1989 No. 76

FRIENDLY SOCIETIES

Friendly Societies (Life Assurance Premium Relief) (Change of Rate) Regulations (Northern Ireland) 1989

Made	*13th March 1989*
Coming into operation . .	*6th April 1989*

The Department of Economic Development, in exercise of the powers conferred by paragraph 3(3) and (6) of Schedule 14 to the Income and Corporation Taxes Act 1988(**a**) and now vested in it(**b**) and of every other power enabling it in that behalf, hereby makes the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Friendly Societies (Life Assurance Premium Relief) (Change of Rate) Regulations (Northern Ireland) 1989 and shall come into operation on 6th April 1989.

Interpretation

2.—(1) The Interpretation Act (Northern Ireland) 1954(**c**) shall apply to these Regulations as it applies to a Measure of the Northern Ireland Assembly.

(2) In these Regulations—

"the 1978 Regulations" means the Friendly Societies (Life Assurance Premium Relief) Regulations (Northern Ireland) 1978(**d**);

"actuary" means an actuary qualified in accordance with the Friendly Societies (Qualifications of Actuaries) Regulations (Northern Ireland) 1971(**e**);

"collecting society" has the meaning assigned by Article 2(2) of the Industrial Assurance (Northern Ireland) Order 1979(**f**);

"friendly society" means a friendly society (not being a collecting society) or a branch thereof registered or deemed to be registered in Northern Ireland under the Friendly Societies Act (Northern Ireland) 1970(**g**) and includes a Great Britain friendly society;

"Great Britain friendly society" subject to paragraph (3) means a friendly society (not being a collecting society) which is registered in Great

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(**a**) 1988 c. 1
(**b**) By S.I. 1982/846 (N.I. 11) Art. 4
(**c**) 1954 c. 33 (N.I.)
(**d**) S.R. 1978 No. 285 as amended by S.R. 1984 No. 230
(**e**) S.R. & O. (N.I.) 1971 No. 18
(**f**) S.I. 1979/1574 (N.I. 13)
(**g**) 1970 c. 31 (N.I.)

Britain for purposes corresponding to the Friendly Societies Act (Northern Ireland) 1970;

"gross contribution" means the contribution of the amount payable under the contract;

"parent" includes a stepfather and a stepmother;

"Registrar" means the person appointed to perform in Northern Ireland the functions of registrar of friendly societies under the Friendly Societies Act (Northern Ireland) 1970;

"the prescribed scheme" means the scheme prescribed in Schedule 1 to the 1978 Regulations;

"an approved scheme" means a special scheme approved by the Registrar in the circumstances provided for in regulation 8 of the 1978 Regulations.

(3) References in these Regulations to a Great Britain friendly society include references to a branch thereof registered under the Friendly Societies Act 1974(**a**).

Modifications of enactments

3. The enactments mentioned in the Schedule shall have effect subject to the adaptations and modifications set out in that Schedule.

Amendment of a scheme

4.—(1) Where a friendly society has adopted the prescribed scheme or an approved scheme in accordance with the provisions of the 1978 Regulations the society may, by resolution of its committee of management, amend any such scheme so that amounts equal to 12½ per cent. of the gross contributions due and payable on or after 6th April 1989 shall be retained by or refunded to the persons paying the contributions.

(2) Where a friendly society has amended any such scheme, amounts equal to 12½ per cent. of the gross contributions payable under contracts to which the scheme applies shall be retained by or refunded to the persons paying the contributions as provided in the scheme so amended.

(3) Written notice of a resolution amending the prescribed scheme or an approved scheme shall within fourteen days of the passing thereof be sent by the society to the Registrar.

(4) Where a friendly society has resolved to amend the prescribed or an approved scheme any right conferred by section 14 of the Friendly Societies Act (Northern Ireland) 1970 on any person to receive a copy of the rules of the society shall be extended so as to include the right to receive a copy of the resolution and of the amended scheme adopted by the resolution.

Amendment of gross contributions

5.—(1) Where, by virtue of regulation 5 of the 1978 Regulations a resolution adopting the prescribed scheme provided that the gross contribution was to be increased with effect from 6th April 1979 in respect of any specified class of contract, a resolution amending the prescribed scheme

(**a**) 1974 c. 46

may also amend the gross contribution so that with effect from 6th April 1989 the gross contribution shall be amended to such sum as after deduction of 12½ per cent. thereof equals the amount expressed in the contract to be the contribution.

(2) Where such an amendment is made, the resolution shall operate so as to effect the above-mentioned amendment in the gross contribution payable under every contract of a class to which the provision relates, and the prescribed scheme as amended shall take effect accordingly.

Corresponding amendment to sum assured

6. Where a gross contribution has been amended under regulation 5 the sum assured or guaranteed by the contract may be amended by an amount determined in accordance with rules which have been certified by an actuary to be fair in relation to the gross contribution payable and have been approved by the Registrar.

7. Where the gross contribution is amended in accordance with these Regulations the society shall, on being requested in writing to do so by the person by whom the contribution is payable, notify him in writing of the effect of the amendment on the sum assured or guaranteed or of any other effect.

8. Where by virtue of regulation 7 of the 1978 Regulations a person insured under a contract irrevocably elected that the contribution under the contract under which he was insured should be increased with effect from 6th April 1979, the amendment to the gross contribution shall apply from 6th April 1989 as if it had been effected under regulation 5(2), and regulations 6 and 7 shall apply in respect of an amended contribution under this regulation as they apply in relation to an amendment under regulation 5.

Amendment of approved schemes

9. Where a friendly society adopted an approved scheme under regulation 8 of the 1978 Regulations the Registrar may approve any amendment to the scheme which in his view is expedient or necessary to give effect to the reduction in the rate of life assurance premium relief from 15 per cent. to 12½ per cent. effected by section 29 of the Finance Act 1988(**a**).

Notice or advertisement

10. Where a friendly society has, in accordance with the provisions of these Regulations, amended the prescribed scheme or an approved scheme adopted by it, as soon as is reasonably practicable it shall either:

(*a*) serve upon every person paying contributions to the society who is affected by the amendment a notice containing a statement setting out the effects thereof; or

(*b*) publish or cause to be published such notice by advertisement in one or more newspapers in general circulation in the area where the society carries on business.

(**a**) 1988 c. 39