Bank of England PRA

# FRIENDLY SOCIETIES ACT 1992

## DECISION BY THE PRUDENTIAL REGULATION AUTHORITY ON THE APPLICATION OF WILTSHIRE FRIENDLY SOCIETY LIMITED TO TRANSFER ALL OF ITS ENGAGEMENTS TO THE ORIGINAL HOLLOWAY FRIENDLY SOCIETY LIMITED, UNDER SECTION 86 OF THE FRIENDLY SOCIETIES ACT 1992.

**The Prudential Regulation Authority's Supervisory Assessment Panel decided the application and decided to confirm the transfer pursuant to section 86 of The Friendly Societies Act 1992. Its full decision is set out in section 5 of this notice.**

## 1. INTRODUCTION

1.1. Wiltshire Friendly Society Limited ("**the Society**") applied on 23 June 2026 to the Prudential Regulation Authority ("**the Authority**") for confirmation of the transfer of all of its engagements to The Original Holloway Friendly Society Limited ("**the Transferee**") pursuant to section 86 of the Friendly Societies Act 1992 ("**the FS Act**").

### Procedure

1.2. Section 86(2)(b) of the FS Act requires that a friendly society, in order to transfer any of its engagements, must resolve to transfer the engagements by special resolution. The Society's members voted on the resolution relating to the proposed transfer of engagements of the Society to the Transferee ("**the Transfer**") with votes counted and declared on 23 June 2026.

1.3. Paragraph 6 of Schedule 15 to the FS Act requires that, where a friendly society applies to the Authority for confirmation of a transfer of engagements, a notice shall be published stating that any interested party has the right to make representations to the Authority with respect to the application. The notice must, among other matters, specify the date, determined by the Authority, before which any written representations or notice of a person's intention to make oral representations must be received by the Authority and the date on which the Authority intends to hear any oral representations. In the case of the Transfer, notice was given by the Society in the London Gazette on 30 June 2026. The notice specified 7 August 2026 as the closing date for receipt by the Authority of written representations or notice of intention to make oral representations and 21 August 2026 as the date set aside by the Authority to hear oral representations.

1.4. Paragraph 6 of Schedule 15 to the FS Act also states that the notice of the application shall be published in one or more newspapers if so directed by the Authority. In accordance with the direction of the Authority, notice of the

application was published in the Gazette and Herald on 2 July 2026, and the Wiltshire Times on 3 July 2026. The notice was also published on the Society's website on 26 June 2026.

1.5. By 7 August 2026, the Authority had received no written representations, or notices of intention to make an oral representation. The Authority therefore did not hold the oral hearing as advertised on 21 August 2026. No written representations or notices of intention to make oral representations were received by the Authority or the Society or the transferee subsequently

**Materials prepared by the Society**

1.6. In considering its confirmation of the Transfer, the Authority considered, where relevant, the material produced by the Society about the Transfer and sent to its members. The material sent to members included the statutory statement required by paragraph 1(1) of Schedule 15 to the FS Act to be sent to every eligible voting member of the Society concerning the matters specified in paragraph 2 of Schedule 15 to the FS Act ("**the Member Statement**"). The Member Statement was approved by the Authority on 15 May 2026. The Authority consulted the Financial Conduct Authority ("**FCA**") prior to giving this approval in accordance with paragraph 2(3) of Schedule 15 to the FS Act.

1.7. It is not, however, for the Authority to consider the merits of proposals which the members eligible to vote on the Transfer have approved, save for its assessment of the application against the relevant Preclusion Grounds as set out in section 3 of this notice.

## 2. THE SOCIETY'S VOTE

2.1. Section 86(2)(b) of the FS Act requires that, in order to transfer its engagements, a friendly society must resolve to do so by special resolution.

2.2. Paragraph 7(2) of Schedule 12 to the FS Act provides that a resolution of a friendly society shall not be effective as a special resolution unless it is passed by not less than three-quarters of the number of the members of the society entitled to vote on it and voting either (in person or by proxy) on a poll at a meeting of the society or in a ballot.

2.3. Paragraph 7(1) of Schedule 12 to the FS Act provides that a friendly society must give at least 14 days' notice (or such longer period as the rules may require) expiring with the date of the meeting at which such resolution is to be moved or, where proxy voting is permitted, expiring with such earlier date as may be specified by the society under its rules as the final date for the receipt of appointments of proxies to vote at the meeting. The Society's rules require at least 14 days' notice, with appointments of proxies to be received not less than 48 hours before the date of the meeting. Notice of the meeting was sent to eligible voting

members on 28 May 2026. The annual general meeting at which the resolution was moved was held on 23 June 2026. Therefore, notice was given more than the requisite number of days in advance of the voting date.

