
CHAPTER 313
FRIENDLY SOCIETIES

ARRANGEMENT OF SECTIONS

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SCHEDULE — Certificate of Enrolment.

CHAPTER 313

FRIENDLY SOCIETIES

An Act for the protection and encouragement of friendly societies, and for preventing fraud and abuses therein.

40 of 1835
 29 of 1847
 19 of 1899
 2 of 1948
 27 of 1954
 27 of 1964
 G.N. 172/1964
 E.L.A.O., 1974
 5 of 1987

[Commencement 11th May, 1835]

1. This Act may be cited as the Friendly Societies Act. Short title.
2. In this Act, “Minister” means the Minister responsible for the Registry of Records. Interpretation.
E.L.A.O., 1974.
3. It shall and may be lawful for any number of persons to form themselves into a society for their mutual relief; to raise funds for that purpose; to make, alter and amend rules for the government and guidance of the same; and to inflict fines and penalties upon members of such society, who shall or may offend against such rules. Friendly societies authorised.
4. All such societies in their rules, and before they be confirmed, as hereinafter directed and required, shall declare all and every the intents and purposes for which such society is intended to be established; and direct all the uses and purposes to which the money subscribed shall be applied; and in what proportions and under what circumstances any member or other person shall become entitled thereto; and that the money so subscribed shall not be diverted or misapplied by the treasurer or other person entrusted therewith, under such penalty as the society shall, by any rule, impose. Requisites to form rules.
5. (1) A transcript of all such rules, signed by three members and countersigned by the secretary of the society concerned, shall be submitted as soon as possible after any meeting at which such rules are made, altered or amended, to the Registrar General. Rules to be submitted to the Registrar General.
27 of 1954, s. 2.
- (2) A certificate of enrolment shall be prepared by such society in duplicate in the form appearing in the Schedule to this Act and delivered to the Registrar General together with such transcript. Schedule.

(3) The Registrar General shall ascertain that the said rules are in conformity to law and the provisions of this Act and shall sign both copies of such certificate and shall thereupon enrol such transcript, together with one signed copy of such certificate, and shall return the other signed copy of such certificate to the society concerned or to one of its duly appointed officers.

Regulations
relative to entry
of rules.

6. No society shall have the benefit of this Act unless their rules are entered in a book kept by an officer appointed for that purpose, and a transcript thereof deposited with the Registrar General; and all rules when entered and confirmed as aforesaid shall be binding on members and contributors and their representatives; and the entry of such rules in such book, or the transcript deposited with the Registrar General, or a true copy of such transcript certified as aforesaid, shall be received as evidence of such rules in all cases.

How confirmed
rules can alone
be altered.

7. No confirmed rules shall be altered or rescinded but at a general meeting of the society, convened in pursuance of a requisition for that purpose by seven or more members; and such alteration or rescission shall be made only with the approbation of three-fourths of the members present at such general meeting.

What shall be
specified in rules.

8. The rules to be adopted by any such society, shall specify the place of meeting, and the duty of the officers and members at large.

Appointment of
officers.

9. Any such society, at their usual meetings, or by their committee, may appoint a president, treasurer, or trustee or such other officers as may be necessary to carry into execution the purposes of such society, for such periods and purposes as shall be established by the rules; and every officer in any way connected with the receipt, management or expenditure of the society's funds, shall give security, by a bond, in a sum prescribed by such committee, for the faithful execution of such trust, to be given to the Registrar General without any fee; and in the case of forfeiture, it shall and may be lawful for the Attorney General to sue upon such bond, for the use of such society.

10. It shall and may be lawful for such societies to elect a committee of any number of members, and may delegate to such committee any powers given by this Act, being first declared in and by the rules confirmed by the Registrar General, and filed in the manner before directed; and when a committee shall be appointed for any particular purpose, the power delegated to be entered into a book by the secretary; and the transactions of such committee shall also be entered in a book; and be at all times subject to the review and control of the society, in such manner as their rules shall direct.

Election of committees and powers delegated to them.

11. The treasurer or trustee shall lay out such sums of money as are not needed for immediate expenditure either in real or heritable securities, or heritable property, or invest the same in the public funds of The Bahamas, or in government securities; and all interest and proceeds arising therefrom shall be brought to account by such treasurer or trustee and applied to the use of the society.

Funds may be invested at interest.

