

**Reprint
as at 1 April 2008**



**Public Service Investment Society
Limited Act 1998**

Private Act 1998 No 3
Date of assent 6 October 1998
Commencement 6 October 1998

Contents

	Page
Title	2
Preamble	2
1 Short Title	2
2 Interpretation	3
3 Society may decide to be registered as company	4
4 Registration as company	4
5 Undertaking of society belongs to company	4
6 Relationship with depositors	4
7 Status of contracts and other instruments	5
8 Status of securities	5
9 References to society in existing instruments	5
10 Continuation of legal and other proceedings	5
11 Effect of this Act and things done under it	6
12 Employees	6
13 Taxes and duties	7
14 Application of sections 14A and 14B of Industrial and Provident Societies Act 1908	7

Note

Changes authorised by section 17C of the Acts and Regulations Publication Act 1989 have been made in this reprint.

A general outline of these changes is set out in the notes at the end of this reprint, together with other explanatory material about this reprint.

An Act to enable The Public Service Investment Society Limited to be registered as a company under the Companies Act 1993

Preamble

Whereas:

- A The Public Service Investment Society Limited is a society incorporated under the Industrial and Provident Societies Act 1908 with approximately 130,000 members:
- B The society wishes to be registered as a company under the Companies Act 1993 with the initial shares in the company held by the members of the society:
- C Section 14A of the Industrial and Provident Societies Act 1908 enables industrial and provident societies to be registered as companies, but requires an application for registration as a company to be signed by all the initial shareholders:
- D It is impracticable for the society to obtain the signatures of all its members to an application for registration as a company:
- E Registration of the society as a company in accordance with section 14A of the Industrial and Provident Societies Act 1908 may result in the company becoming liable for the payment of taxes and duties:
- F It is not considered appropriate that liability for taxes and duties should be incurred as a result solely of a change in the legal status of the society:
- G The society wishes that provision is made for other matters in connection with its registration as a company:
- H Legislation is the only means by which the society can be registered as a company conveniently and without the risk of adverse tax and other consequences:
- I The objects of this Act can be attained only by legislation.

1 Short Title

This Act may be cited as the Public Service Investment Society Limited Act 1998.

2 Interpretation

In this Act, unless the context otherwise requires,—

board means the board of the society

company means the company that exists on the registration of the society as a company in accordance with this Act

instrument includes—

- (a) an instrument that creates, evidences, modifies, or extinguishes rights, interests, or liabilities or would do so if it or a copy of it were lodged, filed, or registered under an Act; and
- (b) a judgment, order, or process of a court

liabilities means liabilities, debts, charges, duties, and obligations (whether present or future, actual or contingent, or payable or to be observed or performed in New Zealand or elsewhere)

property means real or personal property; and includes—

- (a) choses in action and money;
- (b) goodwill;
- (c) rights, interests, and claims in or to property, whether arising from, accruing under, created or evidenced by, or the subject of, an instrument and whether liquidated or unliquidated, actual, contingent, or prospective

rights means rights, powers, privileges, and immunities, whether actual, contingent, or prospective

security—

- (a) means a mortgage, charge (whether legal or equitable), debenture, bill of exchange, promissory note, guarantee, indemnity, defeasance, hypothecation, instrument by way of security, lien, pledge, or other security for the payment of money or for the discharge of an obligation or liability and whether on demand or not, present or future, actual or contingent; and
- (b) includes an agreement or undertaking to give or execute whether on demand or not any of the things referred to in paragraph (a)

society means The Public Service Investment Society Limited, a society registered under the Industrial and Provident Societies Act 1908

undertaking means the property, rights, and liabilities of the society.

3 Society may decide to be registered as company

- (1) The society may, by special resolution, decide to apply to be registered as a company under the Companies Act 1993.
- (2) The special resolution must be passed in the manner prescribed by section 14 of the Industrial and Provident Societies Act 1908.

