

New South Wales



ANNO DUODECIMO

ELIZABETHÆ II REGINÆ

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Act No. 55, 1963.

An Act to make further provisions with respect to the registration of, the keeping of accounts by, and other matters associated with, friendly societies or branches; to amend the Friendly Societies Act, 1912, as amended by subsequent Acts; and for purposes connected therewith. [Assented to, 19th December, 1963.]

**B**E 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 "Friendly Societies (Amendment) Act, 1963".

Short title and citation.

(2)

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*Friendly Societies (Amendment).*

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(2) The Friendly Societies Act, 1912, as amended by subsequent Acts and by this Act, may be cited as the Friendly Societies Act, 1912-1963.

Amendment  
of Act No.  
46, 1912.

2. (1) The Friendly Societies Act, 1912, as amended by subsequent Acts, is amended—

Sec. 1.  
(Short  
title.)

(a) by omitting from the matter relating to Part X in section one the figures “, 109” and by inserting in lieu thereof the figures “-109A”;

Subst.  
sec. 10.

(b) by omitting section ten and by inserting in lieu thereof the following section :—

Compulsory  
registration  
of certain  
societies.

10. (1) All the following friendly societies and all branches thereof shall be registered under this Act, namely, societies established for the purpose of providing by subscriptions of the members thereof, with or without the aid of donations, for—

(a) the relief or maintenance of the members, their husbands, wives or dependants during sickness or other infirmity, whether bodily or mental, in old age (which shall mean any age after fifty), or in widowhood, or the relief or maintenance of their orphaned children during minority; or

(b) medical attendance and medical comforts for, and the dispensing of medicines, and the sale or supply of medicines and of surgical and medical appliances, requisites, and comforts to the members, their husbands, wives, or dependants, and to the widows and widowed mothers of deceased members, or reimbursing in whole or in part to members or widows or widowed mothers of deceased members payments made by them for any such purposes; or

(c)

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*Friendly Societies (Amendment).*

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- (c) insuring money to be paid on the birth of a member's child, or on the death of a member, or for the funeral expenses of the husband, wife, or child of a member, or of the widow of a deceased member, or, as respects persons of the Jewish persuasion, for the payment of a sum of money during the period of confined mourning; or
- (d) the endowment of members or nominees of members at any age; or
- (e) payments to hospitals towards accommodation and maintenance in hospitals of members, their husbands, wives or dependants, or of the widow or widowed mother of a deceased member, or reimbursing to members or to widows or widowed mothers of deceased members, payments so made by them; or
- (f) payments to legally qualified medical practitioners or hospitals towards surgical, therapeutic or other medical treatment by legally qualified medical practitioners in hospitals of members, their husbands, wives or dependants, or of the widow or widowed mother of a deceased member, or reimbursing to members or widows or widowed mothers of deceased members, payments so made by them.

(2) (a) A society established for any one or more of the purposes enumerated in subsection one of this section may by its rules make provision for any one or more of the additional benefits enumerated in paragraph (b) of this subsection.

(b) The additional benefits referred to in paragraph (a) of this subsection shall be—

- (i) the relief or maintenance of the members when unemployed or when in distressed circumstances; or
- (ii)

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*Friendly Societies (Amendment).*

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(ii) the insurance against fire to any amount not exceeding fifty pounds of the tools or implements of the trade or calling of the members; or

(iii) on behalf of members, their husbands, wives or dependants, or the widows or widowed mothers of deceased members—

(a) the establishment, management and maintenance of homes, refuges or other institutions for their accommodation, relief or care, and the joining or co-operating with any other friendly society in such undertakings;

(b) the establishment, management and maintenance of holiday accommodation and facilities in connection therewith primarily for their use and the joining or co-operating with any other friendly society in such undertakings;

(c) the provision of benefits to cover dental, optical and physiotherapy treatment, appliances, requisites and comforts or the reimbursement in whole or in part of payments made for any such benefit;

(d) the provision of such other benefits as may be prescribed by regulations made under this Act.

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*Friendly Societies (Amendment).*

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(3) A society established for—

- (a) the purpose of providing any one or more of the additional benefits referred to in paragraph (b) of subsection two of this section either alone or in conjunction with any other benefit which is not a benefit enumerated in subsection one of this section; or
- (b) the purpose of providing any one or more of the benefits enumerated in subsection one of this section in conjunction with any other benefit which is not enumerated in paragraph (b) of subsection two of this section; or
- (c) the purpose of providing any benefit not enumerated in subsection one or paragraph (b) of subsection two of this section,

shall not be required or authorised to be registered under this section.

(4) Any person who takes on behalf of any society or branch, which is required by this Act to be registered and is not so registered, any money or valuable thing in consideration of the allotment of any shares or interest in that society or branch shall be liable to a penalty not exceeding fifty pounds.

(5) This section shall not extend to—

- (a) a society registered under the Companies Act, 1961, or any Act amending or replacing that Act;
- (b) a society, company, association, or union formed in pursuance of some other Act, or incorporated by a Royal Charter or Letters Patent;

(1)

(c)

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*Friendly Societies (Amendment).*

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- (c) dividing or levy societies—that is to say, societies formed for any of the purposes mentioned in subsection one of this section, and closing their funds, discharging their liabilities, and dividing their assets (if any) annually; or
- (d) any society the registration of which is elsewhere in this Act authorised.
- (6) For the purpose of this section the expression “dependant” means a child, father, mother, brother, sister, nephew, niece or ward and such other class of persons as may be specified in the rules of the society and approved by the Registrar.
- Sec. 11.  
(Registration of certain authorised societies.)
- (c) (i) by omitting from subsection one of section eleven the figures “1936” and by inserting in lieu thereof the figures “1963”;
- (ii) by omitting subsections two and three of the same section;
- New sec.  
11A.
- (d) by inserting next after section eleven the following new section :—
- Binding effect of rules.
- 11A. The rules of a registered society or branch shall bind such society or branch and all members thereof and all persons claiming through them respectively to the same extent as if each member had subscribed his name and affixed his seal thereto, and there were contained in the rules a covenant on the part of each member and his legal personal representatives to observe all the provisions of the rules, subject to the provisions of this Act.
- Sec. 12.  
(Change in registry of co-operative trading and industrial societies.)
- (e) by omitting from section twelve the figures “1936” and by inserting in lieu thereof the figures “1963”;
- (f)

*Friendly Societies (Amendment).*

- (f) by omitting from subsection one of section nineteen the letter and symbols “(e)” and by inserting in lieu thereof the letter and symbols “(d)”;
- (g) by omitting section 25A;
- (h) by omitting sections twenty-six and twenty-seven and by inserting in lieu thereof the following sections :—
  - 26. (1) The accounts of every registered society and branch shall be audited annually or more frequently as may be prescribed by the rules of such society or branch :
  - Provided that where pursuant to paragraph (a) or (b) of the proviso to section 26A of this Act, the financial year of a registered society or branch is extended, the accounts of such society or branch may be audited in respect of such financial year as so extended.
  - (2) Auditors shall be appointed—
    - (a) in respect of a registered society—
      - (i) which has branches, by the central body thereof;
      - (ii) which has no branches, by the members thereof;
    - (b) in respect of a branch of a registered society, by the members of such branch or if otherwise provided by the rules of such branch or society in accordance with such rules.

Sec. 19.  
(Tables of contributions.)

Sec. 25A.  
(Cancellation of registry if no certified tables of contributions embodied in rules.)

Subst. secs. 26, 27, new sec. 26A.

Accounts and audit.

(3)

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*Friendly Societies (Amendment).*

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(3) The audit of the accounts of a branch shall be conducted by two or more auditors: Provided that one auditor may conduct the audit if he is a registered public accountant within the meaning of the Public Accountants Registration Act, 1945, as amended by subsequent Acts, or is a person approved in that behalf by the committee of the society and the Registrar.

(4) An auditor of a registered society or branch shall have a right of access at all times to the books, accounts, vouchers, securities and documents of such society or branch and shall be entitled to require from the officers of such society or branch such information and explanations as he thinks necessary for the performance of the duties of auditor.

(5) An auditor of a registered society or branch shall be entitled to attend any meeting of such society or branch during the time at which the audited accounts of such society or branch are tabled and to receive notice of any such meeting and to be heard at any such meeting which he attends on any part of the business which concerns him as auditor.

(6) The auditor or auditors shall in the case of a registered society with branches report to the central body and in the case of a registered society without branches or of a branch of a registered society to the members thereof on the statements of the income and expenditure in respect of each of the several objects and funds and of the balance-sheet of the registered society or branch and such report shall state—

(a) whether he has or they have obtained all the information and explanations which to the best of his or their knowledge and belief are necessary for the purposes of the audit;

(E)

(b)



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*Friendly Societies (Amendment).*

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- (b) whether in his or their opinion proper books of account have been kept by the registered society or branch;
- (c) whether the statements of income and expenditure and the balance-sheet of the registered society or branch dealt with by the report are in agreement with the books of account and returns;
- (d) whether in his or their opinion and to the best of his or their information and according to the explanations given to him or them the accounts give a true and fair view of the financial affairs of the registered society or branch;
- (e) whether, in his or their opinion, the provisions of this Act and of the rules of the registered society or branch relating to the funds of the registered society or branch have been observed.

(7) A copy of the statements of income and expenditure, balance-sheet and auditor's report shall, in the case of a registered society with branches, be transmitted to the members of the central body thereof, and in the case of a registered society without branches or a branch of a registered society, be presented to the annual meeting of the registered society or branch.

26A. The financial year of a registered society or branch shall end on such day in each calendar year <sup>Financial</sup> <sub>year.</sub> as is provided for by the rules of such society or branch:

Provided that—

- (a) the first financial year of a registered society or branch may extend from the date of its registration to such date not later than eighteen months from the date of its registration as may be specified in its rules;

(b)

(b)

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*Friendly Societies (Amendment).*

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- (b) where the rules of a registered society or branch are amended to alter its financial year, the amendment may provide that the financial year current at the date of amendment shall be extended for such period not exceeding six months as may be specified in its rules or that the financial year next following the financial year that is so current shall be for such period exceeding twelve months but not exceeding eighteen months as may be specified in its rules.

Annual  
returns.

27. (1) The secretary of every registered society or branch shall within three months of the termination of its financial year or within such further time as the Registrar may allow, send to the Registrar an annual return in respect of such society or branch.

(2) The annual return shall—

- (a) contain statements of income and expenditure in respect of each of the several objects and funds for such year and a balance-sheet as at the close of such year ;
- (b) be signed by the auditor or auditors, give the address and calling or profession of every such auditor, and where there is only one auditor of a branch, state whether such auditor is a registered public accountant within the meaning of the Public Accountants Registration Act, 1945, as amended by subsequent Acts, or has been approved by the committee of the society and the Registrar ;
- (c) include a copy of the report of the auditor or auditors ;

(d)

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*Friendly Societies (Amendment).*

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(d) include such information in respect of the benefits provided by such society or branch as may be prescribed by regulations made under this Act.

(3) Notwithstanding the provisions of this section a registered society with branches may with the approval of the Registrar submit an annual return on behalf of its branches which does not comply with the provisions of subsection two of this section but which is certified in such manner and is in such form as the Registrar requires.

(i) by omitting from section twenty-nine the words "any special" and by inserting in lieu thereof the word "the"; Sec. 29.  
(Copies to be kept for inspection.)