12. All persons entrusted with the disposal, management or custody of the funds of any such society, shall render an account and pay over all monies remaining in his or their hands, and transfer and deliver over all securities, books and papers in their custody, on demand being made, or notice in writing given at his or their usual place of abode, to such person as the society shall appoint; and in case of neglect or refusal, application may be made to the Supreme Court, which shall proceed thereupon, in a summary way, and make such order as may seem just, which order shall be final and conclusive; and all transfers, sales or dispositions made in pursuance of such order shall be good and effectual.

Persons entrusted with Funds to render accounts when required.

13. When any trustee or treasurer is out of the jurisdiction of the courts, becomes idiot, lunatic or imbecile or it be uncertain whether he is alive, or he be absent, or refuses to convey, transfer or delivery any such securities, the Supreme Court is hereby empowered to appoint a person to make such conveyance, transfer or disposition.

Power of the Supreme Court in certain cases.

14. The executors, administrators, assigns or the representatives of any person, in whose custody were any monies, effects or securities of such society, shall within forty days after demand made, deliver over all such

Executors, etc., to deliver up all monies, etc., of any such society.

monies, effects or securities, and pay all sums of money due to the said society, before any other debts are paid or satisfied.

Actions, how brought and defended.

15. The effects of any such society shall be vested in the treasurer or trustees, for the time being, who may bring and defend actions in any court; and no action shall be discontinued or abated by the death or removal of such treasurer or trustee, in the proper name of the person commencing the same.

Payment of sums due to deceased members.

16. Whenever the trustee of any such society have paid, after the decease of a member, any sum of money, to any person who appears to be entitled to the same, such payment shall be valid and effectual, with respect to any demand of any other person, as next of kin, or lawful representative of such deceased member, as against the society; but such next of kin or representative shall have their remedy for such money against the person who may have received the same.

Payment of sums due to members dying intestate.
5 of 1987, Sch.

17. Where any member of any such society dies intestate, entitled to any sum not exceeding one hundred dollars, the treasurer or trustees of such society are hereby authorised to pay the same according to the rules of the society; and if there are no rules in that behalf, to pay and divide the same to and among the person or persons entitled to the effects of the deceased intestate without letters of administration being taken out.

Proceeding in the case of persons fraudulently obtaining monies belonging to the society.

18. If any person by false representations, fraudulently obtains possession of any monies belonging to any such society, or fraudulently withholds the same, such offence, not being provided for by the rules of such society, such person shall and may be summoned, upon complaint on oath by an officer of such society, before any two justices of the peace; who are hereby authorised to hear and determine upon the same, and upon any due proof of such fraud, to convict the party and award double the amount of the money so obtained, or withheld, to the treasurer, together with costs; and in case of non-payment so awarded the justices shall cause the same to be levied by distress and sale, together with the costs attending such distress; and, in default of such distress being found, it shall and may be lawful to commit such person to prison, to be kept to hard labour for six months, at the discretion of such justices:

Provided that nothing herein contained shall be construed to prevent any such society from proceeding against such offender, by way of indictment, instead thereof.

19. Any such society shall not be dissolved by any general meeting or otherwise without the consent of five-sixths in value of the members belonging thereto, to be ascertained as hereinafter mentioned; and of all persons then receiving or entitled to receive relief from such society, to be testified under their hands; and for the purpose of ascertaining the votes of such five-sixths, every member shall be entitled to one vote, and an additional vote for every five years he has been a member, but not to have more than five votes; and that in all cases of dissolution the intended appropriation of the stock of such society shall be distinctly stated in the proposed plan of dissolution prior to such consent being given, and that no such society shall direct by any rule the division or distribution of such fund, otherwise than to carry into effect the general purposes of such society; and all the rules for the dissolution of any such society, without such consent as aforesaid, shall be void; and that in the event of such division or misappropriation the trustee, or other officer aiding or abetting therein, shall be liable to the penalty before provided in cases of fraud.

Societies how dissolved.

20. All such societies shall make rules, specifying whether matters in dispute between the society and a member are to be referred to a justice of the peace, or to arbitrators; and if to the latter, they shall be elected at the first meeting of the society after the enrolment of its rules, none of them being interested in the funds of the society; and a certain number, not less than three, shall be chosen by ballot in each case of dispute; and any justice of the peace is hereby empowered to enforce compliance with the decision of such arbitrators by the usual method.

Disputes how to be settled.

21. If the rules of any such society shall direct such disputes to be decided by justices of the peace, any justice is hereby empowered to summon the person against whom complaint is made, and hear and determine the said complaint according to such rules; and in case of any sum of money be awarded the payment thereof shall and may be enforced, as before directed.

