

New Zealand.

ANALYSIS.

Title.
1. Short Title.

2. Conversion of company into society.

1919, No. 41.

Title. AN ACT to amend the Industrial and Provident Societies Act, 1908.
[5th November, 1919.]

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:—

Short Title.

1. This Act may be cited as the Industrial and Provident Societies Amendment Act, 1919, and shall be read together with and deemed part of the Industrial and Provident Societies Act, 1908 (hereinafter referred to as the principal Act).

Conversion of
company into
society.

2. (1.) A company registered under the Companies Act, 1908, may, by a special resolution, determine to convert itself into a registered society under the principal Act, and for this purpose, in any case where the nominal value of its shares held by any member other than a registered society exceeds two hundred pounds, may by such resolution provide for the conversion of the excess of such share capital over two hundred pounds into a transferable loan stock, bearing such rate of interest as may thereby be fixed, and repayable on such conditions only as are in such resolution determined.

(2.) A resolution for the conversion of a company into a registered society shall be accompanied by a copy of the rules of the society therein referred to, and shall appoint seven persons, members of the company, who, together with the secretary, shall sign the rules, and who may either be authorized to accept any alterations made by the Registrar therein, without further consulting the company, or may be required to lay all such alterations before the company in general meeting for acceptance as the resolution may direct.

(3.) With the rules a copy of the special resolution for conversion of the company into a registered society shall be sent to the

Registrar, who, upon the registration of the society, shall give to it, in addition to the acknowledgment of registry, a certificate similarly sealed or signed that the rules of the society referred to in the resolution have been registered; but in the registered name of the company as a society the word "company" shall not be used.

(4.) A copy of the resolution for the conversion of the company into a registered society under the seal of the company, together with the certificate so issued by the Registrar, shall be sent for registration to the office of the Registrar of Companies, and upon the registration of such resolution and certificate the conversion shall take effect.

(5.) Upon the conversion of a company into a registered society the registry of the company under the Companies Act, 1908, shall become void, and shall be cancelled by the Registrar of Companies; but the registration of a company as a registered society shall not affect any right or claim for the time being subsisting against the company, or any penalty for the time being incurred by such company, and for the purpose of enforcing any such right, claim, or penalty the company may be sued and proceeded against in the same manner as if it had not become registered as a society. Every such right or claim and the liability to such penalty shall have priority as against the property of such society over all other rights or claims against or liabilities of the society.