4 Registration as company

- (1) The board may, at any time, deliver to the Registrar of Companies a copy of the special resolution and an application for registration under section 12 of the Companies Act 1993.
- (2) Section 12(1)(d) of the Companies Act 1993 (which requires the initial shareholders to consent in writing to becoming shareholders) does not apply to the application. Instead, the application and any other documents required to accompany it may be signed by 2 members of the board.
- (3) The Registrar of Companies must—
 - (a) register the application; and
 - (b) issue a certificate of incorporation.
- (4) The registration of the society ceases on its registration as a company and must be cancelled by the Registrar of Industrial and Provident Societies.

5 Undertaking of society belongs to company

On the registration of the company, the undertaking of the society belongs to and vests in the company.

6 Relationship with depositors

- (1) On and from the registration of the company, the relationship between the society and a depositor or an investor becomes the same relationship between the company and the depositor or investor.
- (2) The same rights and liabilities, including rights of set-off, continue to exist as between the company and the depositor or

investor as existed between the society and the depositor or investor immediately before registration.

7 Status of contracts and other instruments

Contracts, agreements, guarantees, conveyances, deeds, leases, licences, and other instruments, undertakings, and notices (whether in writing or not), entered into by, made with, given to or by, or addressed to the society (whether alone or with another person) before the registration of the company and subsisting immediately before registration are binding on, enforceable by, against, or in favour of the company, as if the company and not the society had been the person by whom they were entered into, with whom they were made, or to or by whom they were given or addressed.

8 Status of securities

- (1) A security held by the society for a debt or other liability to the society incurred before registration of the company is available to the company as security for the discharge of that debt or liability and, if it extends to future or prospective debts or liabilities, is available as security for the discharge of debts or liabilities to the company incurred on or after registration.
- (2) The company is entitled to the same rights and priorities and is subject to the same liabilities in relation to the security as the society.

9 References to society in existing instruments

A reference (express or implied) to the society in an instrument made, given, passed, or executed before the registration of the company is a reference to the company.

10 Continuation of legal and other proceedings

- (1) An action, arbitration, proceeding, or a cause of action that was pending or that existed by, against, or in favour of the society or to which the society was a party before the registration of the company may be continued and enforced by, against, or in favour of the company.

- (2) It is not necessary to amend an application, notice, or other document to do so.

11 Effect of this Act and things done under it

Nothing in this Act and nothing done under this Act—

- (a) places the society, the company, or any other person in breach of contract or confidence or makes any of them liable for a civil wrong; or
- (b) entitles a person to terminate or cancel a contract or arrangement or to accelerate the performance of an obligation; or
- (c) places the society, the company, or any other person in breach of an enactment, a rule of law, or a provision of a contract that prohibits, restricts, or regulates the assignment or transfer of property or the disclosure of information; or
- (d) releases a surety from an obligation; or
- (e) invalidates or discharges a contract or security.

12 Employees

- (1) On the registration of the company, each employee of the society becomes an employee of the company.
- (2) For the purposes of an enactment, rule of law, contract, or agreement relating to the employee, the contract of employment of the employee must be treated as unbroken and a period of service with the society must be treated as a period of service with the company.
- (3) The terms and conditions of employment of the employee must remain the same as the terms and conditions of his or her employment with the society immediately before the registration of the company, but they may be varied in the same manner.
- (4) An employee is not entitled to receive a payment or benefit because he or she has, as a result solely of this Act, ceased to be an employee of the society.
- (5) This section applies despite anything else in this Act.

13 Taxes and duties

- (1) For the purposes of the Inland Revenue Acts (as that term is defined in section 3 of the Tax Administration Act 1994),—
 - (a) the society and the company are the same person; and
 - (b) a transaction entered into by, and an act of, the society must be treated—
 - (i) as having been entered into by, or as an act of, the company; and
 - (ii) as having been entered into, or performed by, the company at the time it was entered into, or performed by, the society.
- (2) A person must be treated as having held a voting interest or a market value interest in the company at all times from the time the person became a member of the society if—
 - (a) the person acquired the voting interest or the market value interest in the company after its registration; and
 - (b) immediately prior to the cancellation of the registration of the society the person was a member of the society and the interest in the company was acquired solely by virtue of that membership.
- (3) The terms **voting interest** and **market value interest** have the same meanings as they have in the Income Tax Act 2007.