(j) (i) by omitting from subparagraph (i) of paragraph (b) of subsection (2A) of section thirty-eight the letter and symbols "(e)" and by inserting in lieu thereof the letter and symbols "(d)"; Sec. 38.  
(Moneys received or paid to be entered in a separate account.)

(ii) by omitting from the same subsection the words—

"In this subsection—

‘Prescribed percentage’, with respect to any year, means such percentage as may be prescribed with respect to that year by regulations made under this Act, or, where a percentage is not so prescribed, four per centum.

‘Year’ means year ending on the thirtieth day of June.”

(iii)

(iii)

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*Friendly Societies (Amendment).*

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(iii) by inserting at the end of the same section the following new subsection :—

(4) In this section—

“Prescribed percentage”, with respect to any year, means such percentage as may be prescribed by regulations made under this Act with respect to that year, or, where a percentage is not so prescribed, four per centum.

“Year” means financial year of the society.

Subst.  
sec. 45.

(k) by omitting section forty-five and by inserting in lieu thereof the following section :—

Security  
by officers.

45. (1) Every officer or person appointed by a registered society or branch having receipt or charge of any money of such society or branch shall give security as prescribed by regulations made under this Act for rendering a just and true account of all money received and paid by him for such society or branch, and for payment of all money due from him to such society or branch.

(2) The Registrar may in the case of any society or branch registered as such at the commencement of the Friendly Societies (Amendment) Act, 1963, and where he considers other adequate safeguards exist, exempt in writing any officer or person referred to in subsection one of this section from the provisions of this section.

Any such exemption shall be subject to such conditions as the Registrar may think proper and the Registrar may revoke such exemption upon breach of any such condition or for any other reason the Registrar deems fit.

Sec. 46.  
(Accounts  
of officers.)

(1) by omitting from subsection two of section forty-six the words “bond or”;

(m)

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*Friendly Societies (Amendment).*


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- (m) by omitting from subsection one of section forty-nine the words "one hundred pounds" and by inserting in lieu thereof the words "five hundred pounds"; Sec. 49.  
(Power of member to dispose of sums payable on his death by nomination.)
- (n) by omitting from subsection one of section fifty the words "one hundred pounds" and by inserting in lieu thereof the words "five hundred pounds"; Sec. 50.  
(Proceedings on death of a nominator.)
- (o) by omitting from subsection one of section fifty-one the words "one hundred pounds" and by inserting in lieu thereof the words "five hundred pounds"; Sec. 51.  
(Intestacy.)
- (p) by omitting paragraph (b) of subsection three of section sixty and by inserting in lieu thereof the following paragraph :— Sec. 60.  
(Amalgamation.)
- (b) confirmed by a special resolution of the members of each society or branch or in the case of a society with branches by a special resolution of the central body; and;
- (q) by inserting at the end of section seventy-four the following new subsection :— Sec. 74.  
(Reference of dispute to Registrar in cases of delay.)
- (2) The provisions of subsection three of section seventy-three of this Act shall extend to and in respect of a dispute referred to the Registrar in accordance with subsection one of this section.
- (r) (i) by inserting in subsection one of section eighty-one after the word "Act" the words "and 'year' shall as on and from the commencement of the Friendly Societies (Amendment) Act, 1963, mean the financial year of the society"; Sec. 81.  
(Subvention after 30th June, 1932.)
- (ii)

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*Friendly Societies (Amendment).*

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- (ii) by omitting subsection two of the same section and by inserting in lieu thereof the following subsection :—

(2) There shall be paid to each applicant society at such time during each quarter of its financial year as the Registrar may determine such sum not exceeding twenty-five per centum as the Minister may from time to time determine, of the amount which the Minister estimates to be the amount to which the society will be entitled under this section for such financial year in respect of the total contributions chargeable under its rules for medical attendance and medicine and reimbursement for medical attendance and medicine. Such sum shall be by way of an advance and such sum and any sum paid as an advance pursuant to the subsection which this subsection replaces may be deducted from the next or any subsequent payment due to the society under this section.

- (iii) by omitting from paragraph (a) of subsection (2A) of the same section the words "the first day of July next" and by inserting in lieu thereof the words "the commencement of the next year";

- (iv) by inserting in subsection three of the same section after the words "Provided that" the words ", except with the approval of the Minister,";

- (s) by omitting section one hundred and eight and by inserting in lieu thereof the following section :—

108. (1) For the purposes of this Act a special resolution shall mean a resolution which is passed by a majority of not less than two-thirds of such members of a registered society or branch as, being entitled so to do, vote in person or, where proxies are allowed, by proxy, at any meeting of such society or branch of which notice specifying the intention

Subst.  
sec. 108.

Meaning of  
special  
resolution.

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*Friendly Societies (Amendment).*

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intention to propose the resolution as a special resolution has been duly given according to the rules of such society or branch.

(2) At any meeting referred to in subsection one of this section, unless a poll is demanded, a declaration by the chairman that the resolution has been carried shall be conclusive evidence of the fact.

- (t) by inserting next after section one hundred and nine the following new section : — New sec.  
109A.

109A. A certificate of registration of any special resolution or of any amendment of the rules of a registered society or branch given by the Registrar shall, in favour of any person advancing money to such society or branch on the faith of such certificate, or in favour of any guarantor of any such advance, be conclusive evidence that such resolution was duly passed or such amendment of the rules was duly made. Certificate of registration evidence in certain cases.

- (u) by omitting from subsection three of section one hundred and seventeen the words “, and a bond to be given by an officer in receipt or charge of money shall be in one of the forms set forth in the said Part” ; Sec. 117.  
(Forms for acknowledgment of registry rules, etc.)
- (v) by omitting from Part II of Schedule Three the matter relating to “*Form of bond*”. Schedule Three.

(2) The amendment made by paragraph (k) of subsection one of this section shall commence upon a day to be appointed by the Governor and notified by proclamation published in the Gazette.

(3) Any registered society or branch so registered immediately before the commencement of this Act, may, notwithstanding the amendment made by paragraph (h) of subsection one of this section, submit its accounts for its financial

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*Friendly Societies (Amendment).*

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financial year ending next after such commencement for audit and report in accordance with the provisions of section twenty-six of the Friendly Societies Act, 1912-1958.

**Savings.**

3. The amendments made by this Act shall not affect the registration of any society or branch registered under the Friendly Societies Act, 1912-1958, in force immediately before the commencement of this Act or affect the validity of the rules of any such society or branch as shall be in force immediately before such commencement and any such society or branch shall, subject to the provisions of the Friendly Societies Act, 1912, as amended by subsequent Acts including this Act, continue to be registered under such Act, as so amended, and any such rules shall, subject to the provisions of the Friendly Societies Act, 1912, as amended by subsequent Acts including this Act, continue in force, but may be amended, repealed or varied.

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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, 10 December, 1963.*

## New South Wales



ANNO DUODECIMO

## ELIZABETHÆ II REGINÆ

\*\*\*\*\*

### Act No. 55, 1963.

An Act to make further provisions with respect to the registration of, the keeping of accounts by, and other matters associated with, friendly societies or branches; to amend the Friendly Societies Act, 1912, as amended by subsequent Acts; and for purposes connected therewith. [Assented to, 19th December, 1963.]

**B**E 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 "Friendly Societies (Amendment) Act, 1963".

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.*

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*Friendly Societies (Amendment).*

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(2) The Friendly Societies Act, 1912, as amended by subsequent Acts and by this Act, may be cited as the Friendly Societies Act, 1912-1963.

Amendment  
of Act No.  
46, 1912.

2. (1) The Friendly Societies Act, 1912, as amended by subsequent Acts, is amended—

Sec. 1.  
(Short  
title.)

(a) by omitting from the matter relating to Part X in section one the figures “, 109” and by inserting in lieu thereof the figures “-109A”;

Subst.  
sec. 10.

(b) by omitting section ten and by inserting in lieu thereof the following section :—

Compulsory  
registration  
of certain  
societies.

10. (1) All the following friendly societies and all branches thereof shall be registered under this Act, namely, societies established for the purpose of providing by subscriptions of the members thereof, with or without the aid of donations, for—

(a) the relief or maintenance of the members, their husbands, wives or dependants during sickness or other infirmity, whether bodily or mental, in old age (which shall mean any age after fifty), or in widowhood, or the relief or maintenance of their orphaned children during minority; or

(b) medical attendance and medical comforts for, and the dispensing of medicines, and the sale or supply of medicines and of surgical and medical appliances, requisites, and comforts to the members, their husbands, wives, or dependants, and to the widows and widowed mothers of deceased members, or reimbursing in whole or in part to members or widows or widowed mothers of deceased members payments made by them for any such purposes; or

(c)

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*Friendly Societies (Amendment).*

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- (c) insuring money to be paid on the birth of a member's child, or on the death of a member, or for the funeral expenses of the husband, wife, or child of a member, or of the widow of a deceased member, or, as respects persons of the Jewish persuasion, for the payment of a sum of money during the period of confined mourning; or
- (d) the endowment of members or nominees of members at any age; or
- (e) payments to hospitals towards accommodation and maintenance in hospitals of members, their husbands, wives or dependants, or of the widow or widowed mother of a deceased member, or reimbursing to members or to widows or widowed mothers of deceased members, payments so made by them; or
- (f) payments to legally qualified medical practitioners or hospitals towards surgical, therapeutic or other medical treatment by legally qualified medical practitioners in hospitals of members, their husbands, wives or dependants, or of the widow or widowed mother of a deceased member, or reimbursing to members or widows or widowed mothers of deceased members, payments so made by them.

(2) (a) A society established for any one or more of the purposes enumerated in subsection one of this section may by its rules make provision for any one or more of the additional benefits enumerated in paragraph (b) of this subsection.

(b) The additional benefits referred to in paragraph (a) of this subsection shall be—

- (i) the relief or maintenance of the members when unemployed or when in distressed circumstances; or
- (ii)

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*Friendly Societies (Amendment).*

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- (ii) the insurance against fire to any amount not exceeding fifty pounds of the tools or implements of the trade or calling of the members; or
- (iii) on behalf of members, their husbands, wives or dependants, or the widows or widowed mothers of deceased members—
  - (a) the establishment, management and maintenance of homes, refuges or other institutions for their accommodation, relief or care, and the joining or co-operating with any other friendly society in such undertakings;
  - (b) the establishment, management and maintenance of holiday accommodation and facilities in connection therewith primarily for their use and the joining or co-operating with any other friendly society in such undertakings;
  - (c) the provision of benefits to cover dental, optical and physiotherapy treatment, appliances, requisites and comforts or the reimbursement in whole or in part of payments made for any such benefit;
  - (d) the provision of such other benefits as may be prescribed by regulations made under this Act.

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*Friendly Societies (Amendment).*

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(3) A society established for—

- (a) the purpose of providing any one or more of the additional benefits referred to in paragraph (b) of subsection two of this section either alone or in conjunction with any other benefit which is not a benefit enumerated in subsection one of this section; or
- (b) the purpose of providing any one or more of the benefits enumerated in subsection one of this section in conjunction with any other benefit which is not enumerated in paragraph (b) of subsection two of this section; or
- (c) the purpose of providing any benefit not enumerated in subsection one or paragraph (b) of subsection two of this section,

shall not be required or authorised to be registered under this section.

