

No. , 1927.

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## A BILL

To amend the Co-operation, Community Settlement, and Credit Act, 1923, in certain respects; to amend the Companies Act, 1899, and certain other Acts; and for purposes connected therewith.

[MR. LANG;—24 *February*, 1927.]

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**B**E it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of the same, as follows:—

**1.** (1) This Act may be cited as the "Co-operation, Community Settlement, and Credit (Amendment) Act, 1927." Short title.

(2) The Co-operation, Community Settlement, and Credit Act, 1923, as amended by the Co-operation, Community Settlement, and Credit (Amendment) Act, 1924, is in this Act referred to as the Principal Act.

(3) The Principal Act, as amended by this Act, 5 may be cited as the "Co-operation Acts, 1923-1927."

Amendment  
of Part II,  
Act No. 1,  
1924, s. 17.

**2.** Part II of the Principal Act is amended by inserting at the end of section seventeen the following new subsection:—

Restriction  
on advances.

(4) A terminating building society shall not 10  
advance to any member more than two thousand  
five hundred pounds in all.

Amendment  
of Part III,  
Act No. 1,  
1924, s. 38(4).

**3.** Part III of the Principal Act is amended—

(a) (i) By omitting from subsection four of section 15  
thirty-eight the words "vote or";

(ii) by inserting at the end of the same sub-  
section the following words: "a member  
who is under the age of sixteen years shall  
not be competent to vote at any meeting  
of the society"; 20

Sec. 41 (12)

(b) by inserting in subsection twelve of section  
forty-one after the words and figures "Real  
Property Act, 1900, may" the words "exercise  
any power conferred on the mortgagee by any  
Act or by the mortgage or may"; 25

ec. 44 (1).

(c) by inserting in subsection one of section forty-  
four after the words and figures "Companies  
Act, 1899" the words "or which is registered  
thereafter and is formed by the amalgamation  
of companies which at the said commencement 30  
were registered as limited companies under  
that Act";

Sec. 45 (1).

(d) by omitting from subsection one of section  
forty-five the following words "and shall  
contain a statement that the incorporation of 35  
the society does not imply any approval by  
the registrar of the policy of its rules or any  
guarantee of its good management or financial  
stability";

Sec. 47 (11).]

(e) by omitting subsection eleven of section forty- 40  
seven;

(f)

- (f) (i) by omitting from subsection twelve of section forty-seven the words "and eleven";
- (ii) by omitting from the same subsection the words "and may have or claim an interest therein to a nominal value exceeding one thousand pounds";
- (g) by inserting in subsection one of section fifty-four after the words "when the money is" the words "in the opinion of the board";
- (h) (i) by inserting at the commencement of subsection eight of section fifty-five the words "The foregoing provisions of";
- (ii) by inserting at the end of the same subsection the words "A member of such a society shall be deemed to have had and shall have such right of obtaining a refund of his subscriptions on shares in respect of which an advance has not been made as is provided from time to time in the rules of the society."

**4.** Part III of the Principal Act is further amended—

- (a) By omitting from subsection two of section sixty-seven the words "or insurance";
- (b) by inserting at the end of section sixty-seven the following new subsection:—

(3) A society shall not carry on the business of insurance except by the special license of the Governor who before any such license is granted shall be satisfied that such business is likely to be carried on successfully and that the interests of those effecting insurance with the society are duly safeguarded.

**5.** Part III of the Principal Act is further amended by inserting the following new section next after section 44:—

44A. (1) Any company registered or deemed to be registered under the Companies Act, 1899, may, if the company passes a special resolution within the meaning of that Act for the purpose, apply to be registered as a society under this Act, provided that

Further amendment of Part III of Act No. 1, 1924, s. 67. (Insurance)

Further amendment of Part III of Act No. 1, 1924. New s. 44A.

