



ANALYSIS

<p>Title</p> <p>1. Short Title</p> <p>2. Interpretation</p> <p>3. Transfer of shares to sharemilkers</p> <p>4. Amendment to Dairy Board Act 1961</p>	<p>5. Person deemed to be supplying shareholder</p> <p>6. Company deemed to be qualifying company</p>
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1998, No. 117

An Act to amend the Co-operative Companies Act 1996

[18 December 1998]

BE IT ENACTED by the Parliament of New Zealand as follows:

1. Short Title—This Act may be cited as the Co-operative Companies Amendment Act 1998, and is part of the Co-operative Companies Act 1996 (“the principal Act”).

2. Interpretation—The principal Act is amended by repealing section 34, and substituting the following section:

“34. In this Part of this Act,—

“‘Co-operative dairy company’ means a co-operative company that is registered as a co-operative dairy company under section 35:

“‘Sharemilker’, in relation to a supplying shareholder, means a person who is engaged by that supplying shareholder, otherwise than as a servant under a contract of service, to produce milk or milksolids obtained from a dairy herd owned or provided by that person:

“‘Supplying shareholder’, in relation to a co-operative dairy company, means a transacting shareholder who supplies the company, pursuant to the constitution of the company or an agreement with the company, with such quantity of milk or milksolids as the

company may from time to time require; and includes a sharemilker to whom shares have been transferred in accordance with section 44.”

3. Transfer of shares to sharemilkers—Section 44 of the principal Act is amended by repealing subsection (3), and substituting the following subsection:

“(3) A sharemilker to whom those shares are transferred is a supplying shareholder subject to any terms and conditions contained in the constitution of the company.”

4. Amendment to Dairy Board Act 1961—Section 2 (1) of the Dairy Board Act 1961 is amended by repealing the definition of the term “supplying shareholder”, and substituting the following definition:

“‘Supplying shareholder’, in relation to a co-operative dairy company registered under Part III of the Co-operative Companies Act 1996 that carries on the activities described in section 35 (1)(a) and (b) of that Act, has the same meaning as in section 34 of that Act:”.

5. Person deemed to be supplying shareholder—
(1) If,—

(a) At any time on or after 1 September 1996 and the commencement of this Act, a co-operative dairy company acted as though a person were a supplying shareholder; and

(b) That person would have been a supplying shareholder as defined by the Co-operative Companies Act 1996 (as amended by this Act) if this Act had commenced on 1 September 1996,—

then, despite anything to the contrary in the Dairy Board Act 1961 or the Co-operative Companies Act 1996, that person was a supplying shareholder at the time of the actions of the co-operative dairy company and anything done by that person, that company, the Board, or any other person, at the time of the co-operative dairy company’s actions, in reliance on that person’s status as a supplying shareholder is, and always has been, valid.

(2) This section does not validate anything done by the person, the company, the Board, or any other person, if the thing done would have been invalid had the person first mentioned been a supplying shareholder at the time.

6. Company deemed to be qualifying company—

(1) If,—

- (a) At any time on or after 12 December 1996 and before the commencement of this Act, the Board acted as though a company were a qualifying company; and
- (b) That company would have been a qualifying company in accordance with the Dairy Board Act 1961 if this Act had commenced on 12 December 1996,—

then, despite anything to the contrary in the Dairy Board Act 1961 or the Co-operative Companies Act 1996, that company was a qualifying company at the time of the Board's actions and anything done by that company, the Board, or any other person, at the time of the Board's actions, in reliance on that company's status as a qualifying company is, and always has been, valid.

(2) This section does not validate anything done by the company, the Board, or any other person, if the thing done would have been invalid had the company been a qualifying company at the time.

This Act is administered in the Ministry of Commerce.