(4) Any person who takes on behalf of any society or branch, which is required by this Act to be registered and is not so registered, any money or valuable thing in consideration of the allotment of any shares or interest in that society or branch shall be liable to a penalty not exceeding fifty pounds.

(5) This section shall not extend to—

- (a) a society registered under the Companies Act, 1961, or any Act amending or replacing that Act;
- (b) a society, company, association, or union formed in pursuance of some other Act, or incorporated by a Royal Charter or Letters Patent;

(c)

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*Friendly Societies (Amendment).*

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- (c) dividing or levy societies—that is to say, societies formed for any of the purposes mentioned in subsection one of this section, and closing their funds, discharging their liabilities, and dividing their assets (if any) annually; or
- (d) any society the registration of which is elsewhere in this Act authorised.

(6) For the purpose of this section the expression “dependant” means a child, father, mother, brother, sister, nephew, niece or ward and such other class of persons as may be specified in the rules of the society and approved by the Registrar.

Sec. 11.  
(Registra-  
tion of  
certain  
authorised  
societies.)

- (c) (i) by omitting from subsection one of section eleven the figures “1936” and by inserting in lieu thereof the figures “1963”;
- (ii) by omitting subsections two and three of the same section;

New sec.  
11A.

- (d) by inserting next after section eleven the following new section :—

Binding  
effect of  
rules.

11A. The rules of a registered society or branch shall bind such society or branch and all members thereof and all persons claiming through them respectively to the same extent as if each member had subscribed his name and affixed his seal thereto, and there were contained in the rules a covenant on the part of each member and his legal personal representatives to observe all the provisions of the rules, subject to the provisions of this Act.

Sec. 12.  
(Change in  
registry of  
co-operative  
trading and  
industrial  
societies.)

- (e) by omitting from section twelve the figures “1936” and by inserting in lieu thereof the figures “1963”;

(f)

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*Friendly Societies (Amendment).*

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- (f) by omitting from subsection one of section nineteen the letter and symbols “(e)” and by inserting in lieu thereof the letter and symbols “(d)”;
- Sec. 19.  
(Tables of contributions.)
- (g) by omitting section 25A;
- Sec. 25A.  
(Cancellation of registry if no certified tables of contributions embodied in rules.)
- (h) by omitting sections twenty-six and twenty-seven and by inserting in lieu thereof the following sections :—
- Subst.  
secs. 26, 27,  
new sec. 26A.

26. (1) The accounts of every registered society and branch shall be audited annually or more frequently as may be prescribed by the rules of such society or branch :

Accounts  
and audit.

Provided that where pursuant to paragraph (a) or (b) of the proviso to section 26A of this Act, the financial year of a registered society or branch is extended, the accounts of such society or branch may be audited in respect of such financial year as so extended.

(2) Auditors shall be appointed—

(a) in respect of a registered society—

(i) which has branches, by the central body thereof;

(ii) which has no branches, by the members thereof;

(b) in respect of a branch of a registered society, by the members of such branch or if otherwise provided by the rules of such branch or society in accordance with such rules.

(3)

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*Friendly Societies (Amendment).*

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(3) The audit of the accounts of a branch shall be conducted by two or more auditors: Provided that one auditor may conduct the audit if he is a registered public accountant within the meaning of the Public Accountants Registration Act, 1945, as amended by subsequent Acts, or is a person approved in that behalf by the committee of the society and the Registrar.

(4) An auditor of a registered society or branch shall have a right of access at all times to the books, accounts, vouchers, securities and documents of such society or branch and shall be entitled to require from the officers of such society or branch such information and explanations as he thinks necessary for the performance of the duties of auditor.

(5) An auditor of a registered society or branch shall be entitled to attend any meeting of such society or branch during the time at which the audited accounts of such society or branch are tabled and to receive notice of any such meeting and to be heard at any such meeting which he attends on any part of the business which concerns him as auditor.

(6) The auditor or auditors shall in the case of a registered society with branches report to the central body and in the case of a registered society without branches or of a branch of a registered society to the members thereof on the statements of the income and expenditure in respect of each of the several objects and funds and of the balance-sheet of the registered society or branch and such report shall state—

- (a) whether he has or they have obtained all the information and explanations which to the best of his or their knowledge and belief are necessary for the purposes of the audit;

(b)



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*Friendly Societies (Amendment).*

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- (b) whether in his or their opinion proper books of account have been kept by the registered society or branch;
- (c) whether the statements of income and expenditure and the balance-sheet of the registered society or branch dealt with by the report are in agreement with the books of account and returns;
- (d) whether in his or their opinion and to the best of his or their information and according to the explanations given to him or them the accounts give a true and fair view of the financial affairs of the registered society or branch;
- (e) whether, in his or their opinion, the provisions of this Act and of the rules of the registered society or branch relating to the funds of the registered society or branch have been observed.

(7) A copy of the statements of income and expenditure, balance-sheet and auditor's report shall, in the case of a registered society with branches, be transmitted to the members of the central body thereof, and in the case of a registered society without branches or a branch of a registered society, be presented to the annual meeting of the registered society or branch.

26A. The financial year of a registered society or branch shall end on such day in each calendar year as is provided for by the rules of such society or branch : <sup>Financial</sup> year.

Provided that—

- (a) the first financial year of a registered society or branch may extend from the date of its registration to such date not later than eighteen months from the date of its registration as may be specified in its rules;

(b)

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*Friendly Societies (Amendment).*

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- (b) where the rules of a registered society or branch are amended to alter its financial year, the amendment may provide that the financial year current at the date of amendment shall be extended for such period not exceeding six months as may be specified in its rules or that the financial year next following the financial year that is so current shall be for such period exceeding twelve months but not exceeding eighteen months as may be specified in its rules.

Annual  
returns.

27. (1) The secretary of every registered society or branch shall within three months of the termination of its financial year or within such further time as the Registrar may allow, send to the Registrar an annual return in respect of such society or branch.

(2) The annual return shall—

- (a) contain statements of income and expenditure in respect of each of the several objects and funds for such year and a balance-sheet as at the close of such year ;
- (b) be signed by the auditor or auditors, give the address and calling or profession of every such auditor, and where there is only one auditor of a branch, state whether such auditor is a registered public accountant within the meaning of the Public Accountants Registration Act, 1945, as amended by subsequent Acts, or has been approved by the committee of the society and the Registrar ;
- (c) include a copy of the report of the auditor or auditors ;

(d)

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*Friendly Societies (Amendment).*

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(d) include such information in respect of the benefits provided by such society or branch as may be prescribed by regulations made under this Act.

(3) Notwithstanding the provisions of this section a registered society with branches may with the approval of the Registrar submit an annual return on behalf of its branches which does not comply with the provisions of subsection two of this section but which is certified in such manner and is in such form as the Registrar requires.

(i) by omitting from section twenty-nine the words "any special" and by inserting in lieu thereof the word "the";

Sec. 29.  
(Copies to be kept for inspection.)

(j) (i) by omitting from subparagraph (i) of paragraph (b) of subsection (2A) of section thirty-eight the letter and symbols "(e)" and by inserting in lieu thereof the letter and symbols "(d)";

Sec. 38.  
(Moneys received or paid to be entered in a separate account.)

(ii) by omitting from the same subsection the words—

"In this subsection—

'Prescribed percentage', with respect to any year, means such percentage as may be prescribed with respect to that year by regulations made under this Act, or, where a percentage is not so prescribed, four per centum.

'Year' means year ending on the thirtieth day of June."

(iii)

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*Friendly Societies (Amendment).*

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(iii) by inserting at the end of the same section the following new subsection :—

(4) In this section—

“Prescribed percentage”, with respect to any year, means such percentage as may be prescribed by regulations made under this Act with respect to that year, or, where a percentage is not so prescribed, four per centum.

“Year” means financial year of the society.

Subst.  
sec. 45.

(k) by omitting section forty-five and by inserting in lieu thereof the following section :—

Security  
by officers.

45. (1) Every officer or person appointed by a registered society or branch having receipt or charge of any money of such society or branch shall give security as prescribed by regulations made under this Act for rendering a just and true account of all money received and paid by him for such society or branch, and for payment of all money due from him to such society or branch.

(2) The Registrar may in the case of any society or branch registered as such at the commencement of the Friendly Societies (Amendment) Act, 1963, and where he considers other adequate safeguards exist, exempt in writing any officer or person referred to in subsection one of this section from the provisions of this section.

Any such exemption shall be subject to such conditions as the Registrar may think proper and the Registrar may revoke such exemption upon breach of any such condition or for any other reason the Registrar deems fit.

Sec. 46.  
(Accounts  
of officers.)

(l) by omitting from subsection two of section forty-six the words “bond or”;

(m)

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*Friendly Societies (Amendment).*

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- (m) by omitting from subsection one of section forty-nine the words "one hundred pounds" and by inserting in lieu thereof the words "five hundred pounds"; Sec. 49.  
(Power of member to dispose of sums payable on his death by nomination.)
- (n) by omitting from subsection one of section fifty the words "one hundred pounds" and by inserting in lieu thereof the words "five hundred pounds"; Sec. 50.  
(Proceedings on death of a nominator.)
- (o) by omitting from subsection one of section fifty-one the words "one hundred pounds" and by inserting in lieu thereof the words "five hundred pounds"; Sec. 51.  
(Intestacy.)
- (p) by omitting paragraph (b) of subsection three of section sixty and by inserting in lieu thereof the following paragraph : — Sec. 60.  
(Amalgamation.)
- (b) confirmed by a special resolution of the members of each society or branch or in the case of a society with branches by a special resolution of the central body; and;
- (q) by inserting at the end of section seventy-four the following new subsection : — Sec. 74.  
(Reference of dispute to Registrar in cases of delay.)
- (2) The provisions of subsection three of section seventy-three of this Act shall extend to and in respect of a dispute referred to the Registrar in accordance with subsection one of this section.
- (r) (i) by inserting in subsection one of section eighty-one after the word "Act" the words "and 'year' shall as on and from the commencement of the Friendly Societies (Amendment) Act, 1963, mean the financial year of the society"; Sec. 81.  
(Subvention after 30th June, 1932.)

(ii)

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*Friendly Societies (Amendment).*

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- (ii) by omitting subsection two of the same section and by inserting in lieu thereof the following subsection :—

(2) There shall be paid to each applicant society at such time during each quarter of its financial year as the Registrar may determine such sum not exceeding twenty-five per centum as the Minister may from time to time determine, of the amount which the Minister estimates to be the amount to which the society will be entitled under this section for such financial year in respect of the total contributions chargeable under its rules for medical attendance and medicine and reimbursement for medical attendance and medicine. Such sum shall be by way of an advance and such sum and any sum paid as an advance pursuant to the subsection which this subsection replaces may be deducted from the next or any subsequent payment due to the society under this section.

- (iii) by omitting from paragraph (a) of subsection (2A) of the same section the words "the first day of July next" and by inserting in lieu thereof the words "the commencement of the next year";
- (iv) by inserting in subsection three of the same section after the words "Provided that" the words " , except with the approval of the Minister,";

Subst.  
sec. 108.

Meaning of  
special  
resolution.

- (s) by omitting section one hundred and eight and by inserting in lieu thereof the following section :—

108. (1) For the purposes of this Act a special resolution shall mean a resolution which is passed by a majority of not less than two-thirds of such members of a registered society or branch as, being entitled so to do, vote in person or, where proxies are allowed, by proxy, at any meeting of such society or branch of which notice specifying the intention

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*Friendly Societies (Amendment).*

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intention to propose the resolution as a special resolution has been duly given according to the rules of such society or branch.