2.4. Paragraph 1(3) of Schedule 15 to the FS Act states that a friendly society must send the statement required by paragraph 1(1) of Schedule 15 so as to arrive no later than 14 days (or such longer period as its rules may require for notice of the meeting) before the meeting at which any such resolution is to be moved or, where proxy voting is permitted, before such earlier date as may be specified by the Society under its rules as the final date for the receipt of appointments of proxies to vote at the meeting. The information pack about the Transfer, including the Member Statement, was sent on 28 May 2026 to members identified by the Society as eligible voting members, ahead of the annual general meeting held on 23 June 2026, and was therefore sent so as to arrive no later than the requisite number of days before the meeting at which the resolution was moved.

2.5. 6.37% of the members identified by the Society as eligible voting members participated in the special resolution in respect of the Transfer. 99.18% of the members who voted, voted in favour to approve the Transfer.

2.6. The Society confirmed in its application to the Authority for confirmation of the Transfer that the special resolution was duly passed.

2.7. The Transferee's board also approved the Transfer on 31 March 2026 in line with the consent to that mode of proceeding granted by the Authority under section 86(3)(b) of the FS Act.

## 3. THE AUTHORITY'S CONCLUSIONS

3.1. Paragraph 8(1) of Schedule 15 to the FS Act provides that the Authority must confirm the Transfer **unless** it is precluded from doing so on any of the grounds specified in the FS Act ("**the Preclusion Grounds**").

3.2. The Authority consulted the FCA prior to taking its decision on whether to confirm the Transfer. The FCA did not object to the Transfer and its full response to the Authority's consultation was taken into consideration when assessing the Preclusion Grounds.

3.3. The FCA confirmed that it did not have any material objections to the confirmation of the Transfer, and that it had not identified any other aspect of the Transfer that it considered to be materially unfair or inconsistent with the FCA's rules or its objective of securing an appropriate degree of protection for consumers.

**Preclusion Ground 1 "The Successor Ground"**

3.4. Paragraph 8(2) of Schedule 15 to the FS Act provides that the Authority shall not confirm a transfer if it appears to it that there is a substantial risk that the person taking the transfer will not be able lawfully to carry out the engagements to be transferred to it.

3.5. The Authority considered whether: a) it is lawful for the Transferee to carry out the transferred business; and b) whether the Transferee is capable of doing so.

3.6. The Authority was not aware of any reason why the Transferee would be unable lawfully to carry out the engagements to be transferred. The Authority noted the purposes and powers set out in the Transferee's memorandum. The Transferee holds the necessary permission under Part 4A of the Financial Services and Markets Act 2000 ("**Part 4A permission**") (considered in Preclusion Ground 5). There is no evidence that the transferring business significantly differs from the business that the Transferee currently carries out in such a way that would render the Transfer unlawful.

3.7. Based on the Authority's supervision of the Transferee and the FCA's regulation of the Transferee, the Authority was not aware of any matter related to the scale or nature of the Society's business that would materially increase the complexity of the Transferee's business, particularly given the relative scales of the businesses.

3.8. The Authority noted that, although all of the Society's engagements with members had been concluded in the United Kingdom, a number of members had subsequently moved overseas. The Authority further noted the Society's confirmation that it had contacted the relevant overseas authorities regarding the proposed Transfer and had received no objection to the continued servicing of the relevant policies.

3.9. The Authority concluded that there is no substantial risk that the Transferee will not be able lawfully to carry out the engagements to be transferred to it and therefore finds that **this Preclusion Ground does not apply**.

**Preclusion Ground 2 "The Requirements Ground"**

3.10. Paragraph 9(1)(c) of Schedule 15 to the FS Act provides that the Authority shall not confirm a transfer if it considers that some relevant requirement of the FS Act or the rules of a friendly society participating in a transfer was not fulfilled.

3.11. The Authority identified that the Society did not fulfil the requirement in paragraph 1(1) of Schedule 15 to the FS Act to send the Member Statement to every member entitled (when the statements were sent) to vote on the resolution to approve the Transfer.

3.12. The Authority noted that the Society failed to send the Member Statement to ten members eligible to vote (approximately 0.5% of such members) for whom the Society did not hold a current address. The Authority further noted that, if all ten

members who were not sent the Member Statement had participated in the member vote and had voted against the Transfer, the outcome of the member vote would not have been affected.