Power of justices of the peace.

Their order to be final.

22. Any sentence, order or decree of any justice or justices, under this Act, shall be final and conclusive.

Funds may be invested.

23. The whole or any part of the funds of any such society may be subscribed into any savings bank, now or to be hereafter established, or invested in the public securities of The Bahamas.

Minors may be members.

24. It shall and may be lawful for minors to become members of such societies, and have authority to act and become legally responsible:

Provided that such minor be admitted into such society with the consent of his parents or guardians, or of some justice of the peace.

Annual statement of funds to be made.

25. The rules of every such society shall provide for the making of an annual statement of the funds to the members, to be attested by two auditors and countersigned by the secretary; and every member of such society shall receive a copy of such statement on the payment of a sum not exceeding twenty-five cents.

5 of 1987, Sch.

Interpretation.

26. In this Act “society” shall be understood to include all societies or associations of persons who may conform strictly to the provisions of the same.

Purposes of friendly societies defined.

27. Societies may be established under this Act, for any of the following purposes (that is to say) —

29 of 1847, s. 1.

- (a) for the relief, maintenance or endowment of the members, their husbands, wives, children, kindred or nominees, in infancy, old age, sickness or widowhood;
- (b) toward making good any loss sustained by the members by fire, flood, or shipwreck, or by any contingency, whereby they shall have sustained any loss of or damage to their live or dead stock, or goods, or stock-in-trade, or the tools or implements of their trade or calling;
- (c) for the frugal investment of the savings of the members, for better enabling them to purchase food, clothes or other necessaries, or the tools or implements of their trade or calling, or to provide for the education of their children or kindred:

Provided that the shares in any such investment society shall not be transferable, and that

the investment of each member shall accumulate or be employed for the sole benefit of the member investing, or the husband, wife, children or kindred of such member, and that no part thereof shall be appropriated to the relief, maintenance or endowment of any other member or person whomsoever, and that the full amount of the balance due, according to the rules of such society, to such member shall be paid to him or her on withdrawing from the society;

- (d) for any other purpose which shall be certified to be legal by the Attorney-General, and which shall be allowed by the Minister, as a purpose to which the powers and facilities of this Act ought to be extended.

E.L.A.O., 1974.

28. All new, altered or amended rules of any society established, or hereinafter to be established under this Act, shall be submitted for approval to the Minister, and such rules shall have no force or effect whatever until the Minister's approval thereof shall be signified, in writing, to such society, anything contained in this Act to the contrary notwithstanding.

Rules to be submitted for approval to the Minister.

*29 of 1847, s. 3.;
E.L.A.O., 1974.*

29. Any member of a friendly society, the rules of which do not prescribe the time when, or the conditions on which, members shall be allowed to withdraw themselves, shall be allowed to withdraw himself or herself at any time from such society, on giving written notice to the secretary, or other proper officer of the society, of his or her intention to do so, and on payment of all arrears due by such member; but, after giving such notice as aforesaid, no member shall be entitled to have any benefit from the funds of the society or be liable to any further subscription or payment other than the amount of the arrears due from him or her at the time of giving such notice.

Provision as to members desirous of withdrawing.

29 of 1847, s. 4.

30. Every society established under this Act shall transmit, or cause to be transmitted, quarterly to the Registrar General a return in detail of the assets, disbursements, receipts and liabilities of such society; all which returns shall be made up to the thirty-first day of March, the thirtieth day of June, the thirtieth day of September, and the thirty-first day of December in each year, and shall be transmitted by every society in New

Periodical returns of assets and disbursements to be made to the Registrar General by all friendly societies.

*29 of 1847, s. 5.;
G.N. 172/1964.*

Providence direct to the Registrar General within thirty days after the close of the quarter for which such return is made up, and by every society established at an Out Island to the commissioner of the district within the like period, to be by such commissioner forwarded to the Registrar General with all convenient despatch.

President and treasurer to be the officers to transmit returns of assets, etc.
29 of 1847, s. 6.

31. The president and treasurer, or other principal officer entrusted with the management of the funds of such society, shall be the persons who shall be respectively bound to make, or cause to be made, and to transmit to the Registrar General or the commissioner, as the case may be, the said return of assets, disbursements, receipts, and liabilities; and every such person who refuses or wilfully neglects to make, or cause to be made, or to send the said returns at the time and in the manner prescribed by this Act, shall be liable to a penalty of twenty dollars, to be recovered, with costs, before any two justices of the peace having jurisdiction where such society has its place of meeting; and on non-payment thereof, the same, with the reasonable costs of conviction, shall be levied by distress, and sale of the goods and chattels of the offender or offenders, by warrant under the hand and seal of such justices.

