

ANNO VICESIMO QUINTO & VICESIMO SEXTO

VICTORIÆ REGINÆ.

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CAP. LXXXVII.

An Act to consolidate and amend the Laws relating to Industrial and Provident Societies.

[7th *August* 1862.]

WHEREAS by the Industrial and Provident Societies Act, 1852, it is enacted, that it shall be lawful for any Number of Persons to establish a Society under the Provisions thereof and of the therein-recited Act, for the Purpose of raising by voluntary Subscriptions of the Members thereof a Fund for attaining any Purpose or Object for the Time being authorized by the Laws in force with respect to Friendly Societies or by the said recited Act, by carrying on or exercising in common any Labour, Trade, or Handicraft, or several Labours, Trades, or Handicrafts, except the working of Mines, Minerals, or Quarries beyond the Limits of the United Kingdom of *Great Britain* and *Ireland*, and also except the Business of Banking, whether in the said United Kingdom or elsewhere; and that the said Act shall apply to all Societies already established for any of the Purposes herein mentioned, so soon as they shall conform to the Provisions hereof: And whereas by an Act passed in the Seventeenth and Eighteenth Years of Her present Majesty, Chapter Twenty-five, various Provisions were made for the better enabling legal Proceedings to be carried on in any Matter concerning the Societies formed under the said Act of 1852: And whereas the last-mentioned Act was amended by an Act passed in the

15 & 16 Vict. c. 31.

17 & 18 Vict. c. 25.

19 & 20 Vict. c. 40.

the First Session of the Nineteenth and Twentieth Years of Her present Majesty, Chapter Forty: And whereas various Societies have been formed and are now carrying on Business under the Provisions of the said recited Acts, and it is desirable to consolidate and amend the Laws relating to such Societies: Be it therefore enacted by the Queen's most Excellent Majesty, by and with the Advice and Consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the Authority of the same, as follows:

Recited Acts repealed.

1. The Industrial and Provident Societies Act, 1852, and the said recited Acts for the Amendment thereof, are hereby repealed from the passing of this Act.

As to Societies registered under recited Acts.

2. All Societies registered under the Industrial and Provident Societies Act, 1852, shall be entitled to obtain a Certificate of Registration on Application to the Registrar of Friendly Societies, and for which Certificate no Fee shall be payable to the Registrar.

Constitution of Societies under this Act.

3. Any Number of Persons, not being less than Seven, may establish a Society under this Act for the Purpose of carrying on any Labour, Trade, or Handicraft, whether wholesale or retail, except the working of Mines and Quarries, and except the Business of Banking, and of applying the Profits for any Purposes allowed by the Friendly Societies Acts, or otherwise permitted by Law.

Rules.

4. The Rules of every such Society shall contain Provisions in respect of the several Matters mentioned in the Schedule annexed to this Act.

Registration of Society.

5. Two Copies of the Rules shall be forwarded to the Registrar of Friendly Societies of *England*, *Scotland*, or *Ireland*, according to the Place where the Office of the Society is situate, and shall be dealt with by him in the Manner provided by the Friendly Societies Act, 1855; and he shall thereupon give his Certificate of Registration, and such Certificate shall in all Cases be conclusive Evidence that the Society has been duly registered, and thereupon the Members of such Society shall become a Body Corporate, by the Name therein described, having a perpetual Succession and a Common Seal, with Power to hold Lands and Buildings, with limited Liability.

Certificate of Registration to vest all Property in Society now held in trust for Society.

6. The Certificate of Registration shall vest in the Society all the Property that may at the Time be vested in any Person in trust for the Society; and all legal Proceedings then pending by or against any such Trustee or other Officer on account of the Society may be prosecuted by or against the Society in its registered Name without Abatement.

7. A Copy

Copy of Rules to be delivered to Persons, on Demand.

7. A Copy of the Rules shall be delivered by the Society to every Person, on Demand, on Payment of a Sum not exceeding One Shilling.

No Society to be registered by same Name as that of any existing Society.

8. No Society shall be registered under a Name identical with that by which any other existing Society has been registered, or so nearly resembling such Name as to be likely to deceive the Members or the Public, and the Word "Limited" shall be the last Word in the Name of every Society registered under this Act.

Member's Interests limited to 200*l.*

9. No Member shall be entitled, in any Society registered under this Act, to hold or claim any Interest exceeding the Sum of Two hundred Pounds.