3.13. The Authority concluded that the failure to comply with paragraph 1(1) of Schedule 15 to the FS Act could not have been material to the members' decision about the Transfer and accordingly **directed that this failure is to be disregarded for the purposes of paragraph 9 of Schedule 15, pursuant to paragraph 9(3) of Schedule 15.**

3.14. The Authority has not identified any other relevant requirement of the FS Act or any rule that was not fulfilled by either the Society or the Transferee and, having regard to the direction given pursuant to paragraph 9(3) of Schedule 15 to the FS Act, therefore finds that **this Preclusion Ground does not apply**.

**Preclusion Ground 3 "The Material Information Ground"**

3.15. Paragraph 9(1)(a) of Schedule 15 to the FS Act provides that the Authority shall not confirm a transfer if it considers that some information material to the members' decision about the transfer was not made available to all the members eligible to vote.

3.16. The Authority considered whether: a) the communication pack omitted any information material to the members' decision about the Transfer; b) the communication pack was provided to all members eligible to vote; and c) whether any material information came to light subsequently.

3.17. The Authority is satisfied, based on statements and assurances from the Society, that the Member Statement contained all necessary information in accordance with the requirements of the FS Act.

3.18. The Authority noted that the Society provided additional material relevant to the Transfer, along with the Member Statement, in the communication pack sent to members. This material included the rationale for the Transfer; an explanation of why the Transferee was appropriate; the impact of the Transfer on the Society's members; the opinion of the Society's Appropriate Actuary and details for requesting a copy of the full actuarial report; a summary of the key terms of the Transfer; and questions answered.

3.19. The Authority is not aware of any material information that has come to light subsequently.

3.20. The Authority noted that, in addition to sending the communication pack, the Society took additional steps to make material information available to all members eligible to vote, including undertaking a tracing exercise to contact those members for whom it did not hold a current address (and to whom it did not send the communication pack) and placing advertisements about the Transfer in local newspapers prior to the member vote.

3.21. The Authority noted that the Society's failure to fulfil the requirement in paragraph 1(1) of Schedule 15 to the FS Act to send the Member Statement to all members eligible to vote also meant that some information material to the members' decision about the Transfer was not made available (by means only of sending the communication pack) to all members eligible to vote. However, having directed that the failure to comply with paragraph 1(1) of Schedule 15 to the FS Act is to be disregarded for the purposes of paragraph 9 of Schedule 15, the Authority considered that it was not precluded from confirming the Transfer under this Preclusion Ground as a result of such failure.

3.22. The Authority therefore finds that **this Preclusion Ground does not apply**.

**Preclusion Ground 4 "The Representative Vote Ground"**

3.23. Paragraph 9(1)(b) of Schedule 15 to the FS Act provides that the Authority shall not confirm a transfer if it considers that the vote on any resolution approving a transfer does not represent the views of the members eligible to vote.

3.24. The Authority considered whether: a) the members eligible to vote have been identified correctly; b) the number of votes cast in favour of the resolution met the requirements in the FS Act and the Society's rules for it to be passed; and c) the vote is representative of the views of the members eligible to vote.

3.25. The Authority noted that the Society identified all members eligible to vote, but that communication packs were not sent to approximately 0.5% of such members for whom the Society did not hold a current address. The Authority also noted the additional steps taken by the Society to trace the affected members and raise awareness about the Transfer and further noted that the outcome of the member vote would not have changed if all of the affected members had participated and voted against the Transfer.

3.26. The number of votes cast in favour of the special resolution met the requirements in the FS Act for it to be passed, and the meeting at which the resolution was moved was quorate in accordance with the Society's rules. No representations have been received from members either by the Authority or by the Society itself, and there have been no other indications to suggest that the vote is unrepresentative of members' views.

3.27. The Authority found no reason to consider that the vote on the special resolution confirming the Transfer does not represent the views of the members eligible to vote and so finds that **this Preclusion Ground does not apply**.

**Preclusion Ground 5 "The Permissions Ground"**

3.28. Paragraph 11 of Schedule 15 to the FS Act provides that the Authority shall not confirm a transfer unless it is satisfied that there is no substantial risk that the transferee will not have the necessary Part 4A permission to enable it to carry on the business which it will have as a result of the transfer.

3.29. The Authority noted that the Transferee is authorised by the Authority to effect and carry out contracts of insurance in the classes of 'life and annuity', 'linked long term' and 'permanent health'.

3.30. The Authority noted that the Transferee currently satisfies the Threshold Conditions (as set out in Schedule 6 to the Financial Services and Markets Act 2000) and that the Transfer was not expected to have any impact on the Transferee's satisfaction of those conditions.

