



## ANALYSIS

Title  
1. Short Title

2 Powers of association to hold shares in  
certain companies

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1986, No. 104

**An Act to amend the Mutual Insurance Act 1955**

[6 November 1986]

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

**1. Short Title**—This Act may be cited as the Mutual Insurance Amendment Act 1986, and shall be read together with and deemed part of the Mutual Insurance Act 1955 (hereinafter referred to as the principal Act).

**2. Powers of association to hold shares in certain companies**—(1) The principal Act is hereby amended by repealing section 11B (as inserted by section 3 (1) of the Mutual Insurance Amendment Act 1968 and amended by section 2 of the Mutual Insurance Amendment Act 1971 and section 3 of the Mutual Insurance Amendment Act 1977), and substituting the following section:

“11B. (1) An association shall also have power to be a member of and to hold shares in any one or more of the following companies:

“(a) Any company which has as its principal business the business of writing, effecting, or arranging insurance relating to the primary industries of New Zealand:

“(b) Any company if—

“(i) All members of that company, or all members thereof excepting one, are associations or trustees of associations; and

“(ii) The principal object of that company is to hold shares in any company which has as its principal business the business of writing, effecting, or arranging insurance relating to the primary industries of New Zealand:

“(c) Any company which may hold land if—

“(i) The other member or members of the company are bodies corporate or other organisations whose principal business or activity is related to or connected with farms or persons living on farms or outside the boundaries of cities and boroughs; and

“(ii) The association and other member or members of the company have or propose to establish on land held by the company offices for the transaction of their respective businesses:

“(d) Any company the principal business of which is the provision for the primary industries of New Zealand of any or all of the following:

“(i) Financial services:

“(ii) Services as a trustee:

“(iii) Services as a real estate agent.

“(2) The Board, on behalf of the association, may from time to time—

“(a) Sell or mortgage the association’s shares in any such company:

“(b) Subscribe for, accept, or take up any bonus shares or other rights or benefits issued or given by any such company:

“(c) Agree to any amalgamation or reconstruction of any such company and take up shares in any such amalgamated or reconstructed company if the amalgamated or reconstructed company is a company in which the association is empowered to hold shares pursuant to subsection (1) of this section:

“(d) Appoint a representative or representatives to accept a seat or seats on the Board of Directors of any such company or any amalgamated or reconstructed company.”

(2) The following enactments are hereby consequentially repealed:

(a) Section 3 (1) of the Mutual Insurance Amendment Act 1968:

- (b) The Mutual Insurance Amendment Act 1971:
- (c) Section 3 of the Mutual Insurance Amendment Act 1977.

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This Act is administered in the Department of Justice

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