

## Provident and Industrial Societies Bill.

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*This PUBLIC BILL originated in the LEGISLATIVE COUNCIL and having this day passed is now ready for presentation to the HOUSE OF REPRESENTATIVES for its concurrence.*

*Legislative Council Chamber,  
New Zealand, 9th August, 1867.*

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Clause 4 line 7 between the words "the" and "section" insert fifth.

A BILL INTITULED

**AN ACT to legalise the establishment of** Title.  
**Provident and Industrial Societies.**

**B**E IT ENACTED by the General Assembly of New Zealand in Parliament assembled and by the authority of the same as follows—

1. The Short Title of this Act shall be “The Provident and Industrial Societies Act 1867.” Short Title.

5 2. Any number of persons not being less than seven may establish a society under this Act for the purpose of carrying on any labour trade or handicraft whether wholesale or retail except the working of mines and except the business of banking and of applying the profits for any purposes allowed by “The Friendly Societies Act 1867” or  
10 otherwise permitted by law. Constitution of societies under this Act.

3. The rules of every such society shall contain provisions in respect of the several matters mentioned in the Schedule annexed to this Act. Rules.

4. Two copies of the rules shall be forwarded to the revising  
15 barrister under “The Friendly Societies Act 1867” according to the place where the office of the society is situate and shall be dealt with by him and by the Registrar of Friendly Societies under the said Act in the manner provided by the said Act with regard to the rules of Friendly Societies and the registrar shall publish in the *New Zealand*  
20 *Gazette* the notice in the section of the said Act provided with regard to Friendly Societies and upon the publication of such notice by the Registrar of Friendly Societies such society shall be deemed to be registered under this Act and shall become a body corporate by the name therein described having a perpetual succession Registration of society.

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and a common seal with power to hold lands and buildings with limited liability.

Registration to vest all property held in trust for society.

5. The registration of any society shall vest in the society all the property that may at the time be vested in any person in trust for the society and all legal proceedings then pending by or against any such trustee or other officer on account of the society may be prosecuted by or against the society in its registered name without abatement. 5

Copy of rules on demand.

6. A copy of the rules shall be delivered by the society to every person on demand on payment of a sum not exceeding one shilling.

No society to be registered by same name as that of any existing society.

7. No society shall be registered under a name identical with that by which any other existing society has been registered or so nearly resembling such name as to be likely to deceive the members or the public and the word "Limited" shall be the last word in the name of every society registered under this Act. 10

Member's interests limited to £200.

8. No member shall be entitled in any society registered under this Act to hold or claim any interest exceeding the sum of two hundred pounds. 15

Publication of name by a society.

9. Every society registered under this Act shall paint or affix and shall keep painted or affixed its name on the outside of every office or place in which the business of the society is carried on in a conspicuous position in letters easily legible and shall have its name engraven in legible characters on its seal and shall have its name mentioned in legible characters in all notices advertisements and other official publications of such society and in all bills of exchange promissory notes endorsements cheques and orders for money or goods purporting to be signed by or on behalf of such society and in all bills of parcels invoices receipts and letters of credit of the society. 20 25

Penalties on non-publication of name &c.

10. If any society under this Act does not paint or affix and keep painted or affixed its name in manner directed by this Act it shall be liable to a penalty not exceeding five pounds for not so painting or affixing its name and for every day during which such name is not so kept painted or affixed and if any officer of such society or any person on its behalf uses any seal purporting to be a seal of the society whereon its name is not so engraven as aforesaid or issues or authorizes the issue of any notice advertisement or other official publication of such society or signs or authorizes to be signed on behalf of such society any bill of exchange promissory note endorsement cheque order for money or goods or issues or authorizes to be issued any bill of parcels invoice receipt or letter of credit of the society wherein its name is not mentioned in manner aforesaid he shall be liable to a penalty of fifty pounds and shall further be personally liable to the holder of any such bill of exchange promissory note cheque or order for money or goods for the amount thereof unless the same is duly paid by the society. 30 35 40

Every society to have a registered office.

11. Every society under this Act shall have a registered office to which all communications and notices may be addressed If any society registered under this Act carries on business without having such an office it shall incur a penalty not exceeding five pounds for every day during which business is so carried on. 45

Penalty on default.

Notice of situation of registered office.

12. Notice of the situation of such registered office and of any change therein shall be given to the Registrar of Friendly Societies hereinafter referred to as the registrar or to the person acting as such registrar and recorded by him and until such notice is given the society shall not be deemed to have complied with the provisions of this Act. 50 55

Signature and effect of rules.

13. The rules of every society registered under this Act shall bind the society and the members thereof to the same extent as if each member had subscribed his name and affixed his seal thereto and there

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were in such rules contained a covenant on the part of himself his heirs executors and administrators to conform to such rules subject to the provisions of this Act and all moneys payable by any member to the society in pursuance of such rules shall be deemed to be a debt  
5 due from such member to the society.

14. The provisions of "The Friendly Societies Act 1867" shall  
apply to societies registered under this Act in the following particulars Application of  
Friendly Societies  
Act 1867 to this Act.

