

Right Hon. Mr. Nash

FRIENDLY SOCIETIES AMENDMENT

ANALYSIS

Title.	4. Investment of funds of society or branch.
1. Short Title.	5. Power to provide holiday accommodation for members and their families.
2. Increasing maximum gross sum for contracts of assurance. Repeal.	6. Amending provisions as to loans to members.
3. Prescribing rate of interest for determining surplus interest.	

A BILL INTITULED

AN ACT to Amend the Friendly Societies Act, 1909. Title.

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

1. This Act may be cited as the Friendly Societies Amendment Act, 1949, and shall be read together with and deemed part of the Friendly Societies Act, 1909 (hereinafter referred to as the principal Act). Short Title.

10 2. (1) The principal Act (as amended by section thirty of the Statutes Amendment Act, 1941) is hereby further amended as follows:—
Increasing maximum gross sum for contracts of assurance. See Reprint of Statutes, Vol. III, p. 461
1941, No. 26

(a) By omitting from subsection two of section eleven the words “ five hundred pounds ”,
15 and substituting the words “ seven hundred and fifty pounds ”:

- (b) By omitting from subsection one of section fifty-one the words "five hundred pounds", and substituting the words "seven hundred and fifty pounds".
- Repeal. (2) Section thirty of the Statutes Amendment Act, 1941, is hereby consequentially repealed. 5
- Prescribing rate of interest for determining surplus interest. 3. (1) Section forty-one of the principal Act is hereby amended by omitting from subsection four, and also from the proviso to that subsection, the words "five per centum per annum", and substituting in each case the words "the prescribed rate". 10
- (2) The said section forty-one is hereby further amended by repealing subsection six (which is spent), and substituting the following new subsection:—
- "(6) For the purposes of this section the expression 'the prescribed rate', in relation to any society or branch, means the rate per centum per annum that is one per centum per annum higher than the rate per centum per annum that was used in the last available actuarial valuation of the society or branch." 15 20
- Investment of funds of society or branch. 4. Section forty-nine of the principal Act is hereby amended by repealing paragraph (d) of subsection one, and substituting the following paragraph:—
- "(d) In the bonds, debentures, or other securities of any local authority issued under the Local Bodies' Loans Act, 1926:— 25
- See Reprint of Statutes, Vol. V, p. 360
- Power to provide holiday accommodation for members and their families. 5. Section fifty of the principal Act is hereby amended by adding to subsection one the words "and may provide, equip, furnish, and maintain on any such land holiday accommodation for its members and their families". 30
- Amending provisions as to loans to members. 1948, No. 23 6. (1) Section fifty-five of the principal Act (as substituted by section five of the Friendly Societies Amendment Act, 1948) is hereby amended by omitting the words "their personal security, with or without sureties", and substituting the words "such security". 35
- (2) The said section fifty-five is hereby further amended by repealing paragraph (c), and substituting the following paragraph:—
- "(c) A society or branch shall not make any loan to a member on personal security which, together with any other amount owing by the 40

member to the society or to that or any other branch of the society on personal security, exceeds fifty pounds, or make any loan beyond the amount fixed by the rules: ”.

5 (3) The said section fifty-five is hereby further amended by adding the following subsection as subsection two thereof:—

10 “(2) A specially authorized society registered for the sole purpose of operating a loan fund under this section may, by special resolution, transfer its engagements to any registered society of which a majority of the members of the specially authorized society are members, and which undertakes to fulfil those engagements.”