

This PUBLIC BILL originated in the LEGISLATIVE ASSEMBLY, and, having this day passed, is now ready for presentation to the LEGISLATIVE COUNCIL for its concurrence.

ALLAN PICKERING,
Clerk of the Legislative Assembly.

*Legislative Assembly Chamber,
Sydney, 23 September, 1964.*

New South Wales



ANNO TERTIO DECIMO

ELIZABETHÆ II REGINÆ

Act No. , 1964.

An Act to make further provisions for the indemnification of building societies against loss; to authorise the issue of different classes of shares by permanent building societies; for these and other purposes to amend the Co-operation Act, 1923-1963; and for purposes connected therewith.

BE it enacted by the Queen'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 (Amendment) Act, 1964".

(2)

Short title and citation.

Co-operation (Amendment).

(2) The Co-operation, Community Settlement, and Credit Act, 1923, as amended by subsequent Acts and by this Act, may be cited as the Co-operation Act, 1923-1964.

2. The Co-operation, Community Settlement, and Credit Act, 1923, as amended by subsequent Acts, is amended—

(a) by omitting paragraph (c) of subsection (1A) of section 17A and by inserting in lieu thereof the following paragraph :—

10 (c) the amount proposed to be lent reduced by the value of share capital of the member or the sum of two hundred pounds, whichever is the less, does not exceed the sum of three thousand seven hundred and fifty pounds; and;

15 (b) by omitting from section 18D the words “registered after the commencement of the Co-operation (Amendment) Act, 1961,” and by inserting in lieu thereof the words “or an association of building societies”;

20 (c) by inserting at the end of section 18E the following new subsection :—

(5) In this section, the expressions “building society” and “society” include an association of building societies.

25 (d) by inserting in section 18F after the word “society” wherever occurring the words “or an association of building societies”;

30 (e) by inserting at the end of section 18G the following new subsection :—

(2) In subsection one of this section, the expressions “building society” and “society”, so far as they relate to paragraph (c) or (d) of that subsection, include an association of building societies.

35 (f) by omitting from paragraph (ii) of subsection nine of section forty-six the words “trading society” and by inserting in lieu thereof the words “society, not being a building society or an investment society.”;

(g)

Amendment of Act No. 1, 1924.

Sec. 17A. (Treasurer may undertake to indemnify building societies against loss in certain circumstances.)

Sec. 18D. (Commencement of advertising by a new building society.)

Sec. 18E. (Power to control advertising by a building society.)

Sec. 18F. (Interpretation.)

Sec. 18G. (Penalty for offences under sections 18B, 18C, 18D and 18E.)

Sec. 46. (Members.)

Co-operation (Amendment).

(g) (i) by inserting in subsection three of section forty- Sec. 47.
seven after the word "five" the words "and (Shares.)
(5A)";

5 (ii) by omitting subsection (5A) of the same section
and by inserting in lieu thereof the
following subsections :—

(5A) Notwithstanding any other provision
of this section, a permanent building society,
if authorised by its rules,—

10 (a) may issue different classes of shares as
provided for in its rules;

(b) may declare a greater rate of dividend
in respect of paid-up shares than in
15 respect of shares that are not paid-up
shares.

(5B) The rules of a permanent building
society—

20 (a) may provide for the issue of different
classes of shares carrying such rights
and being subject to such conditions as
may be specified in the rules, including
rights entitling the holder of any class
25 of shares to receive, instead of a
dividend, interest on the shares of that
class which are fully paid-up at such
rate as may be determined by the
board but not exceeding the maximum
rate of dividend which by subsection
30 fourteen of this section may be paid by
a society in respect of its paid-up share
capital; and

35 (b) shall not provide for the holder of any
such class of shares to be repaid his
share capital at any specified date or
time, but nothing in this paragraph
affects the right of a member to with-
draw his share in accordance with the
rules

Co-operation (Amendment).

- rules of the society or the rights of a member upon a winding-up of the society.
- (iii) by omitting from subsection eight of the same section the words "terminating building society or of borrowers' shares" and by inserting in lieu thereof the words "building society";
- 5
- (h) (i) by inserting at the end of paragraph (a) of subsection five of section forty-eight the words "not being shares of a permanent building society upon which the member is entitled to receive interest";
- 10
- Sec. 48.
(Reserve Funds of building societies and credit unions.)
- (ii) by inserting in subsection eight of the same section at the end of the definition of "Surplus" the words "but for the purposes of subsection one of this section any sums paid or credited to members by way of interest on share capital shall not be deducted from the income of the society for the purpose of determining the surplus";
- 15
- 20
- (i) (i) by inserting in paragraph (a) of subsection one of section seventy-two after the words "credit union" the words "an association of credit unions, a permanent building society or an association of permanent building societies";
- 25
- (ii) by inserting in paragraph (b) of the same subsection after the words "credit union" where firstly occurring the words "or an association of credit unions".
- 30
3. (1) This section shall apply to—
- Variation of certain agreements and rules.
- (a) every agreement which was entered into before the commencement of this Act, between a building society duly registered under the Co-operation, Community Settlement, and Credit Act, 1923, as amended by subsequent Acts, and the Treasurer, and which is in force at such commencement, whereby in consideration of the execution by the
- 35
- Treasurer

Co-operation (Amendment).

- 5 Treasurer pursuant to the Government Guarantees Act, 1934-1948, of a guarantee in favour of the bank society or body of persons mentioned in the agreement (which bank society or body of persons is in this section referred to as "the lender") the building society undertakes to observe the covenants, stipulations and conditions specified in the agreement; and
- 10 (b) every agreement, being an equitable mortgage, which was entered into before the commencement of this Act between a building society duly registered as aforesaid and the Rural Bank of New South Wales (in this section referred to as "the lender") whereby in consideration of loans made by the
- 15 said bank to the building society, the building society undertakes to observe the covenants, stipulations and conditions specified in the agreement.

20 For the purposes of paragraph (a) of this subsection "body of persons" includes the Government Insurance Office of New South Wales.