Publication of Name by a Society

10. Every Society registered under this Act shall paint or affix, and shall keep painted or affixed, its Name on the Outside of every Office or Place in which the Business of the Society is carried on, in a conspicuous Position, in Letters easily legible, and shall have its Name engraven in legible Characters on its Seal, and shall have its Name mentioned in legible Characters in all Notices, Advertisements, and other official Publications of such Society, and in all Bills of Exchange, Promissory Notes, Endorsements, Cheques, and Orders for Money or Goods purporting to be signed by or on behalf of such Company, and in all Bills of Parcels, Invoices, Receipts, and Letters of Credit of the Society.

Penalties on Non-publication of Name, &c.

11. If any Society under this Act does not paint or affix, and keep painted or affixed, its Name in manner directed by this Act, it shall be liable to a Penalty not exceeding Five Pounds for not so painting or affixing its Name, and for every Day during which such Name is not so kept painted or affixed; and if any Officer of such Society or any Person on its Behalf uses any Seal purporting to be a Seal of the Society whereon its Name is not so engraven as aforesaid, or issues or authorizes the Issue of any Notice, Advertisement, or other official Publication of such Society, or signs or authorizes to be signed on behalf of such Society any Bill of Exchange, Promissory Note, Endorsement, Cheque, Order for Money or Goods, or issues or authorizes to be issued any Bill of Parcels, Invoice, Receipt, or Letter of Credit of the Society, wherein its Name is not mentioned in manner aforesaid, he shall be liable to a Penalty of Fifty Pounds, and shall further be personally liable to the Holder of any such Bill of Exchange, Promissory Note, Cheque, or Order for Money or Goods, for the Amount thereof, unless the same is duly paid by the Society.

Every Society to have a registered Office.

12. Every Society under this Act shall have a registered Office to which all Communications and Notices may be addressed: If any Society

Penalty on Default.

Society registered under this Act carries on Business without having such an Office, it shall incur a Penalty not exceeding Five Pounds for every Day during which Business is so carried on.

Notice of Situation of registered Office.

13. Notice of the Situation of such registered Office, and of any Change therein, shall be given to the Registrar, and recorded by him: Until such Notice is given the Society shall not be deemed to have complied with the Provisions of this Act.

Signature, and Effect of Rules.

14. The Rules of every Society registered under this Act shall bind the Society, and the Members thereof, to the same Extent as if each Member had subscribed his Name and affixed his Seal thereto, and there were in such Rules contained a Covenant on the Part of himself, his Heirs, Executors, and Administrators, to conform to such Rules subject to the Provisions of this Act; and all Monies payable by any Member to the Society in pursuance of such Rules shall be deemed to be a Debt due from such Member to the Society.

Application of Friendly Societies Acts to this Act.

15. The Provisions of the Friendly Societies Acts shall apply to Societies registered under this Act in the following Particulars:

Exemption from Stamp Duties and Income Tax:
Settlements of Disputes by Arbitration or Justices:
Compensation to Members unjustly excluded:
Power of Justices or County Courts in case of Fraud:
Jurisdiction of the Registrar.

Power to Member to nominate Persons into whose Name his Interest may be transferred at his Death.

16. The Provisions of the Friendly Societies Act, 1854, whereby a Member of any Society registered thereunder is allowed to nominate any Persons to whom his Investment in such Society shall be paid, shall extend, in the Case of Societies registered under this Act, to allow any Member thereof to nominate any Persons into whose Name his Interest in such Society at his Decease shall be transferred: Provided nevertheless, that any such Society may, in lieu of making such Transfer, elect to pay to any Persons so nominated the full Value of such Interest.

As to the Winding-up of Societies.

17. Any Society registered under this Act may be wound up either by the Court or voluntarily, in the same Manner and under the same Circumstances under and in which any Company may be wound up under any Acts or Act for the Time being in force for winding up Companies; and all the Provisions of such Acts or Act with respect to winding up shall apply to such Society, with this Exception, that the Court having Jurisdiction in the Winding-up shall be the County Court of the District in which the Office of the Society is situated.

18. In

Dissolution of Society not to prevent winding up of its Affairs.

18. In case of the Dissolution of any such Society, such Society shall nevertheless be considered as subsisting, and be in all respects subject to the Provisions of this Act, so long and so far as any Matters relating to the same remain unsettled, to the Intent that such Society may do all things necessary to the winding up of the Concerns thereof, and that it may be sued and sue, under the Provisions of this Act, in respect of all Matters relating to such Society.