(2) At any meeting referred to in subsection one of this section, unless a poll is demanded, a declaration by the chairman that the resolution has been carried shall be conclusive evidence of the fact.

- (t) by inserting next after section one hundred and nine the following new section :—

New sec.  
109A.

109A. A certificate of registration of any special resolution or of any amendment of the rules of a registered society or branch given by the Registrar shall, in favour of any person advancing money to such society or branch on the faith of such certificate, or in favour of any guarantor of any such advance, be conclusive evidence that such resolution was duly passed or such amendment of the rules was duly made.

Certificate  
of regis-  
tration  
evidence  
in certain  
cases.

- (u) by omitting from subsection three of section one hundred and seventeen the words “, and a bond to be given by an officer in receipt or charge of money shall be in one of the forms set forth in the said Part”;

Sec. 117.  
(Forms for  
acknowledg-  
ment of  
registry  
rules, etc.)

- (v) by omitting from Part II of Schedule Three the matter relating to “*Form of bond*”.

Schedule  
Three.

(2) The amendment made by paragraph (k) of subsection one of this section shall commence upon a day to be appointed by the Governor and notified by proclamation published in the Gazette.

(3) Any registered society or branch so registered immediately before the commencement of this Act, may, notwithstanding the amendment made by paragraph (h) of subsection one of this section, submit its accounts for its  
financial

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*Friendly Societies (Amendment).*

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financial year ending next after such commencement for audit and report in accordance with the provisions of section twenty-six of the Friendly Societies Act, 1912-1958.

**Savings.**

**3.** The amendments made by this Act shall not affect the registration of any society or branch registered under the Friendly Societies Act, 1912-1958, in force immediately before the commencement of this Act or affect the validity of the rules of any such society or branch as shall be in force immediately before such commencement and any such society or branch shall, subject to the provisions of the Friendly Societies Act, 1912, as amended by subsequent Acts including this Act, continue to be registered under such Act, as so amended, and any such rules shall, subject to the provisions of the Friendly Societies Act, 1912, as amended by subsequent Acts including this Act, continue in force, but may be amended, repealed or varied.

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

E. W. WOODWARD,  
*Governor.*

*Government House,  
Sydney, 19th December, 1963.*



*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,*

## New South Wales



ANNO DUODECIMO

## ELIZABETHÆ II REGINÆ

\*\*\*\*\*

Act No. , 1963.

An Act to make further provisions with respect to the registration of, the keeping of accounts by, and other matters associated with, friendly societies or branches; to amend the Friendly Societies Act, 1912, as amended by subsequent Acts; and for purposes connected therewith.

**B**E 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 "Friendly Societies (Amendment) Act, 1963". Short title and citation.

*Friendly Societies (Amendment).*

(2) The Friendly Societies Act, 1912, as amended by subsequent Acts and by this Act, may be cited as the Friendly Societies Act, 1912-1963.

2. (1) The Friendly Societies Act, 1912, as amended by 5 subsequent Acts, is amended— Amendment of Act No. 46, 1912.

(a) by omitting from the matter relating to Part X in section one the figures “, 109” and by inserting in lieu thereof the figures “-109A”; Sec. 1. (Short title.)

10 (b) by omitting section ten and by inserting in lieu thereof the following section :— Subst. sec. 10.

15 10. (1) All the following friendly societies and all branches thereof shall be registered under this Act, namely, societies established for the purpose of providing by subscriptions of the members thereof, with or without the aid of donations, for— Compulsory registration of certain societies.

20 (a) the relief or maintenance of the members, their husbands, wives or dependants during sickness or other infirmity, whether bodily or mental, in old age (which shall mean any age after fifty), or in widowhood, or the relief or maintenance of their orphaned children during minority; or

25 (b) medical attendance and medical comforts for, and the dispensing of medicines, and the sale or supply of medicines and of surgical and medical appliances, requisites, and comforts to the members, their husbands, wives, or dependants, and to 30 the widows and widowed mothers of deceased members, or reimbursing in whole or in part to members or widows or widowed mothers of deceased members payments made by them for any such purposes; or 35

(c)

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*Friendly Societies (Amendment).*

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- 5 (c) insuring money to be paid on the birth of a member's child, or on the death of a member, or for the funeral expenses of the husband, wife, or child of a member, or of the widow of a deceased member, or, as respects persons of the Jewish persuasion, for the payment of a sum of money during the period of confined mourning; or
- 10 (d) the endowment of members or nominees of members at any age; or
- 15 (e) payments to hospitals towards accommodation and maintenance in hospitals of members, their husbands, wives or dependants, or of the widow or widowed mother of a deceased member, or reimbursing to members or to widows or widowed mothers of deceased members, payments so made by them; or
- 20 (f) payments to legally qualified medical practitioners or hospitals towards surgical, therapeutic or other medical treatment by legally qualified medical practitioners in hospitals of members,
- 25 their husbands, wives or dependants, or of the widow or widowed mother of a deceased member, or reimbursing to members or widows or widowed mothers of deceased members, payments so made
- 30 by them.
- (2) (a) A society established for any one or more of the purposes enumerated in subsection one of this section may by its rules make provision for any one or more of the additional benefits enumerated in paragraph (b) of this subsection.
- 35 (b) The additional benefits referred to in paragraph (a) of this subsection shall be—
- (i) the relief or maintenance of the members when unemployed or when in distressed
- 40 circumstances; or (ii)

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*Friendly Societies (Amendment).*

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- (ii) the insurance against fire to any amount not exceeding fifty pounds of the tools or implements of the trade or calling of the members; or
- 5 (iii) on behalf of members, their husbands, wives or dependants, or the widows or widowed mothers of deceased members—
  - 10 (a) the establishment, management and maintenance of homes, refuges or other institutions for their accommodation, relief or care, and the joining or co-operating with any other friendly society in such undertakings;
  - 15 (b) the establishment, management and maintenance of holiday accommodation and facilities in connection therewith primarily for their use and the joining or co-operating with any other friendly society in such undertakings;
  - 20 (c) the provision of benefits to cover dental, optical and physiotherapy treatment, appliances, requisites and comforts or the reimbursement in whole or in part of payments made for any such benefit;
  - 25 (d) the provision of such other benefits as may be prescribed by regulations made under this Act.
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*Friendly Societies (Amendment).*

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(3) A society established for—

5 (a) the purpose of providing any one or more of the additional benefits referred to in paragraph (b) of subsection two of this section either alone or in conjunction with any other benefit which is not a benefit enumerated in subsection one of this section; or

10 (b) the purpose of providing any one or more of the benefits enumerated in subsection one of this section in conjunction with any other benefit which is not enumerated in paragraph (b) of subsection two of this section; or

15 (c) the purpose of providing any benefit not enumerated in subsection one or paragraph (b) of subsection two of this section,

20 shall not be required or authorised to be registered under this section.

25 (4) Any person who takes on behalf of any society or branch, which is required by this Act to be registered and is not so registered, any money or valuable thing in consideration of the allotment of any shares or interest in that society or branch shall be liable to a penalty not exceeding fifty pounds.

(5) This section shall not extend to—

30 (a) a society registered under the Companies Act, 1961, or any Act amending or replacing that Act;

35 (b) a society, company, association, or union formed in pursuance of some other Act, or incorporated by a Royal Charter or Letters Patent;

(c)

*Friendly Societies (Amendment).*

- 5 (c) dividing or levy societies—that is to say, societies formed for any of the purposes mentioned in subsection one of this section, and closing their funds, discharging their liabilities, and dividing their assets (if any) annually; or
- (d) any society the registration of which is elsewhere in this Act authorised.
- 10 (6) For the purpose of this section the expression “dependant” means a child, father, mother, brother, sister, nephew, niece or ward and such other class of persons as may be specified in the rules of the society and approved by the Registrar.
- 15 (c) (i) by omitting from subsection one of section Sec. 11. eleven the figures “1936” and by inserting in (Registration of certain authorised societies.) lieu thereof the figures “1963”;
- (ii) by omitting subsections two and three of the same section;
- 20 (d) by inserting next after section eleven the following New sec. 11A.  
new section :—
- 11A. The rules of a registered society or branch Binding effect of rules.  
shall bind such society or branch and all members thereof and all persons claiming through them respectively to the same extent as if each member had subscribed his name and affixed his seal thereto, and there were contained in the rules a covenant on the part of each member and his legal personal representatives to observe all the provisions of the rules, subject to the provisions of this Act.
- 25
- 30 (e) by omitting from section twelve the figures “1936” Sec. 12. and by inserting in lieu thereof the figures “1963”;
- (f) (Change in registry of co-operative trading and industrial societies.)

*Friendly Societies (Amendment).*

(f) by omitting from subsection one of section nineteen the letter and symbols “(e)” and by inserting in lieu thereof the letter and symbols “(d)”;

Sec. 19.  
(Tables of contributions.)

(g) by omitting section 25A;

Sec. 25A.  
(Cancellation of registry if no certified tables of contributions embodied in rules.)

5 (h) by omitting sections twenty-six and twenty-seven and by inserting in lieu thereof the following sections : —

Subst.  
secs. 26, 27,  
new sec. 26A.

10 26. (1) The accounts of every registered society and branch shall be audited annually or more frequently as may be prescribed by the rules of such society or branch :

Accounts  
and audit.

15 Provided that where pursuant to paragraph (a) or (b) of the proviso to section 26A of this Act, the financial year of a registered society or branch is extended, the accounts of such society or branch may be audited in respect of such financial year as so extended.

(2) Auditors shall be appointed—

(a) in respect of a registered society—

20 (i) which has branches, by the central body thereof;

(ii) which has no branches, by the members thereof;

25 (b) in respect of a branch of a registered society, by the members of such branch or if otherwise provided by the rules of such branch or society in accordance with such rules.

(3)

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*Friendly Societies (Amendment).*

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5 (3) The audit of the accounts of a branch shall be conducted by two or more auditors : Provided that one auditor may conduct the audit if he is a registered public accountant within the meaning of the Public Accountants Registration Act, 1945, as amended by subsequent Acts, or is a person approved in that behalf by the committee of the society and the Registrar.

10 (4) An auditor of a registered society or branch shall have a right of access at all times to the books, accounts, vouchers, securities and documents of such society or branch and shall be entitled to require from the officers of such society or branch such information and explanations as he thinks  
15 necessary for the performance of the duties of auditor.

20 (5) An auditor of a registered society or branch shall be entitled to attend any meeting of such society or branch during the time at which the audited accounts of such society or branch are tabled and to receive notice of any such meeting and to be heard at any such meeting which he attends on any part of the business which concerns him as auditor.

25 (6) The auditor or auditors shall in the case of a registered society with branches report to the central body and in the case of a registered society without branches or of a branch of a registered  
30 society to the members thereof on the statements of the income and expenditure in respect of each of the several objects and funds and of the balance-sheet of the registered society or branch and such report shall state—

35 (a) whether he has or they have obtained all the information and explanations which to the best of his or their knowledge and belief are necessary for the purposes of the audit;

(b)



*Friendly Societies (Amendment).*

- 5 (b) whether in his or their opinion proper books of account have been kept by the registered society or branch;
- (c) whether the statements of income and expenditure and the balance-sheet of the registered society or branch dealt with by the report are in agreement with the books of account and returns;
- 10 (d) whether in his or their opinion and to the best of his or their information and according to the explanations given to him or them the accounts give a true and fair view of the financial affairs of the registered society or branch;
- 15 (e) whether, in his or their opinion, the provisions of this Act and of the rules of the registered society or branch relating to the funds of the registered society or branch have been observed.