(2) Notwithstanding anything contained in any agreement to which this section applies, the agreement shall not operate to preclude the building society which is a party

25 thereto from making, out of moneys borrowed by it from the lender, advances to a member of the society to the extent and in the circumstances contemplated by section 17A of the Co-operation Act, 1923-1963, as amended by this Act, and authorised by the rules of the society.

30 (3) Where any agreement to which this section applies contains a covenant to the effect that the society that is a party to the agreement will not in any case out of money borrowed by it from the lender advance to any one member of the society any greater amount than the

35 amount specified in such agreement or in a notice in writing by the Treasurer to the society as the maximum amount which at the date of the advance is permitted to be advanced to any one member, nothing in that covenant shall preclude the society

Co-operation (Amendment).

society from advancing out of money borrowed by it from the lender to any one member of the society an amount which when reduced by the value of the share capital of the member or the sum of two hundred pounds, whichever is the less, **5** does not exceed the sum of three thousand seven hundred and fifty pounds.

(4) Notwithstanding the rules of any society which is a party to an agreement to which this section applies such society may—

- 10** (a) make an advance to any member of the society up to the maximum amount which it is permitted to advance to such member under such agreement as varied by subsection three of this section; and
- 15** (b) issue shares to any member of the society of such value as will enable the member to obtain from the society an advance up to such maximum amount.

BY AUTHORITY:

V. C. N. BLIGHT, GOVERNMENT PRINTER, SYDNEY, NEW SOUTH WALES—1964
[8d.]

Constitution of the Republic

Article 1. The Republic of the Philippines is a sovereign, democratic, and republican state. It is organized into three branches of government: legislative, executive, and judicial. The state is founded on the principles of justice, liberty, and equality under the law.

Article 2. The national flag of the Philippines is blue on the top and bottom, with white in the center. The flag is a symbol of the Republic and its people.

Article 3. The national seal of the Philippines is the coat of arms of the Republic. It features a sun with three rays, a three-armed figure holding a sword, a staff, and a scale, and a wreath of rice and corn.

Article 4. The national anthem of the Philippines is 'Lupang Hinirang'. It is a symbol of the Republic and its people.

This Bill was introduced in the Legislative Assembly and
passed on 22 September 1964.

ALL AMENDMENTS
OF THE LEGISLATIVE ASSEMBLY

Legislative Assembly Chamber
Sydney, 22 September 1964

The following amendments were proposed by the hon. member for the seat of ...

1. That the ...

2. That the ...

(2)

No. , 1964.

A BILL

To make further provisions for the indemnification of building societies against loss; to authorise the issue of different classes of shares by permanent building societies; for these and other purposes to amend the Co-operation Act, 1923-1963; and for purposes connected therewith.

[MR. MANNIX *on behalf of* MR. LANDA;—16 September, 1964.]

BE it enacted by the Queen'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 (Amendment) Act, 1964".

(2)

Short title
and
citation.

Co-operation (Amendment).

(2) The Co-operation, Community Settlement, and Credit Act, 1923, as amended by subsequent Acts and by this Act, may be cited as the Co-operation Act, 1923-1964.

2. The Co-operation, Community Settlement, and Credit Act, 1923, as amended by subsequent Acts, is amended—

- (a) by omitting paragraph (c) of subsection (1A) of section 17A and by inserting in lieu thereof the following paragraph :—
 - (c) the amount proposed to be lent reduced by the value of share capital of the member or the sum of two hundred pounds, whichever is the less, does not exceed the sum of three thousand seven hundred and fifty pounds; and;
- (b) by omitting from section 18D the words “registered after the commencement of the Co-operation (Amendment) Act, 1961,” and by inserting in lieu thereof the words “or an association of building societies”;
- (c) by inserting at the end of section 18E the following new subsection :—
 - (5) In this section, the expressions “building society” and “society” include an association of building societies.
- (d) by inserting in section 18F after the word “society” wherever occurring the words “or an association of building societies”;
- (e) by inserting at the end of section 18G the following new subsection :—
 - (2) In subsection one of this section, the expressions “building society” and “society”, so far as they relate to paragraph (c) or (d) of that subsection, include an association of building societies.
- (f) by omitting from paragraph (ii) of subsection nine of section forty-six the words “trading society” and by inserting in lieu thereof the words “society, not being a building society or an investment society.”;

Amendment of Act No. 1, 1924.

Sec. 17A. (Treasurer may undertake to indemnify building societies against loss in certain circumstances.)

Sec. 18D. (Commencement of advertising by a new building society.)

Sec. 18E. (Power to control advertising by a building society.)

Sec. 18F. (Interpretation.)

Sec. 18G. (Penalty for offences under sections 18B, 18c, 18D and 18E.)

Sec. 46. (Members.)

(g)

Co-operation (Amendment).

(g) (i) by inserting in subsection three of section forty- Sec. 47.
seven after the word "five" the words "and (Shares.)
(5A)";

5 (ii) by omitting subsection (5A) of the same section and by inserting in lieu thereof the following subsections :—

(5A) Notwithstanding any other provision of this section, a permanent building society, if authorised by its rules,—

10 (a) may issue different classes of shares as provided for in its rules;

(b) may declare a greater rate of dividend in respect of paid-up shares than in respect of shares that are not paid-up shares.

15 (5B) The rules of a permanent building society—

(a) may provide for the issue of different classes of shares carrying such rights and being subject to such conditions as may be specified in the rules, including rights entitling the holder of any class of shares to receive, instead of a dividend, interest on the shares of that class which are fully paid-up at such rate as may be determined by the board but not exceeding the maximum rate of dividend which by subsection fourteen of this section may be paid by a society in respect of its paid-up share capital; and

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25
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35 (b) shall not provide for the holder of any such class of shares to be repaid his share capital at any specified date or time, but nothing in this paragraph affects the right of a member to withdraw his share in accordance with the rules

Co-operation (Amendment).

rules of the society or the rights of a member upon a winding-up of the society.