Any company may apply to be registered.

that before the application is granted the company shall make such alterations in its memorandum and articles of association as in the opinion of the registrar are necessary to bring them into complete conformity with the provisions of this Act applicable to societies formed and registered thereunder. 5

(2) The application shall be in or to the effect of the form prescribed by regulation, and shall be accompanied by—

- (a) a certificate of the incorporation of the company; 10
- (b) two copies of the memorandum and articles of association of the company in force at the date of the application;
- (c) a list containing the name, address, and occupation of each director; 15
- (d) a list containing the name, address, and occupation of each shareholder, and the number and class, if more than one class has been issued, of shares held by him; 20
- (e) such other particulars as may be prescribed by regulation.

(3) The registrar shall give the company a notice stating the nature of the alterations which in his opinion are necessary to be made in the memorandum and articles of association. 25

(4) The company may make any such alterations by virtue of this Act and in accordance with the provisions of Part IV as if the company were a society and its memorandum and articles of association were its rules. 30

(5) Upon the alterations being made, the registrar shall register the company as a society and its memorandum and articles of association as altered as the rules of the society, issue a certificate that the company is incorporated under this Act, give notice of the issue to the registrar of joint stock companies, and notify the issue in the Gazette, as prescribed by regulation. 35

(6)

5 (6) Upon the issue of the certificate being notified in the Gazette, the company shall be deemed to be incorporated under this Act instead of under the Companies Act, 1899, and the name of the company shall be removed from the register under that Act.

10 (7) Nothing in this section shall be deemed to affect the identity of the company, and in particular any right or claim for the time being subsisting against the company, and any penalty for the time being incurred by the company may be enforced against the company either by its former name or by its name as a society in the same manner as if it had not been registered as a society under this Act.

15 6. (1) The Principal Act is further amended—

(a) (i) By omitting from subsections eight and nine of section twenty-two the words "at the same court of petty sessions" and by inserting in lieu thereof the words "in the office of the Registrar-General";

Further amendment of Principal Act. Sec. 22.

(ii) by omitting subsection 10A of section twenty-two and by inserting in lieu thereof the following new subsection:—

25 (10A) The register of certificates shall be open to inspection on payment of such fee as may be prescribed by regulation under the Conveyancing Act, 1919;

(iii) by omitting subsections (10B) and (10c) of section twenty-two;

30 (b) (i) by inserting in subsection one of section sixty-one after the word "co-operative" where that word firstly occurs the words "or Starr-Bowkett";

Sec. 61 (1).

35 (ii) by inserting in the same subsection after the word "co-operative" where that word secondly occurs the words "or conducted in accordance with Starr-Bowkett principles";

40 (c) by inserting in subsection two of section seventy after the word "co-operative" the words "or Starr-Bowkett";

(d)

Sec. 70 (2).

- Sec. 84 (11)  
(e). (d) by omitting from paragraph (e) of subsection eleven of section eighty-four the word "one" and by inserting in lieu thereof the word "two";
- Sec. 90 (1). (e) by omitting from subsection one of section ninety the words "thirty-first day of July" and by inserting in lieu thereof the words "thirtieth day of September";
- Sec. 92 (6). (f) by inserting at the end of paragraph (c) of subsection six of section ninety-two the following words: "save that where the winding-up is upon the certificate of the registrar in any of the events specified in paragraphs (a), (b), (c), (d), or (h) of subsection three of this section, the liquidator shall have the powers of liquidators mentioned in paragraphs (g), (h), (i), and (j) of section one hundred and thirty-four of the Companies Act, 1899";
- Sec. 119. (g) by omitting section one hundred and nineteen;
- Sec. 120. (h) (i) by omitting from paragraph (a) of section one hundred and twenty the words "and any return required to be transmitted by a society";  
(ii) by omitting from paragraph (b) of the same section the words "or of any such return";  
(iii) by inserting in paragraph (c) of the same section after the word "other" the word "registered."
- (2) Paragraph (c) of subsection two of section two of the Co-operation, Community Settlement, and Credit (Amendment) Act, 1924, is hereby repealed.
- Consequential repeal of Act No. 45, 1924, s. 2 (2) (c).