20 (7) A copy of the statements of income and expenditure, balance-sheet and auditor's report shall, in the case of a registered society with branches, be transmitted to the members of the central body thereof, and in the case of a registered

25 society without branches or a branch of a registered society, be presented to the annual meeting of the registered society or branch.

30 26A. The financial year of a registered society or branch shall end on such day in each calendar year <sup>Financial</sup> as is provided for by the rules of such society or branch :

Provided that—

- 35 (a) the first financial year of a registered society or branch may extend from the date of its registration to such date not later than eighteen months from the date of its registration as may be specified in its rules;

(b)

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*Friendly Societies (Amendment).*

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5 (b) where the rules of a registered society or  
branch are amended to alter its financial  
year, the amendment may provide that  
10 the financial year current at the date of  
amendment shall be extended for such  
period not exceeding six months as may  
be specified in its rules or that the  
financial year next following the financial  
year that is so current shall be for such  
15 period exceeding twelve months but not  
exceeding eighteen months as may be  
specified in its rules.

27. (1) The secretary of every registered society <sup>Annual</sup> or branch shall within three months of the termina- <sup>returns.</sup> tion of its financial year or within such further time as the Registrar may allow, send to the Registrar an annual return in respect of such society or branch.

(2) The annual return shall—

20 (a) contain statements of income and expenditure in respect of each of the several objects and funds for such year and a balance-sheet as at the close of such year;

25 (b) be signed by the auditor or auditors, give the address and calling or profession of every such auditor, and where there is only one auditor of a branch, state whether such auditor is a registered public accountant within the meaning of the Public Accountants Registration Act, 1945, as amended by subsequent Acts, or has been approved by the committee of the society and the Registrar;

30 (c) include a copy of the report of the auditor or auditors;

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(d)

*Friendly Societies (Amendment).*

(d) include such information in respect of the benefits provided by such society or branch as may be prescribed by regulations made under this Act.

5 (3) Notwithstanding the provisions of this section a registered society with branches may with the approval of the Registrar submit an annual return on behalf of its branches which does not  
10 comply with the provisions of subsection two of this section but which is certified in such manner and is in such form as the Registrar requires.

(i) by omitting from section twenty-nine the words "any special" and by inserting in lieu thereof the word "the"; Sec. 29.  
(Copies to be kept for inspection.)

15 (j) (i) by omitting from subparagraph (i) of paragraph (b) of subsection (2A) of section thirty-eight the letter and symbols "(e)" and by inserting in lieu thereof the letter and symbols "(d)"; Sec. 38.  
(Moneys received or paid to be entered in a separate account.)

20 (ii) by omitting from the same subsection the words—

"In this subsection—

25 'Prescribed percentage', with respect to any year, means such percentage as may be prescribed with respect to that year by regulations made under this Act, or, where a percentage is not so prescribed, four per centum.

30 'Year' means year ending on the thirtieth day of June."

(iii)



*Friendly Societies (Amendment).*

- (m) by omitting from subsection one of section forty-nine the words "one hundred pounds" and by inserting in lieu thereof the words "five hundred pounds";
- 5 (n) by omitting from subsection one of section fifty the words "one hundred pounds" and by inserting in lieu thereof the words "five hundred pounds";
- 10 (o) by omitting from subsection one of section fifty-one the words "one hundred pounds" and by inserting in lieu thereof the words "five hundred pounds";
- (p) by omitting paragraph (b) of subsection three of section sixty and by inserting in lieu thereof the following paragraph :—
- 15 (b) confirmed by a special resolution of the members of each society or branch or in the case of a society with branches by a special resolution of the central body; and;
- 20 (q) by inserting at the end of section seventy-four the following new subsection :—
- (2) The provisions of subsection three of section seventy-three of this Act shall extend to and in respect of a dispute referred to the Registrar in accordance with subsection one of this section.
- 25 (r) (i) by inserting in subsection one of section eighty-one after the word "Act" the words "and 'year' shall as on and from the commencement of the Friendly Societies (Amendment) Act, 1963, mean the financial year of the society";
- 30

Sec. 49.  
(Power of member to dispose of sums payable on his death by nomination.)

Sec. 50.  
(Proceedings on death of a nominator.)

Sec. 51.  
(Intestacy.)

Sec. 60.  
(Amalgamation.)

Sec. 74.  
(Reference of dispute to Registrar in cases of delay.)

Sec. 81.  
(Subvention after 30th June, 1932.)

(ii)

*Friendly Societies (Amendment).*

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

5 (2) There shall be paid to each applicant society at such time during each quarter of its financial year as the Registrar may determine such sum not exceeding twenty-five per centum as the Minister may from time to time determine, of the amount which the Minister  
10 estimates to be the amount to which the society will be entitled under this section for such financial year in respect of the total contributions chargeable under its rules for medical attendance and medicine and  
15 reimbursement for medical attendance and medicine. Such sum shall be by way of an advance and such sum and any sum paid as an advance pursuant to the subsection which this subsection replaces may be deducted  
20 from the next or any subsequent payment due to the society under this section.

(iii) by omitting from paragraph (a) of subsection (2A) of the same section the words "the first day of July next" and by inserting in lieu thereof the words "the commencement of the  
25 next year";

(iv) by inserting in subsection three of the same section after the words "Provided that" the words ", except with the approval of the  
30 Minister,";

(s) by omitting section one hundred and eight and by inserting in lieu thereof the following section :— Subst. sec. 108.

35 108. (1) For the purposes of this Act a special resolution shall mean a resolution which is passed by a majority of not less than two-thirds of such members of a registered society or branch as, being entitled so to do, vote in person or, where proxies are allowed, by proxy, at any meeting of such society or branch of which notice specifying the  
intention

Meaning of special resolution.

*Friendly Societies (Amendment).*

intention to propose the resolution as a special resolution has been duly given according to the rules of such society or branch.

5 (2) At any meeting referred to in subsection one of this section, unless a poll is demanded, a declaration by the chairman that the resolution has been carried shall be conclusive evidence of the fact.

10 (t) by inserting next after section one hundred and nine the following new section : — New sec. 109A.

15 109A. A certificate of registration of any special resolution or of any amendment of the rules of a registered society or branch given by the Registrar shall, in favour of any person advancing money to such society or branch on the faith of such certificate, or in favour of any guarantor of any such advance, be conclusive evidence that such resolution was duly passed or such amendment of the rules was duly made. Certificate of registration evidence in certain cases.

20 (u) by omitting from subsection three of section one hundred and seventeen the words “, and a bond to be given by an officer in receipt or charge of money shall be in one of the forms set forth in the said Part” ; Sec. 117. (Forms for acknowledgment of registry rules, etc.)

25 (v) by omitting from Part II of Schedule Three the matter relating to “*Form of bond*”. Schedule Three.

30 (2) The amendment made by paragraph (k) of subsection one of this section shall commence upon a day to be appointed by the Governor and notified by proclamation published in the Gazette.

(3) Any registered society or branch so registered immediately before the commencement of this Act, may, notwithstanding the amendment made by paragraph (h) of subsection one of this section, submit its accounts for its financial

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*Friendly Societies (Amendment).*

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financial year ending next after such commencement for audit and report in accordance with the provisions of section twenty-six of the Friendly Societies Act, 1912-1958.

3. The amendments made by this Act shall not affect the Savings.  
5 registration of any society or branch registered under the Friendly Societies Act, 1912-1958, in force immediately before the commencement of this Act or affect the validity of the rules of any such society or branch as shall be in force immediately before such commencement and any such  
10 society or branch shall, subject to the provisions of the Friendly Societies Act, 1912, as amended by subsequent Acts including this Act, continue to be registered under such Act, as so amended, and any such rules shall, subject to the provisions of the Friendly Societies Act, 1912, as amended by  
15 subsequent Acts including this Act, continue in force, but may be amended, repealed or varied.

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BY AUTHORITY:

V. C. N. BLIGHT, GOVERNMENT PRINTER, SYDNEY, NEW SOUTH WALES—1963  
[1s. 4d.]



No. , 1963.

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## A BILL

To make further provisions with respect to the registration of, the keeping of accounts by, and other matters associated with, friendly societies or branches; to amend the Friendly Societies Act, 1912, as amended by subsequent Acts; and for purposes connected therewith.

[MR. LANDA;—20 November, 1963.]

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**B**E 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 "Friendly Societies (Amendment) Act, 1963". Short title and citation.

*Friendly Societies (Amendment).*

(2) The Friendly Societies Act, 1912, as amended by subsequent Acts and by this Act, may be cited as the Friendly Societies Act, 1912-1963.

2. (1) The Friendly Societies Act, 1912, as amended by 5 subsequent Acts, is amended— Amendment of Act No. 46, 1912.

(a) by omitting from the matter relating to Part X in section one the figures “, 109” and by inserting in lieu thereof the figures “-109A”; Sec. 1. (Short title.)

10 (b) by omitting section ten and by inserting in lieu thereof the following section :— Subst. sec. 10.

15 10. (1) All the following friendly societies and all branches thereof shall be registered under this Act, namely, societies established for the purpose of providing by subscriptions of the members thereof, with or without the aid of donations, for— Compulsory registration of certain societies.

20 (a) the relief or maintenance of the members, their husbands, wives or dependants during sickness or other infirmity, whether bodily or mental, in old age (which shall mean any age after fifty), or in widowhood, or the relief or maintenance of their orphaned children during minority; or

25 (b) medical attendance and medical comforts for, and the dispensing of medicines, and the sale or supply of medicines and of surgical and medical appliances, requisites, and comforts to the members, their husbands, wives, or dependants, and to the widows and widowed mothers of deceased members, or reimbursing in whole or in part to members or widows or widowed mothers of deceased members payments made by them for any such purposes; or

(c)

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*Friendly Societies (Amendment).*

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- 5 (c) insuring money to be paid on the birth of a member's child, or on the death of a member, or for the funeral expenses of the husband, wife, or child of a member, or of the widow of a deceased member, or, as respects persons of the Jewish persuasion, for the payment of a sum of money during the period of confined mourning; or
- 10 (d) the endowment of members or nominees of members at any age; or
- 15 (e) payments to hospitals towards accommodation and maintenance in hospitals of members, their husbands, wives or dependants, or of the widow or widowed mother of a deceased member, or reimbursing to members or to widows or widowed mothers of deceased members, payments so made by them; or
- 20 (f) payments to legally qualified medical practitioners or hospitals towards surgical, therapeutic or other medical treatment by legally qualified medical practitioners in hospitals of members, their husbands, wives or dependants, or
- 25 of the widow or widowed mother of a deceased member, or reimbursing to members or widows or widowed mothers of deceased members, payments so made
- 30 by them.

35 (2) (a) A society established for any one or more of the purposes enumerated in subsection one of this section may by its rules make provision for any one or more of the additional benefits enumerated in paragraph (b) of this subsection.

