

CO-OPERATIVE EGG MARKETING COMPANIES BILL

EXPLANATORY NOTE

1. The object of this Bill is to apply to co-operative egg marketing companies the provisions of the Co-operative Companies Act, 1933.

2. The effect of applying that Act to egg marketing companies will be that the companies may accept or require the surrender of shares of non-supplying shareholders. In the case of a voluntary surrender the amount payable will be such amount as is agreed upon by the company and the shareholder, and, in the case of a compulsory surrender, the amount payable will be the amount paid up on the shares with interest at 5 per cent. from the end of the immediately preceding financial year of the company.

3. *Clause 4* contains provisions entitling a company registered as a co-operative egg marketing company to use the word "co-operative" in its name, and requiring it to change its name, so as to remove the signification that it is a co-operative company, when it ceases to be entitled to be registered as such.

This PUBLIC BILL originated in the HOUSE OF REPRESENTATIVES, and, having this day passed as now printed, is transmitted to the LEGISLATIVE COUNCIL for its concurrence.

House of Representatives,

17th August, 1950.

Hon. Mr. Webb

CO-OPERATIVE EGG MARKETING COMPANIES

ANALYSIS

- Title.
1. Short Title.
2. Interpretation.

3. Sections 3 to 9 of principal Act applied to co-operative egg marketing companies.
4. Use of word "co-operative" in name of co-operative egg marketing company.

A BILL INTITULED

AN ACT to Provide for the Application of the Co-operative Companies Act, 1933, to Co-operative Egg Marketing Companies. Title.

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

1. This Act may be cited as the Co-operative Egg Marketing Companies Act, 1950, and shall be read together with and deemed part of the Co-operative Companies Act, 1933 (hereinafter referred to as the principal Act). Short Title. 1933, No. 49

2. In this Act, unless the context otherwise requires,— Interpretation.

15 "Co-operative egg marketing company" means a company which is incorporated under the Companies Act, 1933 (whether before or after the passing of this Act), the principal object of which is the marketing or the treatment and marketing of eggs supplied to the 20

company by its shareholders, and of the shares issued by which not less than three-fifths in nominal value are held by persons engaged in supplying eggs to the company:

“Principal object”, in relation to any company, means the principal business which the company for the time being carries on, notwithstanding that it may have authority to carry on any other business. 5

Sections 3 to 9 of principal Act applied to co-operative egg marketing companies.

3. The provisions of sections three to nine of the principal Act shall, with the necessary modifications, apply to co-operative egg marketing companies. 10

Use of word “co-operative” in name of co-operative egg marketing company. 1933, No. 29

4. (1) Any company entitled to be registered under the principal Act as a co-operative egg marketing company may be registered under the Companies Act, 1933, under a name which includes the word “co-operative”:

Provided that if at any time after it is so registered under the Companies Act, 1933, it ceases to be entitled to be registered under the principal Act, or its registration under that Act is cancelled, the Registrar of Companies may call upon it to take steps to change its name so as to remove the signification that it is a co-operative company, and the company shall, not later than one month from the date of the notice from the Registrar, take the appropriate steps under the Companies Act, 1933, to change its name. 20 25

(2) If any company fails to comply with the proviso to the *last preceding* subsection, the chairman and every director thereof shall be severally liable on summary conviction to a fine not exceeding five pounds for every day during which the default continues. 30