- 5 (iii) by omitting from subsection eight of the same section the words "terminating building society or of borrowers' shares" and by inserting in lieu thereof the words "building society";
- 10 (h) (i) by inserting at the end of paragraph (a) of subsection five of section forty-eight the words "not being shares of a permanent building society upon which the member is entitled to receive interest"; Sec. 48. (Reserve Funds of building societies and credit unions.)
- 15 (ii) by inserting in subsection eight of the same section at the end of the definition of "Surplus" the words "but for the purposes of subsection one of this section any sums paid or credited to members by way of interest on share capital shall not be deducted from the income of the society for the purpose of determining the surplus";
- 20 (i) (i) by inserting in paragraph (a) of subsection one of section seventy-two after the words "credit union" the words "an association of credit unions, a permanent building society or an association of permanent building societies"; Sec. 72. (Name and address.)
- 25 (ii) by inserting in paragraph (b) of the same subsection after the words "credit union" where firstly occurring the words "or an association of credit unions".
- 30 3. (1) This section shall apply to— Variation of certain agreements and rules.
 - 35 (a) every agreement which was entered into before the commencement of this Act, between a building society duly registered under the Co-operation, Community Settlement, and Credit Act, 1923, as amended by subsequent Acts, and the Treasurer, and which is in force at such commencement, whereby in consideration of the execution by the Treasurer

Co-operation (Amendment).

5 Treasurer pursuant to the Government Guarantees Act, 1934-1948, of a guarantee in favour of the bank society or body of persons mentioned in the agreement (which bank society or body of persons is in this section referred to as "the lender") the building society undertakes to observe the covenants, stipulations and conditions specified in the agreement; and

10 (b) every agreement, being an equitable mortgage, which was entered into before the commencement of this Act between a building society duly registered as aforesaid and the Rural Bank of New South Wales (in this section referred to as "the lender") whereby in consideration of loans made by the
15 said bank to the building society, the building society undertakes to observe the covenants, stipulations and conditions specified in the agreement.

20 For the purposes of paragraph (a) of this subsection "body of persons" includes the Government Insurance Office of New South Wales.

(2) Notwithstanding anything contained in any agreement to which this section applies, the agreement shall not operate to preclude the building society which is a party
25 thereto from making, out of moneys borrowed by it from the lender, advances to a member of the society to the extent and in the circumstances contemplated by section 17A of the Co-operation Act, 1923-1963, as amended by this Act, and authorised by the rules of the society.

30 (3) Where any agreement to which this section applies contains a covenant to the effect that the society that is a party to the agreement will not in any case out of money borrowed by it from the lender advance to any one member of the society any greater amount than the
35 amount specified in such agreement or in a notice in writing by the Treasurer to the society as the maximum amount which at the date of the advance is permitted to be advanced to any one member, nothing in that covenant shall preclude the
society

Co-operation (Amendment).

society from advancing out of money borrowed by it from the lender to any one member of the society an amount which when reduced by the value of the share capital of the member or the sum of two hundred pounds, whichever is the less, **5** does not exceed the sum of three thousand seven hundred and fifty pounds.

(4) Notwithstanding the rules of any society which is a party to an agreement to which this section applies such society may—

- 10** (a) make an advance to any member of the society up to the maximum amount which it is permitted to advance to such member under such agreement as varied by subsection three of this section; and
- 15** (b) issue shares to any member of the society of such value as will enable the member to obtain from the society an advance up to such maximum amount.

BY AUTHORITY:

V. C. N. BLIGHT, GOVERNMENT PRINTER, SYDNEY, NEW SOUTH WALES—1964
[8d.]

Department of Education

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CO-OPERATION (AMENDMENT) BILL, 1964.

EXPLANATORY NOTE.

THE objects of this Bill are—

- (a) to increase the maximum amount which may be lent by a society and in respect of which the Treasurer may grant an indemnity;
- (b) to empower the Registrar of Co-operative Societies to control advertising by associations of building societies;
- (c) to make further provision as to when a person ceases to be a member of a society;
- (d) to authorise permanent building societies to issue different classes of shares, including shares which entitle the holder to interest thereon instead of a dividend;
- (e) to enable associations of credit unions, permanent building societies and associations of permanent building societies to be registered without the word "co-operative" or the abbreviation "Co-op." in their names;
- (f) to vary certain agreements and rules as a consequence of the amendment referred to in paragraph (a) above;
- (g) to make other amendments ancillary to or consequential upon the foregoing.



No. , 1964.

A BILL

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(2) Short title and citation.

Co-operation (Amendment).

(2) The Co-operation, Community Settlement, and Credit Act, 1923, as amended by subsequent Acts and by this Act, may be cited as the Co-operation Act, 1923-1964.

2. The Co-operation, Community Settlement, and Credit Act, 1923, as amended by subsequent Acts, is amended—
- (a) by omitting paragraph (c) of subsection (1A) of section 17A and by inserting in lieu thereof the following paragraph :—
- (c) the amount proposed to be lent reduced by the value of share capital of the member or the sum of two hundred pounds, whichever is the less, does not exceed the sum of three thousand seven hundred and fifty pounds; and;
- (b) by omitting from section 18D the words “registered after the commencement of the Co-operation (Amendment) Act, 1961,” and by inserting in lieu thereof the words “or an association of building societies”;
- (c) by inserting at the end of section 18E the following new subsection :—
- (5) In this section, the expressions “building society” and “society” include an association of building societies.
- (d) by inserting in section 18F after the word “society” wherever occurring the words “or an association of building societies”;
- (e) by inserting at the end of section 18G the following new subsection :—
- (2) In subsection one of this section, the expressions “building society” and “society”, so far as they relate to paragraph (c) or (d) of that subsection, include an association of building societies.
- (f) by omitting from paragraph (ii) of subsection nine of section forty-six the words “trading society” and by inserting in lieu thereof the words “society, not being a building society or an investment society,”;
- (g)

Amendment of Act No. 1, 1924.

Sec. 17A.

(Treasurer may undertake to indemnify building societies against loss in certain circumstances.)

Sec. 18D.

(Commencement of advertising by a new building society.)

Sec. 18E.

(Power to control advertising by a building society.)

Sec. 18F.

(Interpretation.)

Sec. 18G.

(Penalty for offences under sections 18B, 18C, 18D and 18E.)

Sec. 46.

(Members.)

Co-operation (Amendment).