Section 13(3): amended, on 1 April 2008 (effective for 2008–09 income year and later income years, except when the context requires otherwise), by section ZA 2(1) of the Income Tax Act 2007 (2007 No 97).

14 Application of sections 14A and 14B of Industrial and Provident Societies Act 1908

Sections 14A and 14B of the Industrial and Provident Societies Act 1908 do not apply to the society or the company.

15 Private Act

This Act is a private Act.

Contents

- 1 General
 - 2 Status of reprints
 - 3 How reprints are prepared
 - 4 Changes made under section 17C of the Acts and Regulations Publication Act 1989
 - 5 List of amendments incorporated in this reprint (most recent first)
-

Notes**1 *General***

This is a reprint of the Public Service Investment Society Limited Act 1998. The reprint incorporates all the amendments to the Act as at 1 April 2008, as specified in the list of amendments at the end of these notes.

Relevant provisions of any amending enactments that have yet to come into force or that contain relevant transitional or savings provisions are also included, after the principal enactment, in chronological order.

2 *Status of reprints*

Under section 16D of the Acts and Regulations Publication Act 1989, reprints are presumed to correctly state, as at the date of the reprint, the law enacted by the principal enactment and by the amendments to that enactment. This presumption applies even though editorial changes authorised by section 17C of the Acts and Regulations Publication Act 1989 have been made in the reprint.

This presumption may be rebutted by producing the official volumes of statutes or statutory regulations in which the principal enactment and its amendments are contained.

3 *How reprints are prepared*

A number of editorial conventions are followed in the preparation of reprints. For example, the enacting words are not included in Acts, and provisions that are repealed or revoked are omitted.

For a detailed list of the editorial conventions, *see* <http://www.pco.parliament.govt.nz/editorial-conventions/> or Part 8 of the *Tables of New Zealand Acts and Ordinances and Statutory Regulations and Deemed Regulations in Force*.

4 *Changes made under section 17C of the Acts and Regulations Publication Act 1989*

Section 17C of the Acts and Regulations Publication Act 1989 authorises the making of editorial changes in a reprint as set out in sections 17D and 17E of that Act so that, to the extent permitted, the format and style of the reprinted enactment is consistent with current legislative drafting practice. Changes that would alter the effect of the legislation are not permitted. A new format of legislation was introduced on 1 January 2000. Changes to legislative drafting style have also been made since 1997, and are ongoing. To the extent permitted by section 17C of the Acts and Regulations Publication Act 1989, all legislation reprinted after 1 January 2000 is in the new format for legislation and reflects current drafting practice at the time of the reprint.

In outline, the editorial changes made in reprints under the authority of section 17C of the Acts and Regulations Publication Act 1989 are set out below, and they have been applied, where relevant, in the preparation of this reprint:

- omission of unnecessary referential words (such as “of this section” and “of this Act”)
- typeface and type size (Times Roman, generally in 11.5 point)
- layout of provisions, including:
 - indentation
 - position of section headings (eg, the number and heading now appear above the section)
- format of definitions (eg, the defined term now appears in bold type, without quotation marks)
- format of dates (eg, a date formerly expressed as “the 1st day of January 1999” is now expressed as “1 January 1999”)

- position of the date of assent (it now appears on the front page of each Act)
- punctuation (eg, colons are not used after definitions)
- Parts numbered with roman numerals are replaced with arabic numerals, and all cross-references are changed accordingly
- case and appearance of letters and words, including:
 - format of headings (eg, headings where each word formerly appeared with an initial capital letter followed by small capital letters are amended so that the heading appears in bold, with only the first word (and any proper nouns) appearing with an initial capital letter)
 - small capital letters in section and subsection references are now capital letters
- schedules are renumbered (eg, Schedule 1 replaces First Schedule), and all cross-references are changed accordingly
- running heads (the information that appears at the top of each page)
- format of two-column schedules of consequential amendments, and schedules of repeals (eg, they are rearranged into alphabetical order, rather than chronological).

5 *List of amendments incorporated in this reprint
(most recent first)*

Income Tax Act 2007 (2007 No 97): section ZA 2(1)
