of friendly societies business).

PART II

FRIENDLY SOCIETIES: SUBSIDIARIES AND CONTROLLED BODIES

Interpretation

- 9 In this Part of this Schedule—
“the 1992 Act” means the ^{M1}Friendly Societies Act 1992; and
“section 13” means section 13 of that Act.

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Marginal Citations

M1 1992 c. 40.

Qualifying bodies

- 10 (1) Subsections (2) to (5) of section 13 (incorporated friendly societies allowed to form or acquire control or joint control only of qualifying bodies) cease to have effect.
- (2) As a result, omit—
- (a) subsections (8) and (11) of that section, and
 - (b) Schedule 7 to the 1992 Act (activities which may be carried on by a subsidiary of, or body jointly controlled by, an incorporated friendly society).

Bodies controlled by societies

- 11 In section 13(9) (defined terms), after paragraph (a) insert—
- “(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;”.

Joint control by societies

- 12 In section 13(9), after paragraph (c) insert—
- “(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;”.

Acquisition of joint control

- 13 In section 13(9), in the words following paragraph (d), after “paragraph (c)” insert “or (cc)”.

Amendment of Schedule 8 to the 1992 Act

- 14 (1) Schedule 8 to the 1992 Act (provisions supplementing section 13) is amended as follows.
- (2) Omit paragraph 3(2).
- (3) After paragraph 3 insert—
- “3A (1) A body is to be treated for the purposes of section 13(9) as having the right to appoint to a directorship if—

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- (a) a person's appointment to the directorship follows necessarily from his appointment as an officer of that body; or
 - (b) the directorship is held by the body itself.
- (2) A body ("B") and some other person ("P") together are to be treated, for the purposes of section 13(9), as having the right to appoint to a directorship if—
- (a) P is a body corporate which has directors and a person's appointment to the directorship follows necessarily from his appointment both as an officer of B and a director of P;
 - (b) P is a body corporate which does not have directors and a person's appointment to the directorship follows necessarily from his appointment both as an officer of B and as a member of P's managing body; or
 - (c) the directorship is held jointly by B and P.
- (3) For the purposes of section 13(9), a right to appoint (or remove) which is exercisable only with the consent or agreement of another person must be left out of account unless no other person has a right to appoint (or remove) in relation to that directorship.
- (4) Nothing in this paragraph is to be read as restricting the effect of section 13(9)."
- (4) In paragraph 9 (exercise of certain rights under instruction by, or in the interests of, incorporated friendly society) insert at the end " or in the interests of any body over which the society has joint control ".

Consequential amendments

- 15 (1) Section 52 of the 1992 Act is amended as follows.
- (2) In subsection (2), omit paragraph (d).
 - (3) In subsection (3), for "(4) below" substitute "(2)".
 - (4) For subsection (4) substitute—
 - "(4) A court may not make an order under subsection (5) unless it is satisfied that one or more of the conditions mentioned in subsection (2) are satisfied."
 - (5) In subsection (5), omit the words from "or, where" to the end.

References in other enactments

- 16 References in any provision of, or made under, any enactment to subsidiaries of, or bodies jointly controlled by, an incorporated friendly society are to be read as including references to bodies which are such subsidiaries or bodies as a result of any provision of this Part of this Schedule.

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PART III

BUILDING SOCIETIES

The Building Societies Act 1986 (c.53)

- 17 Omit section 9 (initial authorisation to raise funds and borrow money).
18 Omit Schedule 3 (supplementary provisions about authorisation).

PART IV

INDUSTRIAL AND PROVIDENT SOCIETIES

The Industrial and Provident Societies Act 1965 (c.12)

- 19 Omit section 8 (provision for separate registration areas for Scotland and for England, Wales and the Channel Islands).
20 Omit section 70 (scale of fees to be paid in respect of transactions and inspection of documents).

PART V

CREDIT UNIONS

The Credit Unions Act 1979 (c.34)

- 21 In section 6 (minimum and maximum number of members), omit subsections (2) to (6).
22 In section 11 (loans), omit subsections (2) and (6).
23 Omit sections 11B (loans approved by credit unions), 11C (grant of certificates of approval) and 11D (withdrawal of certificates of approval).
24 In section 12, omit subsections (4) and (5).
25 In section 14, omit subsections (2), (3), (5) and (6).
26 In section 28 (offences), omit subsection (2).

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