(g) (i) by inserting in subsection three of section forty- Sec. 47.
seven after the word "five" the words "and (Shares.)
(5A)";

5 (ii) by omitting subsection (5A) of the same sec-
tion and by inserting in lieu thereof the
following subsections :—

(5A) Notwithstanding any other provision
of this section, a permanent building society,
if authorised by its rules,—

10 (a) may issue different classes of shares as
provided for in its rules;

(b) may declare a greater rate of dividend
in respect of paid-up shares than in
15 respect of shares that are not paid-up
shares.

(5B) The rules of a permanent building
society—

20 (a) may provide for the issue of different
classes of shares carrying such rights
and being subject to such conditions as
may be specified in the rules, including
rights entitling the holder of any class
of shares to receive, instead of a
25 dividend, interest on the shares of that
class which are fully paid-up at such
rate as may be determined by the
board but not exceeding the maximum
rate of dividend which by subsection
30 fourteen of this section may be paid by
a society in respect of its paid-up share
capital; and

(b) shall not provide for the holder of any
such class of shares to be repaid his
share capital at any specified date or
35 time, but nothing in this paragraph
affects the right of a member to with-
draw his share in accordance with the
rules

Co-operation (Amendment).

rules of the society or the rights of a member upon a winding-up of the society.

5 (iii) by omitting from subsection eight of the same section the words "terminating building society or of borrowers' shares" and by inserting in lieu thereof the words "building society";

10 (h) (i) by inserting at the end of paragraph (a) of subsection five of section forty-eight the words "not being shares of a permanent building society upon which the member is entitled to receive interest"; Sec. 48. (Reserve Funds of building societies and credit unions.)

15 (ii) by inserting in subsection eight of the same section at the end of the definition of "Surplus" the words "but for the purposes of subsection one of this section any sums paid or credited to members by way of interest on share capital shall not be deducted from the income of the society for the purpose of determining the surplus";

20 (i) (i) by inserting in paragraph (a) of subsection one of section seventy-two after the words "credit union" the words "an association of credit unions, a permanent building society or an association of permanent building societies"; Sec. 72. (Name and address.)

25 (ii) by inserting in paragraph (b) of the same subsection after the words "credit union" where firstly occurring the words "or an association of credit unions".

30 3. (1) This section shall apply to—

35 (a) every agreement which was entered into before the commencement of this Act, between a building society duly registered under the Co-operation, Community Settlement, and Credit Act, 1923, as amended by subsequent Acts, and the Treasurer, and which is in force at such commencement, whereby in consideration of the execution by the Treasurer

Variation of certain agreements and rules.

Co-operation (Amendment).

5 Treasurer pursuant to the Government Guarantees Act, 1934-1948, of a guarantee in favour of the bank society or body of persons mentioned in the agreement (which bank society or body of persons is in this section referred to as "the lender") the building society undertakes to observe the covenants, stipulations and conditions specified in the agreement; and

10 (b) every agreement, being an equitable mortgage, which was entered into before the commencement of this Act between a building society duly registered as aforesaid and the Rural Bank of New South Wales (in this section referred to as "the lender") whereby in consideration of loans made by the
15 said bank to the building society, the building society undertakes to observe the covenants, stipulations and conditions specified in the agreement.

20 For the purposes of paragraph (a) of this subsection "body of persons" includes the Government Insurance Office of New South Wales.

25 (2) Notwithstanding anything contained in any agreement to which this section applies, the agreement shall not operate to preclude the building society which is a party thereto from making, out of moneys borrowed by it from the lender, advances to a member of the society to the extent and in the circumstances contemplated by section 17A of the Co-operation Act, 1923-1963, as amended by this Act, and authorised by the rules of the society.

30 (3) Where any agreement to which this section applies contains a covenant to the effect that the society that is a party to the agreement will not in any case out of money borrowed by it from the lender advance to any one member of the society any greater amount than the
35 amount specified in such agreement or in a notice in writing by the Treasurer to the society as the maximum amount which at the date of the advance is permitted to be advanced to any one member, nothing in that covenant shall preclude the society

Co-operation (Amendment).

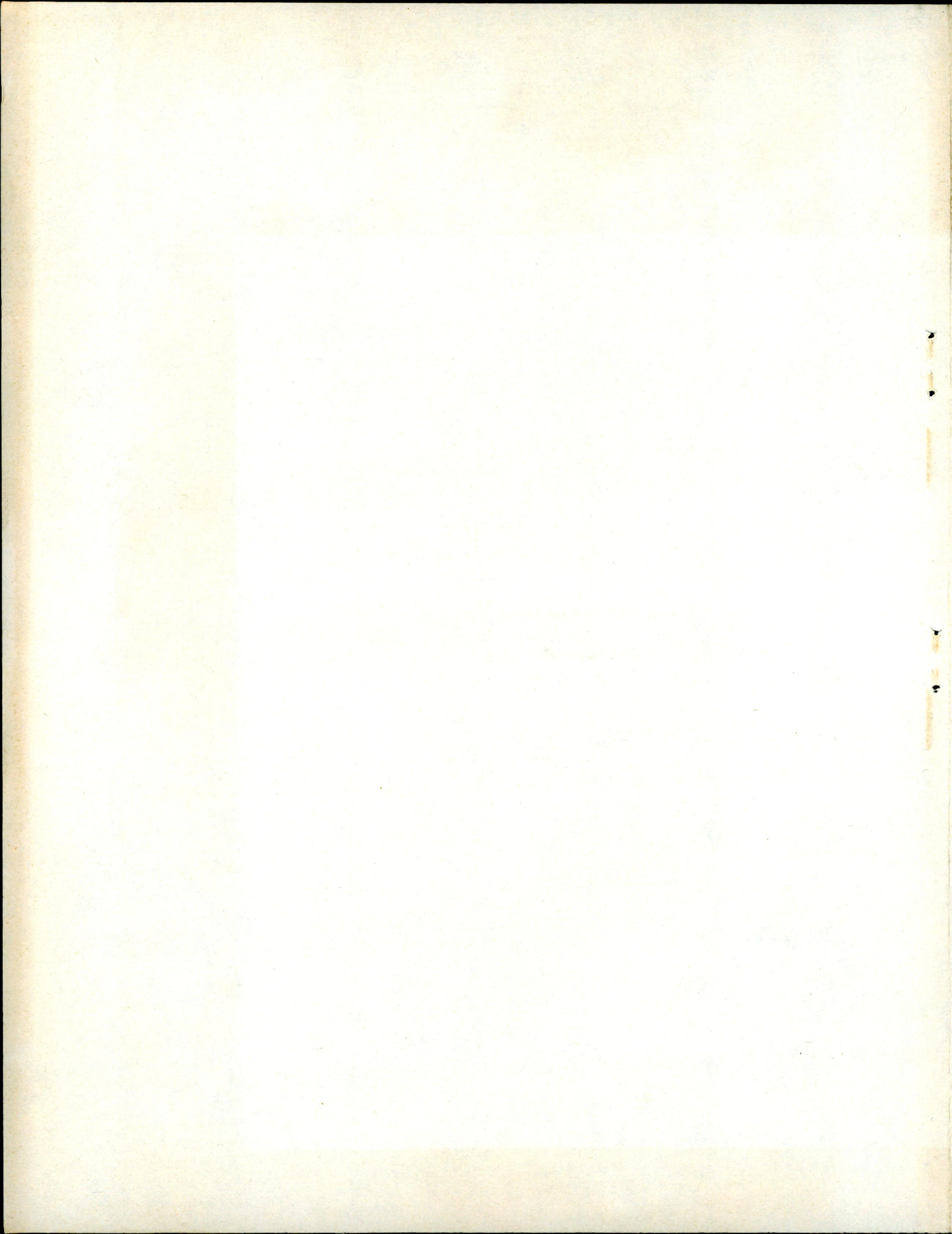
society from advancing out of money borrowed by it from the lender to any one member of the society an amount which when reduced by the value of the share capital of the member or the sum of two hundred pounds, whichever is the less, 5 does not exceed the sum of three thousand seven hundred and fifty pounds.