5 of 1987, s. 2.

Official auditor.
2 of 1948, s. 2.;
27 of 1964, s. 3.

32. The Auditor shall be the official auditor of the accounts of all societies established under the authority of this Act, and shall audit all such accounts at least once in every three months, and for such purpose shall have the full power and authority to require the officers of such society to produce before him the books of such society and all necessary vouchers and other papers; and every officer of such society who refuses or wilfully neglects to produce any book, voucher or paper required for the purposes aforesaid shall be liable to a penalty of twenty dollars, to be recovered, with costs, before any two justices of the peace having jurisdiction where such society has its place of meeting; and on non-payment thereof the same, with the reasonable costs of conviction, shall be levied, by distress and sale of the goods and chattels of the offender or offenders, by warrant under the hand and seal of such justices.

5 of 1987, s. 2.

Additional powers given to official auditor.
19 of 1899, s. 2.;
2 of 1948, s. 3.

33. In addition to the powers conferred on the official auditor by section 32 of this Act, he shall have full power and authority to order and require any officer or officers of

any friendly society established under this Act whose accounts have been submitted for audit under such section further to adjust such accounts according to the directions of such official auditor, such order to be in writing signed by such official auditor.

34. Any officer or officers of any society served with such order who shall refuse or wilfully neglect to adjust and produce the accounts of such society within fourteen days after the receipt of the said order shall be liable to a penalty of twenty dollars to be recovered summarily.

Penalty on refusal or neglect to obey order.

*19 of 1899, s. 3.;
5 of 1987, s. 2.*

35. If it shall appear upon an audit of the accounts of any society that expenditure has been incurred which was not authorised by the rules of such society it shall be lawful for the official auditor by notice in writing to order and require the treasurer or other principal officer entrusted with the funds of such society to refund and make good the same, and such treasurer or other principal officer shall within fourteen days from the receipt of such notice pay the amount of such unauthorised expenditure into the post office savings bank to the credit of such society, under a penalty of twenty dollars, to be recovered summarily:

Unauthorised expenditure to be refunded.

19 of 1899, s. 4.

5 of 1987, s. 2.

Provided that the Minister may remit or mitigate the penalty imposed under this section upon its appearing that there were reasonable or sufficient grounds for the failure of such treasurer or other principal officer to comply with such order as aforesaid.

Penalty.

E.L.A.O., 1974.

36. All monies received by the treasurer or other principal officer entrusted with the funds of any such friendly society, shall be paid into the post office savings bank, as the same are received; and such monies shall only be drawn out of the said bank by cheques signed by the president and treasurer, or other officer as aforesaid, of such society, and countersigned by the official auditor; and any treasurer or other officer as aforesaid, who refuses or wilfully neglects to pay the monies received or remaining in his possession into the said bank, in conformity with the provisions of this clause, shall forfeit and pay double the amount of the sum or sums of money which such treasurer or other officer should by right have paid into the said bank, to be recovered, with costs, before any two justices of the peace having jurisdiction where such society shall have its place of meeting; and on non-payment thereof, the

Funds of friendly societies to be deposited in post office savings bank.

29 of 1847, s. 8.

same, with the reasonable costs of conviction, shall be levied by distress and sale of goods and chattels of the offender or offenders, by warrant under the hand and seal of such justices, the amount of which forfeiture shall be paid into the said bank aforesaid for the benefit of the society of which such person is an officer.

27 of 1954, s. 2.

SCHEDULE (Section 5)

CERTIFICATE OF ENROLMENT

In the matter of section 5 of the Friendly Societies Act.
Pursuant to the provisions of section 5 of the Friendly Societies Act,
I the Registrar General do hereby certify —

That a transcript of the rules of a Friendly Society known as the
made at a meeting of the said Society held on the day
of 19 at
has this day been deposited with me;

that I have read the said transcript and do hereby certify in
accordance with section 5 of the said Act that the said rules are
in my opinion in conformity to law and the provisions of the
said Act;

that the said transcript has been enrolled in my office as a
record;

that the original of this present certificate has been returned to
said society and a duplicate affixed to the said transcript.

Dated this day of 19

Signed

Registrar General.