(b) The additional benefits referred to in paragraph (a) of this subsection shall be—

- 40 (i) the relief or maintenance of the members when unemployed or when in distressed circumstances; or (ii)

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*Friendly Societies (Amendment).*

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- (ii) the insurance against fire to any amount not exceeding fifty pounds of the tools or implements of the trade or calling of the members; or
- 5 (iii) on behalf of members, their husbands, wives or dependants, or the widows or widowed mothers of deceased members—
  - 10 (a) the establishment, management and maintenance of homes, refuges or other institutions for their accommodation, relief or care, and the joining or co-operating with any other friendly
  - 15 society in such undertakings;
  - (b) the establishment, management and maintenance of holiday accommodation and facilities in connection therewith primarily
  - 20 for their use and the joining or co-operating with any other friendly society in such undertakings;
  - (c) the provision of benefits to cover
  - 25 dental, optical and physiotherapy treatment, appliances, requisites and comforts or the reimbursement in whole or in part of payments made for any such
  - 30 benefit;
  - (d) the provision of such other benefits as may be prescribed by regulations made under this Act.

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*Friendly Societies (Amendment).*

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(3) A society established for—

- 5 (a) the purpose of providing any one or more of the additional benefits referred to in paragraph (b) of subsection two of this section either alone or in conjunction with any other benefit which is not a benefit enumerated in subsection one of this section; or
- 10 (b) the purpose of providing any one or more of the benefits enumerated in subsection one of this section in conjunction with any other benefit which is not enumerated in paragraph (b) of subsection two of this section; or
- 15 (c) the purpose of providing any benefit not enumerated in subsection one or paragraph (b) of subsection two of this section,

20 shall not be required or authorised to be registered under this section.

(4) Any person who takes on behalf of any society or branch, which is required by this Act to be registered and is not so registered, any money or valuable thing in consideration of the allotment of any shares or interest in that society or branch shall be liable to a penalty not exceeding fifty pounds.

(5) This section shall not extend to—

- 30 (a) a society registered under the Companies Act, 1961, or any Act amending or replacing that Act;
- (b) a society, company, association, or union formed in pursuance of some other Act, or incorporated by a Royal Charter or Letters Patent;

(c)

*Friendly Societies (Amendment).*

- 5 (c) dividing or levy societies—that is to say, societies formed for any of the purposes mentioned in subsection one of this section, and closing their funds, discharging their liabilities, and dividing their assets (if any) annually; or
- (d) any society the registration of which is elsewhere in this Act authorised.
- 10 (6) For the purpose of this section the expression “dependant” means a child, father, mother, brother, sister, nephew, niece or ward and such other class of persons as may be specified in the rules of the society and approved by the Registrar.
- 15 (c) (i) by omitting from subsection one of section Sec. 11. eleven the figures “1936” and by inserting in (Registra- tion of certain authorised societies.) lieu thereof the figures “1963”;
- (ii) by omitting subsections two and three of the same section;
- 20 (d) by inserting next after section eleven the following New sec. 11A. —
- 25 11A. The rules of a registered society or branch shall bind such society or branch and all members thereof and all persons claiming through them respectively to the same extent as if each member had subscribed his name and affixed his seal thereto, and there were contained in the rules a covenant on the part of each member and his legal personal representatives to observe all the provisions of the rules, subject to the provisions of this Act. Binding effect of rules.
- 30 (e) by omitting from section twelve the figures “1936” and by inserting in lieu thereof the figures “1963”; Sec. 12. (Change in registry of co-operative trading and industrial societies.)
- (f)

*Friendly Societies (Amendment).*

(f) by omitting from subsection one of section nineteen the letter and symbols “(e)” and by inserting in lieu thereof the letter and symbols “(d)”;

Sec. 19.  
(Tables of contributions.)

(g) by omitting section 25A;

Sec. 25A.  
(Cancellation of registry if no certified tables of contributions embodied in rules.)

5 (h) by omitting sections twenty-six and twenty-seven and by inserting in lieu thereof the following sections : —

Subst.  
secs. 26, 27,  
new sec. 26A.

10 26. (1) The accounts of every registered society and branch shall be audited annually or more frequently as may be prescribed by the rules of such society or branch :

Accounts and audit.

15 Provided that where pursuant to paragraph (a) or (b) of the proviso to section 26A of this Act, the financial year of a registered society or branch is extended, the accounts of such society or branch may be audited in respect of such financial year as so extended.

(2) Auditors shall be appointed—

(a) in respect of a registered society—

20 (i) which has branches, by the central body thereof;

(ii) which has no branches, by the members thereof;

25 (b) in respect of a branch of a registered society, by the members of such branch or if otherwise provided by the rules of such branch or society in accordance with such rules.

(3)

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*Friendly Societies (Amendment).*

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5 (3) The audit of the accounts of a branch shall be conducted by two or more auditors : Provided that one auditor may conduct the audit if he is a registered public accountant within the meaning of the Public Accountants Registration Act, 1945, as amended by subsequent Acts, or is a person approved in that behalf by the committee of the society and the Registrar.

10 (4) An auditor of a registered society or branch shall have a right of access at all times to the books, accounts, vouchers, securities and documents of such society or branch and shall be entitled to require from the officers of such society or branch such information and explanations as he thinks necessary for the performance of the duties of auditor.

15 (5) An auditor of a registered society or branch shall be entitled to attend any meeting of such society or branch during the time at which the audited accounts of such society or branch are tabled and to receive notice of any such meeting and to be heard at any such meeting which he attends on any part of the business which concerns him as auditor.

20 (6) The auditor or auditors shall in the case of a registered society with branches report to the central body and in the case of a registered society without branches or of a branch of a registered society to the members thereof on the statements of the income and expenditure in respect of each of the several objects and funds and of the balance-sheet of the registered society or branch and such report shall state—

25 (a) whether he has or they have obtained all the information and explanations which to the best of his or their knowledge and belief are necessary for the purposes of the audit;

(b)



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*Friendly Societies (Amendment).*

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- 5 (b) whether in his or their opinion proper books of account have been kept by the registered society or branch;
- (c) whether the statements of income and expenditure and the balance-sheet of the registered society or branch dealt with by the report are in agreement with the books of account and returns;
- 10 (d) whether in his or their opinion and to the best of his or their information and according to the explanations given to him or them the accounts give a true and fair view of the financial affairs of the registered society or branch;
- 15 (e) whether, in his or their opinion, the provisions of this Act and of the rules of the registered society or branch relating to the funds of the registered society or branch have been observed.

20 (7) A copy of the statements of income and expenditure, balance-sheet and auditor's report shall, in the case of a registered society with branches, be transmitted to the members of the central body thereof, and in the case of a registered society without branches or a branch of a registered society, be presented to the annual meeting of the registered society or branch.

25

30 26A. The financial year of a registered society or branch shall end on such day in each calendar year as is provided for by the rules of such society or branch : <sup>Financial year.</sup>

Provided that—

- 35 (a) the first financial year of a registered society or branch may extend from the date of its registration to such date not later than eighteen months from the date of its registration as may be specified in its rules;

(b)

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*Friendly Societies (Amendment).*

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5 (b) where the rules of a registered society or  
branch are amended to alter its financial  
year, the amendment may provide that  
the financial year current at the date of  
amendment shall be extended for such  
10 period not exceeding six months as may  
be specified in its rules or that the  
financial year next following the financial  
year that is so current shall be for such  
period exceeding twelve months but not  
exceeding eighteen months as may be  
specified in its rules.

15 27. (1) The secretary of every registered society <sup>Annual</sup> or branch shall within three months of the termina-<sub>returns.</sub> tion of its financial year or within such further time as the Registrar may allow, send to the Registrar an annual return in respect of such society or branch.

(2) The annual return shall—

- 20 (a) contain statements of income and expenditure in respect of each of the several objects and funds for such year and a balance-sheet as at the close of such year;
- 25 (b) be signed by the auditor or auditors, give the address and calling or profession of every such auditor, and where there is only one auditor of a branch, state whether such auditor is a registered public accountant within the meaning of the
- 30 Public Accountants Registration Act, 1945, as amended by subsequent Acts, or has been approved by the committee of the society and the Registrar;
- 35 (c) include a copy of the report of the auditor or auditors;

(d)

*Friendly Societies (Amendment).*

(d) include such information in respect of the benefits provided by such society or branch as may be prescribed by regulations made under this Act.

5 (3) Notwithstanding the provisions of this section a registered society with branches may with the approval of the Registrar submit an annual return on behalf of its branches which does not  
10 comply with the provisions of subsection two of this section but which is certified in such manner and is in such form as the Registrar requires.

(i) by omitting from section twenty-nine the words "any special" and by inserting in lieu thereof the word "the"; Sec. 29. (Copies to be kept for inspection.)

15 (j) (i) by omitting from subparagraph (i) of paragraph (b) of subsection (2A) of section thirty-eight the letter and symbols "(e)" and by inserting in lieu thereof the letter and symbols "(d)"; Sec. 38. (Moneys received or paid to be entered in a separate account.)

20 (ii) by omitting from the same subsection the words—

"In this subsection—

25 'Prescribed percentage', with respect to any year, means such percentage as may be prescribed with respect to that year by regulations made under this Act, or, where a percentage is not so prescribed, four per centum.  
30

'Year' means year ending on the thirtieth day of June."

(iii)



*Friendly Societies (Amendment).*

- (m) by omitting from subsection one of section forty-nine the words "one hundred pounds" and by inserting in lieu thereof the words "five hundred pounds";
- 5 (n) by omitting from subsection one of section fifty the words "one hundred pounds" and by inserting in lieu thereof the words "five hundred pounds";
- 10 (o) by omitting from subsection one of section fifty-one the words "one hundred pounds" and by inserting in lieu thereof the words "five hundred pounds";
- (p) by omitting paragraph (b) of subsection three of section sixty and by inserting in lieu thereof the following paragraph :—
- 15 (b) confirmed by a special resolution of the members of each society or branch or in the case of a society with branches by a special resolution of the central body; and;
- 20 (q) by inserting at the end of section seventy-four the following new subsection :—
- (2) The provisions of subsection three of section seventy-three of this Act shall extend to and in respect of a dispute referred to the Registrar in accordance with subsection one of this section.
- 25 (r) (i) by inserting in subsection one of section eighty-one after the word "Act" the words "and 'year' shall as on and from the commencement of the Friendly Societies (Amendment) Act, 1963, mean the financial year of the society";
- 30 (ii)

Sec. 49.  
(Power of member to dispose of sums payable on his death by nomination.)

Sec. 50.  
(Proceedings on death of a nominator.)

Sec. 51.  
(Intestacy.)

Sec. 60.  
(Amalgamation.)

Sec. 74.  
(Reference of dispute to Registrar in cases of delay.)

Sec. 81.  
(Subvention after 30th June, 1932.)

*Friendly Societies (Amendment).*

- (ii) by omitting subsection two of the same section and by inserting in lieu thereof the following subsection :—

5 (2) There shall be paid to each applicant society at such time during each quarter of its financial year as the Registrar may determine such sum not exceeding twenty-five per centum as the Minister may from time to time determine, of the amount which the Minister estimates to be the amount to which the society will be entitled under this section for such financial year in respect of the total contributions chargeable under its rules for medical attendance and medicine and reimbursement for medical attendance and medicine. Such sum shall be by way of an advance and such sum and any sum paid as an advance pursuant to the subsection which this subsection replaces may be deducted from the next or any subsequent payment due to the society under this section.