Alteration of rules

Exemption from stamp duties

10 Settlements of disputes

Compensation to members unjustly excluded

Power of justices in case of fraud

Jurisdiction of the Registrar and Revising Barrister.

15. The provisions of "The Friendly Societies Act 1867" whereby  
a member of any society registered thereunder is allowed to nominate  
any persons to whom his investment in such society shall be paid shall  
extend in the case of societies registered under this Act to allow any  
member thereof to nominate any persons into whose name his interest  
in such society at his decease shall be transferred Provided never-  
20 theless that any such society may in lieu of making such transfer elect  
to pay to any persons so nominated the full value of such interest.

Power to member  
to nominate persons  
into whose name his  
interest may be  
transferred at his  
death.

16. Any society registered under this Act may be wound up either  
by the Court or voluntarily in the same manner and under the same  
circumstances under and in which any company may be wound up  
25 under "The Joint Stock Companies Act 1860" and all the provisions  
of the said Act with respect to winding up shall apply to such society  
with this exception that when the office of the society shall be situated  
in a District Court District the Court having jurisdiction in the  
winding-up shall be the District Court of the district in which the  
30 office of the society is situated.

As to the winding-up  
of societies.

17. In case of the dissolution of any such society such society shall  
nevertheless be considered as subsisting and be in all respects subject  
to the provisions of this Act so long and so far as any matters relating  
to the same remain unsettled to the intent that such society may do all  
35 things necessary to the winding up of the concerns thereof and that it  
may be sued and sue under the provisions of this Act in respect of all  
matters relating to such society.

Dissolution of society  
not to prevent wind-  
up of its affairs.

18. The provisions of "The Joint Stock Companies Act 1860" as  
to bills of exchange and the admissibility of the register of shares in  
40 evidence shall apply to all societies registered under this Act.

"The Joint Stock  
Companies Act 1860"  
to apply.

19. In the event of a society registered under this Act being wound  
up every present and past member of such society shall be liable to  
contribute to the assets of the society to an amount sufficient for  
payment of the debts and liabilities of the society and the costs charges  
45 and expenses of the winding up and for the payment of such sums as  
may be required for the adjustment of the rights of the contributories  
amongst themselves with the qualifications following that is to say—

Liability of present  
and past members of  
society.

(1.) No past member shall be liable to contribute to the assets  
50 of the society if he has ceased to be a member for a period  
of one year or upwards prior to the commencement of the  
winding up.

(2.) No past member shall be liable to contribute in respect of any  
debt or liability of the society contracted after the time at  
which he ceased to be a member.

55 (3.) No past member shall be liable to contribute to the assets of  
the society unless it appears to the Court that the existing  
members are unable to satisfy the contributions required to be  
made by them in order to satisfy all just demands upon such  
society.

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(4.) No contribution shall be required from any member exceeding the amount if any unpaid on the shares in respect of which he is liable as a past or present member.

Society may be constituted under "The Joint Stock Companies Act 1860."

20. Any society registered under this Act may be constituted a company under "The Joint Stock Companies Act 1860" by conforming to the provisions set forth in such Act and thereupon shall cease to retain its registration under this Act. 5

Members may inspect books.

21. Every person or member having an interest in the funds of any society registered under this Act may inspect the books and the names of the members at all reasonable hours at the office of the society. 10

Annual returns to be prepared as registrar may direct.

22. A general statement of the funds and effects of any society registered under this Act shall be transmitted to the registrar once in every year and shall exhibit fully the assets and liabilities of the society and shall be prepared and made out within such period and in such form and shall comprise such particulars as the registrar shall from time to time require and the registrar shall have authority to require such evidence as he may think expedient of all matters required to be done and of all documents required to be transmitted to him under this Act and every member of or any depositor in any such society shall be entitled to receive on application to the treasurer or secretary of that society a copy of such statement without making any payment for the same. 15 20

Recovery of penalties.

23. All penalties imposed by this Act or by the rules of any society registered under this Act may be recovered in a summary manner before any two Justices of the Peace in the manner directed by "The Justices of the Peace Act 1866" so far as the same regulates the duties of Justices of the Peace with respect to summary convictions and orders. 25

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## SCHEDULE

### OF MATTERS TO BE PROVIDED FOR IN THE RULES.

1. Object and name and place of office of the society which must in all cases be registered as one of limited liability.
  2. Terms of admission of members.
  3. Mode of holding meetings and right of voting and of making or altering rules.
  4. Determination whether the shares shall be transferable and in case it be determined that the shares shall be transferable provision for the form of transfer and registration of shares and for the consent of the committee of management and confirmation by the general meeting of the society and in case shares shall not be transferable provision for paying to members balance due to them on withdrawing from the society.
  5. Provision for the audit of accounts.
  6. Power to invest part of capital in another society Provided that no such investment be made in any other society not registered under this Act or "The Joint Stock Companies Act 1860" as a society or company with limited liability.
  7. Power and mode of withdrawing from the society and provisions for the claims of executors administrators or assigns of members.
  8. Mode of application of profits.
  9. Appointment of managers and other officers and their respective powers and remuneration.
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