(4) Notwithstanding the rules of any society which is a party to an agreement to which this section applies such society may—

- 10 (a) make an advance to any member of the society up to the maximum amount which it is permitted to advance to such member under such agreement as varied by subsection three of this section; and
- 15 (b) issue shares to any member of the society of such value as will enable the member to obtain from the society an advance up to such maximum amount.

BY AUTHORITY:

V. C. N. BLIGHT, GOVERNMENT PRINTER, SYDNEY, NEW SOUTH WALES—1964



New South Wales



ANNO TERTIO DECIMO

ELIZABETHÆ II REGINÆ

Act No. 33, 1964.

An Act to make further provisions for the indemnification of building societies against loss; to authorise the issue of different classes of shares by permanent building societies; for these and other purposes to amend the Co-operation Act, 1923-1963; and for purposes connected therewith. [Assented to, 1st October, 1964.]

BE it enacted by the Queen'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 (Amendment) Act, 1964".

Short title and citation.

(2)

Co-operation (Amendment).

(2) The Co-operation, Community Settlement, and Credit Act, 1923, as amended by subsequent Acts and by this Act, may be cited as the Co-operation Act, 1923-1964.

- Amendment of Act No. 1, 1924.
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(Treasurer may undertake to indemnify building societies against loss in certain circumstances.)
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- Sec. 46.
(Members.)
2. The Co-operation, Community Settlement, and Credit Act, 1923, as amended by subsequent Acts, is amended—
- (a) by omitting paragraph (c) of subsection (1A) of section 17A and by inserting in lieu thereof the following paragraph :—
- (c) the amount proposed to be lent reduced by the value of share capital of the member or the sum of two hundred pounds, whichever is the less, does not exceed the sum of three thousand seven hundred and fifty pounds; and;
- (b) by omitting from section 18D the words “registered after the commencement of the Co-operation (Amendment) Act, 1961,” and by inserting in lieu thereof the words “or an association of building societies”;
- (c) by inserting at the end of section 18E the following new subsection :—
- (5) In this section, the expressions “building society” and “society” include an association of building societies.
- (d) by inserting in section 18F after the word “society” wherever occurring the words “or an association of building societies”;
- (e) by inserting at the end of section 18G the following new subsection :—
- (2) In subsection one of this section, the expressions “building society” and “society”, so far as they relate to paragraph (c) or (d) of that subsection, include an association of building societies.
- (f) by omitting from paragraph (ii) of subsection nine of section forty-six the words “trading society” and by inserting in lieu thereof the words “society, not being a building society or an investment society,”;
- (g)

Co-operation (Amendment).

(g) (i) by inserting in subsection three of section forty- **Sec. 47.**
seven after the word "five" the words "and (Shares.)
(5A)";

(ii) by omitting subsection (5A) of the same section and by inserting in lieu thereof the following subsections :—

(5A) Notwithstanding any other provision of this section, a permanent building society, if authorised by its rules,—

- (a) may issue different classes of shares as provided for in its rules;
- (b) may declare a greater rate of dividend in respect of paid-up shares than in respect of shares that are not paid-up shares.

(5B) The rules of a permanent building society—

- (a) may provide for the issue of different classes of shares carrying such rights and being subject to such conditions as may be specified in the rules, including rights entitling the holder of any class of shares to receive, instead of a dividend, interest on the shares of that class which are fully paid-up at such rate as may be determined by the board but not exceeding the maximum rate of dividend which by subsection fourteen of this section may be paid by a society in respect of its paid-up share capital; and
- (b) shall not provide for the holder of any such class of shares to be repaid his share capital at any specified date or time, but nothing in this paragraph affects the right of a member to withdraw his share in accordance with the rules

Co-operation (Amendment).

rules of the society or the rights of a member upon a winding-up of the society.

(iii) by omitting from subsection eight of the same section the words "terminating building society or of borrowers' shares" and by inserting in lieu thereof the words "building society";

Sec. 48.
(Reserve Funds of building societies and credit unions.)