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- (iii) by omitting from paragraph (a) of subsection (2A) of the same section the words "the first day of July next" and by inserting in lieu thereof the words "the commencement of the next year";
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- (iv) by inserting in subsection three of the same section after the words "Provided that" the words " , except with the approval of the Minister,";
- 30

- (s) by omitting section one hundred and eight and by inserting in lieu thereof the following section :— Subst. sec. 108.

35 108. (1) For the purposes of this Act a special resolution shall mean a resolution which is passed by a majority of not less than two-thirds of such members of a registered society or branch as, being entitled so to do, vote in person or, where proxies are allowed, by proxy, at any meeting of such society or branch of which notice specifying the intention

Meaning of special resolution.

*Friendly Societies (Amendment).*

intention to propose the resolution as a special resolution has been duly given according to the rules of such society or branch.

5 (2) At any meeting referred to in subsection one of this section, unless a poll is demanded, a declaration by the chairman that the resolution has been carried shall be conclusive evidence of the fact.

10 (t) by inserting next after section one hundred and nine the following new section : — New sec. 109A.

15 109A. A certificate of registration of any special resolution or of any amendment of the rules of a registered society or branch given by the Registrar shall, in favour of any person advancing money to such society or branch on the faith of such certificate, or in favour of any guarantor of any such advance, be conclusive evidence that such resolution was duly passed or such amendment of the rules was duly made. Certificate of registration evidence in certain cases.

20 (u) by omitting from subsection three of section one hundred and seventeen the words “, and a bond to be given by an officer in receipt or charge of money shall be in one of the forms set forth in the said Part”; Sec. 117. (Forms for acknowledgment of registry rules, etc.)

25 (v) by omitting from Part II of Schedule Three the matter relating to “*Form of bond*”. Schedule Three.

(2) The amendment made by paragraph (k) of subsection one of this section shall commence upon a day to be appointed by the Governor and notified by proclamation published in the Gazette.

(3) Any registered society or branch so registered immediately before the commencement of this Act, may, notwithstanding the amendment made by paragraph (h) of subsection one of this section, submit its accounts for its financial

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*Friendly Societies (Amendment).*

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financial year ending next after such commencement for audit and report in accordance with the provisions of section twenty-six of the Friendly Societies Act, 1912-1958.

3. The amendments made by this Act shall not affect the Savings.  
5 registration of any society or branch registered under the Friendly Societies Act, 1912-1958, in force immediately before the commencement of this Act or affect the validity of the rules of any such society or branch as shall be in force immediately before such commencement and any such  
10 society or branch shall, subject to the provisions of the Friendly Societies Act, 1912, as amended by subsequent Acts including this Act, continue to be registered under such Act, as so amended, and any such rules shall, subject to the provisions of the Friendly Societies Act, 1912, as amended by  
15 subsequent Acts including this Act, continue in force, but may be amended, repealed or varied.

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BY AUTHORITY:

V. C. N. BLIGHT, GOVERNMENT PRINTER, SYDNEY, NEW SOUTH WALES—1963

[1s. 4d.]



PROOF

## FRIENDLY SOCIETIES (AMENDMENT) BILL, 1963.

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### EXPLANATORY NOTE.

THE objects of this Bill are—

- (a) to vary the provisions of the Friendly Societies Act, 1912-1958, relating to the compulsory registration of friendly societies and branches ;
- (b) to make the rules of registered societies and branches binding on all members ;
- (c) to alter the requirements as to the audit of society and branch accounts along the lines of similar provisions relating to co-operative societies ;
- (d) to enable registered societies and branches to make annual returns to the Registrar in respect of a financial year ending other than on 30th June ;
- (e) to vary the requirements as to the security to be provided in respect of officers and persons in receipt of society or branch moneys ;
- (f) to provide that amalgamation of registered societies and branches shall be authorised by special resolution ;
- (g) to authorise the Registrar to administer oaths and to require attendance of witnesses and production of books and documents at the hearing of certain disputes ;
- (h) to provide for subvention payments to be related to the financial year of a society ;
- (i) to enable the Minister to approve increases in subvention payments ;
- (j) to re-define special resolution ;
- (k) to make other minor amendments and provisions incidental and ancillary to the foregoing.

THE [Faint Title]

[Faint text]

[Faint text]

No. , 1963.

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## A BILL

To make further provisions with respect to the registration of, the keeping of accounts by, and other matters associated with, friendly societies or branches; to amend the Friendly Societies Act, 1912, as amended by subsequent Acts; and for purposes connected therewith.

[MR. LANDA ;—20 November, 1963.]

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**B**E 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 :—

5 **1.** (1) This Act may be cited as the "Friendly Societies (Amendment) Act, 1963". Short title and citation.

*Friendly Societies (Amendment).*

(2) The Friendly Societies Act, 1912, as amended by subsequent Acts and by this Act, may be cited as the Friendly Societies Act, 1912-1963.

2. (1) The Friendly Societies Act, 1912, as amended by 5 subsequent Acts, is amended— Amendment of Act No. 46, 1912.

(a) by omitting from the matter relating to Part X in section one the figures “, 109” and by inserting in lieu thereof the figures “-109A”; Sec. 1. (Short title.)

10 (b) by omitting section ten and by inserting in lieu thereof the following section :— Subst. sec. 10.

15 10. (1) All the following friendly societies and all branches thereof shall be registered under this Act, namely, societies established for the purpose of providing by subscriptions of the members thereof, with or without the aid of donations, for— Compulsory registration of certain societies.

20 (a) the relief or maintenance of the members, their husbands, wives or dependants during sickness or other infirmity, whether bodily or mental, in old age (which shall mean any age after fifty), or in widowhood, or the relief or maintenance of their orphaned children during minority; or

25 (b) medical attendance and medical comforts for, and the dispensing of medicines, and the sale or supply of medicines and of surgical and medical appliances, requisites, and comforts to the members, their husbands, wives, or dependants, and to the widows and widowed mothers of deceased members, or reimbursing in whole or in part to members or widows or widowed mothers of deceased members payments made by them for any such purposes; or

(c)

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*Friendly Societies (Amendment).*

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- 5 (c) insuring money to be paid on the birth of a member's child, or on the death of a member, or for the funeral expenses of the husband, wife, or child of a member, or of the widow of a deceased member, or, as respects persons of the Jewish persuasion, for the payment of a sum of money during the period of confined mourning; or
- 10 (d) the endowment of members or nominees of members at any age; or
- 15 (e) payments to hospitals towards accommodation and maintenance in hospitals of members, their husbands, wives or dependants, or of the widow or widowed mother of a deceased member, or reimbursing to members or to widows or widowed mothers of deceased members, payments so made by them; or
- 20 (f) payments to legally qualified medical practitioners or hospitals towards surgical, therapeutic or other medical treatment by legally qualified medical practitioners in hospitals of members, their husbands, wives or dependants, or
- 25 of the widow or widowed mother of a deceased member, or reimbursing to members or widows or widowed mothers of deceased members, payments so made
- 30 by them.
- (2) (a) A society established for any one or more of the purposes enumerated in subsection one of this section may by its rules make provision for any one or more of the additional benefits
- 35 enumerated in paragraph (b) of this subsection.
- (b) The additional benefits referred to in paragraph (a) of this subsection shall be—
- (i) the relief or maintenance of the members when unemployed or when in distressed
- 40 circumstances; or (ii)

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*Friendly Societies (Amendment).*

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- (ii) the insurance against fire to any amount not exceeding fifty pounds of the tools or implements of the trade or calling of the members; or
  
- 5 (iii) on behalf of members, their husbands, wives or dependants, or the widows or widowed mothers of deceased members—
  - 10 (a) the establishment, management and maintenance of homes, refuges or other institutions for their accommodation, relief or care, and the joining or co-operating with any other friendly society in such undertakings;
  
  - 15 (b) the establishment, management and maintenance of holiday accommodation and facilities in connection therewith primarily for their use and the joining or co-operating with any other friendly society in such undertakings;
  
  - 20 (c) the provision of benefits to cover dental, optical and physiotherapy treatment, appliances, requisites and comforts or the reimbursement in whole or in part of payments made for any such benefit;
  
  - 25 (d) the provision of such other benefits as may be prescribed by regulations made under this Act.
  
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*Friendly Societies (Amendment).*

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(3) A society established for—

- 5 (a) the purpose of providing any one or more of the additional benefits referred to in paragraph (b) of subsection two of this section either alone or in conjunction with any other benefit which is not a benefit enumerated in subsection one of this section; or
- 10 (b) the purpose of providing any one or more of the benefits enumerated in subsection one of this section in conjunction with any other benefit which is not enumerated in paragraph (b) of subsection two of this section; or
- 15 (c) the purpose of providing any benefit not enumerated in subsection one or paragraph (b) of subsection two of this section,

20 shall not be required or authorised to be registered under this section.

25 (4) Any person who takes on behalf of any society or branch, which is required by this Act to be registered and is not so registered, any money or valuable thing in consideration of the allotment of any shares or interest in that society or branch shall be liable to a penalty not exceeding fifty pounds.

(5) This section shall not extend to—

- 30 (a) a society registered under the Companies Act, 1961, or any Act amending or replacing that Act;
- (b) a society, company, association, or union formed in pursuance of some other Act, or incorporated by a Royal Charter or Letters Patent;
- 35 (c)

*Friendly Societies (Amendment).*

5 (c) dividing or levy societies—that is to say, societies formed for any of the purposes mentioned in subsection one of this section, and closing their funds, discharging their liabilities, and dividing their assets (if any) annually; or

(d) any society the registration of which is elsewhere in this Act authorised.

10 (6) For the purpose of this section the expression “dependant” means a child, father, mother, brother, sister, nephew, niece or ward and such other class of persons as may be specified in the rules of the society and approved by the Registrar.

15 (c) (i) by omitting from subsection one of section eleven the figures “1936” and by inserting in lieu thereof the figures “1963”; Sec. 11. (Registration of certain authorised societies.)  
 (ii) by omitting subsections two and three of the same section;

20 (d) by inserting next after section eleven the following new section :— New sec. 11A.

25 11A. The rules of a registered society or branch shall bind such society or branch and all members thereof and all persons claiming through them respectively to the same extent as if each member had subscribed his name and affixed his seal thereto, and there were contained in the rules a covenant on the part of each member and his legal personal representatives to observe all the provisions of the rules, subject to the provisions of this Act. Binding effect of rules.

30

(e) by omitting from section twelve the figures “1936” and by inserting in lieu thereof the figures “1963”; Sec. 12. (Change in registry of co-operative trading and industrial societies.)  
 (f)



*Friendly Societies (Amendment).*

(f) by omitting from subsection one of section nineteen the letter and symbols “(e)” and by inserting in lieu thereof the letter and symbols “(d)”;

Sec. 19.  
(Tables of contributions.)

(g) by omitting section 25A;

Sec. 25A.  
(Cancellation of registry if no certified tables of contributions embodied in rules.)

5 (h) by omitting sections twenty-six and twenty-seven and by inserting in lieu thereof the following sections : —

Subst.  
secs. 26, 27,  
new sec. 26A.

10 26. (1) The accounts of every registered society and branch shall be audited annually or more frequently as may be prescribed by the rules of such society or branch :

Accounts and audit.