Provisions of Joint Stock Companies Acts to apply.

19. The Provisions of the Joint Stock Companies Acts as to Bills of Exchange and the Admissibility of the Register of Shares in Evidence shall apply to all Societies registered under this Act.

Liability of present and past Members of Society.

20. In the event of a Society registered under this Act being wound up, every present and past Member of such Society shall be liable to contribute to the Assets of the Society to an Amount sufficient for Payment of the Debts and Liabilities of the Society, and the Costs, Charges, and Expenses of the Winding-up, and for the Payment of such Sums as may be required for the Adjustment of the Rights of the Contributories amongst themselves, with the Qualifications following; (that is to say,)

(1.) No past Member shall be liable to contribute to the Assets of the Society if he has ceased to be a Member for a Period of One Year or upwards prior to the Commencement of the Winding-up:

(2.) No past Member shall be liable to contribute in respect of any Debt or Liability of the Society contracted after the Time at which he ceased to be a Member:

(3.) No past Member shall be liable to contribute to the Assets of the Society unless it appears to the Court that the existing Members are unable to satisfy the Contributions required to be made by them in order to satisfy all just Demands upon such Society:

(4.) No Contribution shall be required from any Member exceeding the Amount (if any) unpaid on the Shares in respect of which he is liable as a past or present Member.

Society may be constituted under Companies Acts.

21. Any Society registered under this Act may be constituted a Company under the Companies Acts, by conforming to the Provisions set forth in such Act, and thereupon shall cease to retain its Registration under this Act.

Members may inspect Books.

22. Every Person or Member having an Interest in the Funds of any Society registered under this Act may inspect the Books and the Names of the Members at all reasonable Hours at the Office of the Society.

23. The

Sheriffs Jurisdiction in Scotland.

23. The Sheriff in *Scotland* shall within his County have the like Jurisdiction as is hereby given to the Judge of the County Court in any Matter arising under this Act.

Annual Returns to be prepared as Registrar may direct.

24. A General Statement of the Funds and Effects of any Society registered under this Act shall be transmitted to the Registrar once in every Year, and shall exhibit fully the Assets and Liabilities of the Society, and shall be prepared and made out within such Period, and in such Form, and shall comprise such Particulars as the Registrar shall from Time to Time require; and the Registrar shall have Authority to require such Evidence as he may think expedient of all Matters required to be done, and of all Documents required to be transmitted to him under this Act; and every Member of or any Depositor in any such Society shall be entitled to receive, on Application to the Treasurer or Secretary of that Society, a Copy of such Statement, without making any Payment for the same.

Recovery of Penalties.

25. All Penalties imposed by this Act, or by the Rules of any Society registered under this Act, may be recovered in a summary Manner before Two Justices, as directed by an Act passed in the Eleventh and Twelfth Years of the Reign of Her present Majesty Queen *Victoria*, Chapter Forty-three, intituled *An Act to facilitate the Performance of the Duties of Justices of the Peace out of Sessions within* England *and* Wales *with respect to summary Convictions and Orders.*

Short Title.

26. This Act may be cited as "The Industrial and Provident Societies Act, 1862."

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SCHEDULE of Matters to be provided for in the Rules.

1. Object and Name, and Place of Office of the Society, which must in all Cases be registered as One of limited Liability.
2. Terms of Admission of Members.
3. Mode of holding Meetings and Right of Voting, and of making or altering Rules.
4. Determination whether the Shares shall be transferable, and in case it be determined that the Shares shall be transferable, Provision for the Form of Transfer and Registration of Shares and for the Consent of the Committee of Management and Confirmation by the General Meeting of the Society; and in case Shares shall not be transferable, Provision for paying to Members Balance due to them on withdrawing from the Society.
5. Provision for the Audit of Accounts.
6. Power to invest Part of Capital in another Society; provided that no such Investment be made in any other Society not registered under this Act, or the Joint Stock Companies Act, as a Society or Company with limited Liability.
7. Power and Mode of withdrawing from the Society, and Provisions for the Claims of Executors, Administrators, or Assigns of Members.
8. Mode of Application of Profits.
9. Appointment of Managers and other Officers, and their respective Powers and Remuneration.

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