(h) (i) by inserting at the end of paragraph (a) of subsection five of section forty-eight the words "not being shares of a permanent building society upon which the member is entitled to receive interest";

(ii) by inserting in subsection eight of the same section at the end of the definition of "Surplus" the words "but for the purposes of subsection one of this section any sums paid or credited to members by way of interest on share capital shall not be deducted from the income of the society for the purpose of determining the surplus";

Sec. 72.
(Name and address.)

(i) (i) by inserting in paragraph (a) of subsection one of section seventy-two after the words "credit union" the words "an association of credit unions, a permanent building society or an association of permanent building societies";

(ii) by inserting in paragraph (b) of the same subsection after the words "credit union" where firstly occurring the words "or an association of credit unions".

Variation of certain agreements and rules.

3. (1) This section shall apply to—

(a) every agreement which was entered into before the commencement of this Act, between a building society duly registered under the Co-operation, Community Settlement, and Credit Act, 1923, as amended by subsequent Acts, and the Treasurer, and which is in force at such commencement, whereby in consideration of the execution by the
Treasurer

Co-operation (Amendment).

Treasurer pursuant to the Government Guarantees Act, 1934-1948, of a guarantee in favour of the bank society or body of persons mentioned in the agreement (which bank society or body of persons is in this section referred to as "the lender") the building society undertakes to observe the covenants, stipulations and conditions specified in the agreement; and

- (b) every agreement, being an equitable mortgage, which was entered into before the commencement of this Act between a building society duly registered as aforesaid and the Rural Bank of New South Wales (in this section referred to as "the lender") whereby in consideration of loans made by the said bank to the building society, the building society undertakes to observe the covenants, stipulations and conditions specified in the agreement.

For the purposes of paragraph (a) of this subsection "body of persons" includes the Government Insurance Office of New South Wales.

(2) Notwithstanding anything contained in any agreement to which this section applies, the agreement shall not operate to preclude the building society which is a party thereto from making, out of moneys borrowed by it from the lender, advances to a member of the society to the extent and in the circumstances contemplated by section 17A of the Co-operation Act, 1923-1963, as amended by this Act, and authorised by the rules of the society.

(3) Where any agreement to which this section applies contains a covenant to the effect that the society that is a party to the agreement will not in any case out of money borrowed by it from the lender advance to any one member of the society any greater amount than the amount specified in such agreement or in a notice in writing by the Treasurer to the society as the maximum amount which at the date of the advance is permitted to be advanced to any one member, nothing in that covenant shall preclude the society

Co-operation (Amendment).

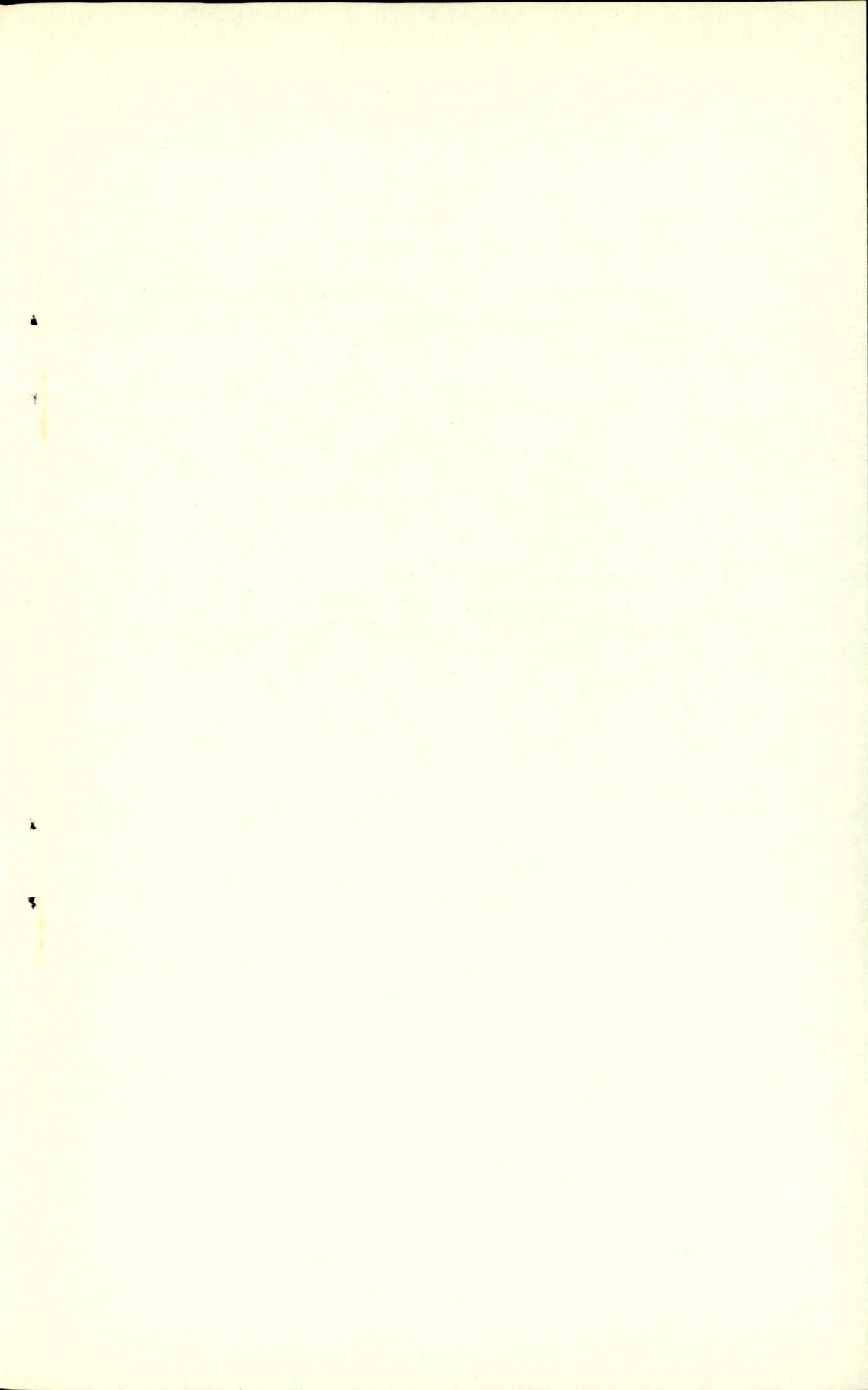
society from advancing out of money borrowed by it from the lender to any one member of the society an amount which when reduced by the value of the share capital of the member or the sum of two hundred pounds, whichever is the less, does not exceed the sum of three thousand seven hundred and fifty pounds.