15 Provided that where pursuant to paragraph (a) or (b) of the proviso to section 26A of this Act, the financial year of a registered society or branch is extended, the accounts of such society or branch may be audited in respect of such financial year as so extended.

(2) Auditors shall be appointed—

(a) in respect of a registered society—

20 (i) which has branches, by the central body thereof;

(ii) which has no branches, by the members thereof;

25 (b) in respect of a branch of a registered society, by the members of such branch or if otherwise provided by the rules of such branch or society in accordance with such rules.

(3)

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*Friendly Societies (Amendment).*

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5 (3) The audit of the accounts of a branch shall be conducted by two or more auditors: Provided that one auditor may conduct the audit if he is a registered public accountant within the meaning of the Public Accountants Registration Act, 1945, as amended by subsequent Acts, or is a person approved in that behalf by the committee of the society and the Registrar.

10 (4) An auditor of a registered society or branch shall have a right of access at all times to the books, accounts, vouchers, securities and documents of such society or branch and shall be entitled to require from the officers of such society or branch such information and explanations as he thinks necessary for the performance of the duties of auditor.

15 (5) An auditor of a registered society or branch shall be entitled to attend any meeting of such society or branch during the time at which the audited accounts of such society or branch are tabled and to receive notice of any such meeting and to be heard at any such meeting which he attends on any part of the business which concerns him as auditor.

20 (6) The auditor or auditors shall in the case of a registered society with branches report to the central body and in the case of a registered society without branches or of a branch of a registered society to the members thereof on the statements of the income and expenditure in respect of each of the several objects and funds and of the balance-sheet of the registered society or branch and such report shall state—

25 (a) whether he has or they have obtained all the information and explanations which to the best of his or their knowledge and belief are necessary for the purposes of the audit;

(b)

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*Friendly Societies (Amendment).*

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- 5 (b) whether in his or their opinion proper books of account have been kept by the registered society or branch ;
- (c) whether the statements of income and expenditure and the balance-sheet of the registered society or branch dealt with by the report are in agreement with the books of account and returns ;
- 10 (d) whether in his or their opinion and to the best of his or their information and according to the explanations given to him or them the accounts give a true and fair view of the financial affairs of the registered society or branch ;
- 15 (e) whether, in his or their opinion, the provisions of this Act and of the rules of the registered society or branch relating to the funds of the registered society or branch have been observed.

20 (7) A copy of the statements of income and expenditure, balance-sheet and auditor's report shall, in the case of a registered society with branches, be transmitted to the members of the central body thereof, and in the case of a registered society without branches or a branch of a registered society, be presented to the annual meeting of the registered society or branch.

25 26A. The financial year of a registered society or branch shall end on such day in each calendar year <sup>Financial</sup> year. as is provided for by the rules of such society or branch :

30 Provided that—

- 35 (a) the first financial year of a registered society or branch may extend from the date of its registration to such date not later than eighteen months from the date of its registration as may be specified in its rules ;

(b)

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*Friendly Societies (Amendment).*

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5 (b) where the rules of a registered society or  
branch are amended to alter its financial  
year, the amendment may provide that  
the financial year current at the date of  
amendment shall be extended for such  
10 period not exceeding six months as may  
be specified in its rules or that the  
financial year next following the financial  
year that is so current shall be for such  
period exceeding twelve months but not  
exceeding eighteen months as may be  
specified in its rules.

15 27. (1) The secretary of every registered society or branch shall within three months of the termination of its financial year or within such further time as the Registrar may allow, send to the Registrar an annual return in respect of such society or branch.

(2) The annual return shall—

20 (a) contain statements of income and expenditure in respect of each of the several objects and funds for such year and a balance-sheet as at the close of such year;

25 (b) be signed by the auditor or auditors, give the address and calling or profession of every such auditor, and where there is only one auditor of a branch, state whether such auditor is a registered public accountant within the meaning of the Public Accountants Registration Act, 1945, as amended by subsequent Acts, or has been approved by the committee of the society and the Registrar;

30 (c) include a copy of the report of the auditor or auditors;

35

(d)

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*Friendly Societies (Amendment).*

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(d) include such information in respect of the benefits provided by such society or branch as may be prescribed by regulations made under this Act.

5 (3) Notwithstanding the provisions of this section a registered society with branches may with the approval of the Registrar submit an annual return on behalf of its branches which does not  
10 comply with the provisions of subsection two of this section but which is certified in such manner and is in such form as the Registrar requires.

(i) by omitting from section twenty-nine the words "any special" and by inserting in lieu thereof the word "the"; Sec. 29.  
(Copies to be kept for inspection.)

15 (j) (i) by omitting from subparagraph (i) of paragraph (b) of subsection (2A) of section thirty-eight the letter and symbols "(e)" and by inserting in lieu thereof the letter and symbols "(d)"; Sec. 38.  
(Moneys received or paid to be entered in a separate account.)

20 (ii) by omitting from the same subsection the words—

"In this subsection—

25 "Prescribed percentage", with respect to any year, means such percentage as may be prescribed with respect to that year by regulations made under this Act, or, where a percentage is not so prescribed, four per centum.

30 "Year" means year ending on the thirtieth day of June."

(iii)

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*Friendly Societies (Amendment).*

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(iii) by inserting at the end of the same section the following new subsection :—

(4) In this section—

5

“Prescribed percentage”, with respect to any year, means such percentage as may be prescribed by regulations made under this Act with respect to that year, or, where a percentage is not so prescribed, four per centum.

10

“Year” means financial year of the society.

15

(k) by omitting section forty-five and by inserting in lieu thereof the following section :— Subst. sec. 45.

20

45. (1) Every officer or person appointed by a registered society or branch having receipt or charge of any money of such society or branch shall give security as prescribed by regulations made under this Act for rendering a just and true account of all money received and paid by him for such society or branch, and for payment of all money due from him to such society or branch. Security by officers.

25

(2) The Registrar may in the case of any society or branch registered as such at the commencement of the Friendly Societies (Amendment) Act, 1963, and where he considers other adequate safeguards exist, exempt in writing any officer or person referred to in subsection one of this section from the provisions of this section.

30

Any such exemption shall be subject to such conditions as the Registrar may think proper and the Registrar may revoke such exemption upon breach of any such condition or for any other reason the Registrar deems fit.

35

(l) by omitting from subsection two of section forty-six the words “bond or”; Sec. 46.  
(Accounts of officers.)

(m)

*Friendly Societies (Amendment).*

- (m) by omitting from subsection one of section forty-nine the words "one hundred pounds" and by inserting in lieu thereof the words "five hundred pounds";
- 5 (n) by omitting from subsection one of section fifty the words "one hundred pounds" and by inserting in lieu thereof the words "five hundred pounds";
- 10 (o) by omitting from subsection one of section fifty-one the words "one hundred pounds" and by inserting in lieu thereof the words "five hundred pounds";
- (p) by omitting paragraph (b) of subsection three of section sixty and by inserting in lieu thereof the following paragraph :—
- 15 (b) confirmed by a special resolution of the members of each society or branch or in the case of a society with branches by a special resolution of the central body; and;
- 20 (q) by inserting at the end of section seventy-four the following new subsection :—
- (2) The provisions of subsection three of section seventy-three of this Act shall extend to and in respect of a dispute referred to the Registrar in accordance with subsection one of this section.
- 25 (r) (i) by inserting in subsection one of section eighty-one after the word "Act" the words "and 'year' shall as on and from the commencement of the Friendly Societies (Amendment) Act, 1963, mean the financial year of the society";

Sec. 49.  
(Power of member to dispose of sums payable on his death by nomination.)

Sec. 50.  
(Proceedings on death of a nominator.)

Sec. 51.  
(Intestacy.)

Sec. 60.  
(Amalgamation.)

Sec. 74.  
(Reference of dispute to Registrar in cases of delay.)

Sec. 81.  
(Subvention after 30th June, 1932.)

(ii)

*Friendly Societies (Amendment).*

- (ii) by omitting subsection two of the same section and by inserting in lieu thereof the following subsection:—

5 (2) There shall be paid to each applicant society at such time during each quarter of its financial year as the Registrar may determine such sum not exceeding twenty-five per centum as the Minister may from time to time determine, of the amount which the Minister  
10 estimates to be the amount to which the society will be entitled under this section for such financial year in respect of the total contributions chargeable under its rules for  
15 medical attendance and medicine and reimbursement for medical attendance and medicine. Such sum shall be by way of an advance and such sum and any sum paid as an advance pursuant to the subsection which  
20 this subsection replaces may be deducted from the next or any subsequent payment due to the society under this section.

- (iii) by omitting from paragraph (a) of subsection (2A) of the same section the words "the first day of July next" and by inserting in lieu thereof the words "the commencement of the  
25 next year";

- (iv) by inserting in subsection three of the same section after the words "Provided that" the words " , except with the approval of the  
30 Minister,";

- (s) by omitting section one hundred and eight and by inserting in lieu thereof the following section:— Subst. sec. 108.

35 108. (1) For the purposes of this Act a special resolution shall mean a resolution which is passed by a majority of not less than two-thirds of such members of a registered society or branch as, being entitled so to do, vote in person or, where proxies are allowed, by proxy, at any meeting of such society or branch of which notice specifying the  
intention

Meaning of special resolution.



*Friendly Societies (Amendment).*

intention to propose the resolution as a special resolution has been duly given according to the rules of such society or branch.

5 (2) At any meeting referred to in subsection one of this section, unless a poll is demanded, a declaration by the chairman that the resolution has been carried shall be conclusive evidence of the fact.

10 (t) by inserting next after section one hundred and nine the following new section :— New sec. 109A.

15 109A. A certificate of registration of any special resolution or of any amendment of the rules of a registered society or branch given by the Registrar shall, in favour of any person advancing money to such society or branch on the faith of such certificate, or in favour of any guarantor of any such advance, be conclusive evidence that such resolution was duly passed or such amendment of the rules was duly made. Certificate of registration evidence in certain cases.

20 (u) by omitting from subsection three of section one hundred and seventeen the words “, and a bond to be given by an officer in receipt or charge of money shall be in one of the forms set forth in the said Part”; Sec. 117. (Forms for acknowledgment of registry rules, etc.)

25 (v) by omitting from Part II of Schedule Three the matter relating to “*Form of bond*”. Schedule Three.

30 (2) The amendment made by paragraph (k) of subsection one of this section shall commence upon a day to be appointed by the Governor and notified by proclamation published in the Gazette.

(3) Any registered society or branch so registered immediately before the commencement of this Act, may, notwithstanding the amendment made by paragraph (h) of subsection one of this section, submit its accounts for its financial

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*Friendly Societies (Amendment).*

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financial year ending next after such commencement for audit and report in accordance with the provisions of section twenty-six of the Friendly Societies Act, 1912-1958.

3. The amendments made by this Act shall not affect the Savings.  
5 registration of any society or branch registered under the Friendly Societies Act, 1912-1958, in force immediately before the commencement of this Act or affect the validity of the rules of any such society or branch as shall be in force immediately before such commencement and any such  
10 society or branch shall, subject to the provisions of the Friendly Societies Act, 1912, as amended by subsequent Acts including this Act, continue to be registered under such Act, as so amended, and any such rules shall, subject to the provisions of the Friendly Societies Act, 1912, as amended by  
15 subsequent Acts including this Act, continue in force, but may be amended, repealed or varied.

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BY AUTHORITY:

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