3.31. The Authority finds that there is no substantial risk that the Transferee will not have the necessary Part 4A permission to enable it to carry on the business to be transferred and that **this Preclusion Ground does not apply**.

**Preclusion Ground 6 "The Ability Ground"**

3.32. Paragraph 12(a) of Schedule 15 to the FS Act provides that the Authority shall not confirm a transfer unless it is satisfied that all the engagements included in the transfer may be transferred in accordance with the FS Act.

3.33. The Authority considered whether the Transfer is eligible for confirmation under the FS Act.

3.34. Section 86(1) of the FS Act provides that, in relation to engagements which constitute the carrying on of insurance business, a friendly society may transfer its engagements to any other person who is an insurer.

3.35. The Authority noted that all the engagements included in the Transfer meet the meet the definition of "insurance business" in section 117(1) of the FS Act, and that the Transferee is authorised by the Authority with a Part 4A permission to effect and carry out contracts of insurance and therefore comes within the meaning of "insurer" as defined by section 86(12) of the FS Act.

3.36. The Authority finds that all the engagements included in the Transfer may be transferred in accordance with the FS Act and that **this Preclusion Ground does not apply**.

**Preclusion Ground 7 "The Members Ground"**

3.37. Paragraph 12(b) of Schedule 15 to the FS Act provides that the Authority shall not confirm a transfer unless it is satisfied that the transfer is in the interests of the members of each friendly society participating in the transfer.

3.38. The Authority considered the impact of the Transfer on the security of benefits, benefit expectations, service standards and membership rights of the members of both societies.

3.39. The Authority noted the conclusion of the Society's Appropriate Actuary that the security of benefits and benefit expectations of the Society's policyholders would not be adversely affected by the Transfer and are likely to improve. The Authority

further noted the Appropriate Actuary's conclusion that the Transfer is in the interests of the Society's members.

3.40. The Authority noted that the Transfer would provide the Society's members with continued access to their existing policies and membership rights whilst becoming members of a significantly larger mutual insurer. The Authority further noted that the Society's Holloway Sickness policyholders are expected to benefit from enhanced bonus arrangements, including an additional annual bonus of 3% for ten years and favourable apportionment arrangements in respect of 2026.

3.41. The Authority also noted that the Transfer is expected to improve the long-term sustainability of the combined society through improved liquidity and the spreading of fixed costs across a larger membership base. The Authority noted that the Society's Appropriate Actuary, the Transferee's Chief Actuary and the Transferee's With Profits Actuary concluded that the Transfer is likely to be in the interests of members of their respective societies.

3.42. The Authority has identified no material evidence that the Transfer would adversely affect the interests of either the Society's or the Transferee's members and considers that the expected benefits of the Transfer outweigh any potential detriment.

3.43. The Authority finds that the Transfer is in the interests of the members of each of the Society and the Transferee and that this **Preclusion Ground does not apply.**

**Preclusion Ground 8 "The Solvency Ground"**

3.44. Paragraph 15A(2)(b) of Schedule 15 to the FS Act provides that the Authority shall not confirm a transfer unless it certifies that the transferee possesses the necessary margin of solvency after taking the proposed transfer into account.

3.45. The Authority noted the expected Solvency Coverage Ratio of the Transferee before and after the Transfer and that it possesses the necessary margin of solvency after taking the proposed Transfer into account and issued a certificate of solvency on 10 September 2026.

3.46. The Authority is accordingly satisfied that the Transferee will possess the necessary margin of solvency after taking the proposed Transfer into account. Accordingly, the Authority is satisfied that **this Preclusion Ground does not apply**.

## 4. REPRESENTATIONS

4.1. The Authority received no written representations nor notice of any intention to make an oral representation.

## 5. DECISION

5.1. **The Authority has considered the application by Wiltshire Friendly Society Limited for confirmation of the transfer of its engagements to The Original Holloway Friendly Society Limited, pursuant to section 86 of the Friendly Societies Act 1992, and, having had regard to the information available to it and having consulted with the Financial Conduct Authority as required under paragraph 11A(1) of Schedule 15 to the FS Act:**

(a) **directed that the failure to comply with paragraph 1(1) of Schedule 15 to the FS Act is to be disregarded for the purposes of paragraph 9 of Schedule 15 to the FS Act; and**

(b) **confirmed the Transfer on 15 September 2026.**

For and on behalf of the Prudential Regulation Authority



**19 October 2026**

**Prudential Regulation Authority**
**20 Moorgate**
**London EC2R 6DA**