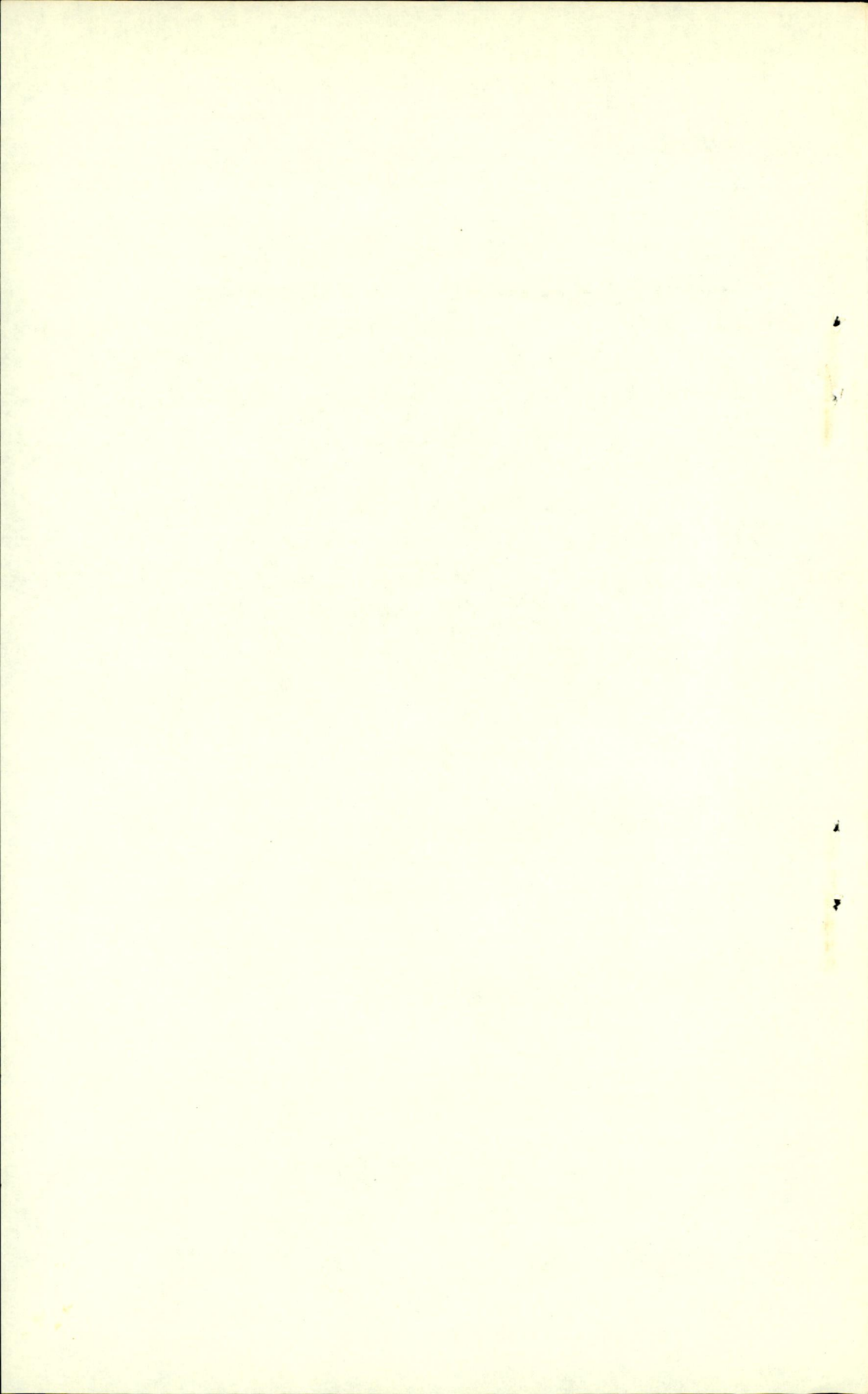
(4) Notwithstanding the rules of any society which is a party to an agreement to which this section applies such society may—

- (a) make an advance to any member of the society up to the maximum amount which it is permitted to advance to such member under such agreement as varied by subsection three of this section; and
- (b) issue shares to any member of the society of such value as will enable the member to obtain from the society an advance up to such maximum amount.

BY AUTHORITY:

V. C. N. BLIGHT, GOVERNMENT PRINTER, SYDNEY, NEW SOUTH WALES—1964





I certify that this PUBLIC BILL, which originated in the LEGISLATIVE ASSEMBLY, has finally passed the LEGISLATIVE COUNCIL and the LEGISLATIVE ASSEMBLY of NEW SOUTH WALES.

ALLAN PICKERING,
Clerk of the Legislative Assembly.

*Legislative Assembly Chamber,
Sydney, 23 September, 1964.*

New South Wales



ANNO TERTIO DECIMO

ELIZABETHÆ II REGINÆ

Act No. 33, 1964.

An Act to make further provisions for the indemnification of building societies against loss; to authorise the issue of different classes of shares by permanent building societies; for these and other purposes to amend the Co-operation Act, 1923-1963; and for purposes connected therewith. [Assented to, 1st October, 1964.]

BE it enacted by the Queen'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 (Amendment) Act, 1964".

Short title
and
citation.

(2)

I have examined this Bill, and find it to correspond in all respects with the Bill as finally passed by both Houses.

HOWARD T. FOWLES,
Chairman of Committees of the Legislative Assembly.

Co-operation (Amendment).

(2) The Co-operation, Community Settlement, and Credit Act, 1923, as amended by subsequent Acts and by this Act, may be cited as the Co-operation Act, 1923-1964.

- Amendment of Act No. 1, 1924.
Sec. 17A.
(Treasurer may undertake to indemnify building societies against loss in certain circumstances.)
2. The Co-operation, Community Settlement, and Credit Act, 1923, as amended by subsequent Acts, is amended—
- (a) by omitting paragraph (c) of subsection (1A) of section 17A and by inserting in lieu thereof the following paragraph :—
- (c) the amount proposed to be lent reduced by the value of share capital of the member or the sum of two hundred pounds, whichever is the less, does not exceed the sum of three thousand seven hundred and fifty pounds; and;
- Sec. 18D.
(Commencement of advertising by a new building society.)
- (b) by omitting from section 18D the words “registered after the commencement of the Co-operation (Amendment) Act, 1961,” and by inserting in lieu thereof the words “or an association of building societies”;
- Sec. 18E.
(Power to control advertising by a building society.)
- (c) by inserting at the end of section 18E the following new subsection :—
- (5) In this section, the expressions “building society” and “society” include an association of building societies.
- Sec. 18F.
(Interpretation.)
- (d) by inserting in section 18F after the word “society” wherever occurring the words “or an association of building societies”;
- Sec. 18G.
(Penalty for offences under sections 18B, 18C, 18D and 18E.)
- (e) by inserting at the end of section 18G the following new subsection :—
- (2) In subsection one of this section, the expressions “building society” and “society”, so far as they relate to paragraph (c) or (d) of that subsection, include an association of building societies.
- Sec. 46.
(Members.)
- (f) by omitting from paragraph (ii) of subsection nine of section forty-six the words “trading society” and by inserting in lieu thereof the words “society, not being a building society or an investment society.”;
- (g)

Co-operation (Amendment).

(g) (i) by inserting in subsection three of section forty-seven after the word "five" the words "and (5A)"; Sec. 47.
(Shares.)

(ii) by omitting subsection (5A) of the same section and by inserting in lieu thereof the following subsections :—

(5A) Notwithstanding any other provision of this section, a permanent building society, if authorised by its rules,—

- (a) may issue different classes of shares as provided for in its rules ;
- (b) may declare a greater rate of dividend in respect of paid-up shares than in respect of shares that are not paid-up shares.

(5B) The rules of a permanent building society—

- (a) may provide for the issue of different classes of shares carrying such rights and being subject to such conditions as may be specified in the rules, including rights entitling the holder of any class of shares to receive, instead of a dividend, interest on the shares of that class which are fully paid-up at such rate as may be determined by the board but not exceeding the maximum rate of dividend which by subsection fourteen of this section may be paid by a society in respect of its paid-up share capital ; and
- (b) shall not provide for the holder of any such class of shares to be repaid his share capital at any specified date or time, but nothing in this paragraph affects the right of a member to withdraw his share in accordance with the rules

Co-operation (Amendment).

rules of the society or the rights of a member upon a winding-up of the society.

- (iii) by omitting from subsection eight of the same section the words "terminating building society or of borrowers' shares" and by inserting in lieu thereof the words "building society";
- Sec. 48.
(Reserve Funds of building societies and credit unions.)
- (h) (i) by inserting at the end of paragraph (a) of subsection five of section forty-eight the words "not being shares of a permanent building society upon which the member is entitled to receive interest";
- (ii) by inserting in subsection eight of the same section at the end of the definition of "Surplus" the words "but for the purposes of subsection one of this section any sums paid or credited to members by way of interest on share capital shall not be deducted from the income of the society for the purpose of determining the surplus";
- Sec. 72.
(Name and address.)
- (i) (i) by inserting in paragraph (a) of subsection one of section seventy-two after the words "credit union" the words "an association of credit unions, a permanent building society or an association of permanent building societies";
- (ii) by inserting in paragraph (b) of the same subsection after the words "credit union" where firstly occurring the words "or an association of credit unions".
- Variation of certain agreements and rules.
3. (1) This section shall apply to—
- (a) every agreement which was entered into before the commencement of this Act, between a building society duly registered under the Co-operation, Community Settlement, and Credit Act, 1923, as amended by subsequent Acts, and the Treasurer, and which is in force at such commencement, whereby in consideration of the execution by the Treasurer

Co-operation (Amendment).

Treasurer pursuant to the Government Guarantees Act, 1934-1948, of a guarantee in favour of the bank society or body of persons mentioned in the agreement (which bank society or body of persons is in this section referred to as "the lender") the building society undertakes to observe the covenants, stipulations and conditions specified in the agreement; and

- (b) every agreement, being an equitable mortgage, which was entered into before the commencement of this Act between a building society duly registered as aforesaid and the Rural Bank of New South Wales (in this section referred to as "the lender") whereby in consideration of loans made by the said bank to the building society, the building society undertakes to observe the covenants, stipulations and conditions specified in the agreement.

For the purposes of paragraph (a) of this subsection "body of persons" includes the Government Insurance Office of New South Wales.

(2) Notwithstanding anything contained in any agreement to which this section applies, the agreement shall not operate to preclude the building society which is a party thereto from making, out of moneys borrowed by it from the lender, advances to a member of the society to the extent and in the circumstances contemplated by section 17A of the Co-operation Act, 1923-1963, as amended by this Act, and authorised by the rules of the society.

(3) Where any agreement to which this section applies contains a covenant to the effect that the society that is a party to the agreement will not in any case out of money borrowed by it from the lender advance to any one member of the society any greater amount than the amount specified in such agreement or in a notice in writing by the Treasurer to the society as the maximum amount which at the date of the advance is permitted to be advanced to any one member, nothing in that covenant shall preclude the society

Co-operation (Amendment).

society from advancing out of money borrowed by it from the lender to any one member of the society an amount which when reduced by the value of the share capital of the member or the sum of two hundred pounds, whichever is the less, does not exceed the sum of three thousand seven hundred and fifty pounds.

(4) Notwithstanding the rules of any society which is a party to an agreement to which this section applies such society may—

- (a) make an advance to any member of the society up to the maximum amount which it is permitted to advance to such member under such agreement as varied by subsection three of this section; and
- (b) issue shares to any member of the society of such value as will enable the member to obtain from the society an advance up to such maximum amount.

In the name and on behalf of Her Majesty I assent to this Act.

E. W. WOODWARD,
Governor.

*Government House,
Sydney, 1st October, 1964.*

