

[AS REPORTED FROM THE COMMERCE AND MARKETING
COMMITTEE]

House of Representatives, 9 June 1987

Words struck out are shown in italics within bold round brackets, or with black rule at beginning and after last line; words inserted are shown in roman underlined with a single rule, or with single rule before first line and after last line.

Hon. David Caygill

BUILDING SOCIETIES AMENDMENT

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Building Societies Amendment

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A BILL INTITULED

An Act to amend the Building Societies Act 1965

BE IT ENACTED by the Parliament of New Zealand as follows:

Struck Out

- 5 **1. Short Title**—This Act may be cited as the Building Societies Amendment Act 1987, and shall be read together with and deemed part of the Building Societies Act 1965* (hereinafter referred to as the principal Act).

New

1. Short Title and commencement—(1) This Act may be cited as the Building Societies Amendment Act 1987, and shall be read together with and deemed part of the Building Societies Act 1965* (hereinafter referred to as the principal Act).

(2) This Act shall come into force on the 1st day of September 1987.

2. Interpretation—The principal Act is hereby amended by repealing section 2 (as amended by section 2 of the Building Societies Amendment Act 1970, section 2 of the Building Societies Amendment Act 1980, and section 2 of the Building Societies Amendment Act 1982), and substituting the following section:

- 15 “2. (1) In this Act, unless the context otherwise requires,—
- “‘Alteration’, in relation to the rules of a society, includes any addition to the rules, and also includes the rescission of all or any of the rules, with or without the substitution of one or more new rules for any
- 20 rules rescinded:
- “‘Annual return’ means the annual return required to be made by a society pursuant to section 103 of this Act:
- “‘Appropriate District Registrar of Companies’, in relation to any society, means the District Registrar of
- 25 Companies in whose office a copy of the society’s registered rules is filed:
- “‘Board of directors’, in relation to a society managed by a committee of management, means that committee:
- “‘Bonus ballot’ means a ballot, held by or on behalf of a
- 30 society, of eligible bonus balloting shares for the purpose of ascertaining which of the holders of those shares are entitled to receive any prizes arising in respect of those shares:
- “‘Bonus balloting shares’ means shares issued pursuant to
- 35 section 31A of this Act:
- “‘Building society’, or ‘society’, means a building society incorporated under this Act or under the Building Societies Act 1908:

*R.S. Vol. 17, p.41

- “ ‘Court’ means a District Court in any case where District Courts have jurisdiction under the District Courts Act 1947 in relation to this Act or to building societies; and in any other case means the High Court or a Judge thereof: 5
- “ ‘Debt security’ has the same meaning as in section 2 of the Securities Act 1978:
- “ ‘Director’ includes a member of a committee of management of a society, and any other person occupying the position of director, by whatever name called: 10
- “ ‘Disposition’, in relation to any land, means any disposition of that land *inter vivos*, and includes the grant of a lease or underlease; and ‘acquisition’ has a corresponding meaning: 15
- “ ‘Financial year’, in relation to any society, means the period in respect of which any revenue and appropriation account of the society laid before it at the annual general meeting is made up, whether that period is a year or not: 20
- “ ‘Instrument’ includes—
- “(a) Any instrument (other than this Act) of any form or kind that creates, evidences, modifies, or extinguishes rights, interests, or liabilities or would do so if it or a copy thereof were lodged, filed, or registered under any enactment; and 25
- “(b) Any judgment, order, or process of a court:
- “ ‘Land’ has the same meaning as in the Property Law Act 1952; and includes a licensee’s interest under any licence to occupy within the meaning of Part I of the Companies Amendment Act 1964 or under a deferred payment licence within the meaning of the Land Act 1948: 30
- “ ‘Liabilities’ means liabilities, debts, charges, duties, and obligations of every description (whether present or future, actual or contingent, and whether payable or to be observed or performed in New Zealand or elsewhere): 35
- “ ‘Member’, in relation to a society, includes—
- “(a) Any person who for the time being holds a share (whether advanced or not) in the society: 40
- “(b) Any person who has succeeded to any of the rights or liabilities of a member of the society:
- “ ‘Minister’ means the Minister of Justice:

- “ ‘Officer’, in relation to a society, includes a director, manager, or secretary:
- “ ‘Participatory security’ has the same meaning as in section 2 of the Securities Act 1978:
- 5 “ ‘Permanent society’ has the meaning assigned to it by section 10 of this Act:
- “ ‘Prescribed’ means prescribed by regulations made under this Act:
- 10 “ ‘Property’ means property of every kind whether tangible or intangible, real or personal, corporeal or incorporeal and, without limiting the generality of the foregoing, includes—
- “(a) Choses in action and money:
- “(b) Goodwill:
- 15 “ (c) Rights, interests and claims of every kind in or to property, whether arising from, accruing under, created or evidenced by or the subject of, an instrument or otherwise and whether liquidated or unliquidated, actual, contingent, or prospective:
- 20 “ ‘Purchase price’, in respect of any leasehold estate in land, means any sum payable as the consideration, or as part of the consideration, for the grant or assignment of the lease:
- “ ‘Registered valuer’ means a valuer for the time being registered under the Valuers Act 1948:
- 25 “ ‘Registrar’ means the Registrar of Building Societies under this Act:
- “ ‘Rights’ means all rights, powers, privileges, and immunities, whether actual, contingent, or prospective:
- 30 “ ‘Security’ means a mortgage, submortgage or 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 any other obligation or liability and in any case whether upon demand or otherwise, whether present or future and whether actual or contingent, and includes an agreement or undertaking to give or execute whether
- 35 upon demand or otherwise any of the foregoing:
- 40 “ ‘Share’ includes stock:
- “ ‘Special resolution’ has the meaning assigned to it by section 81 of this Act:

“ ‘Terminating society’ has the meaning assigned to it by section 10 of this Act; and, where a permanent society in existence at the commencement of this Act had, on the 1st day of August 1965, shareholders in terminating groups, includes that part of the society’s activities which relates to terminating groups. 5

“(2) For the purposes of Part VIIA of this Act, ‘conversion date’ means the date shown on the certificate of incorporation of a society as a company under the Companies Act 1955 issued pursuant to section 113B of this Act. 10

“(3) For the purposes of any enactment in this Act which provides that an officer of a society who is in default shall be liable to imprisonment or to a fine, the expression “officer who is in default” means any officer of the society who knowingly and wilfully authorises or permits the default, refusal, or contravention mentioned in the enactment. 15

“(4) For the purposes of this Act, the value of the assets of a society shall be the value at which the assets are taken into account in the latest balance sheet, and not any alternative values shown in that balance sheet: 20

“Provided that in the case of any land owned by the society the value shall not, for the purposes of this Act, exceed whichever is the greatest of the following amounts, namely:

“(a) The value as shown in the valuation roll for the time being in force under the Valuation of Land Act 1951; or 25

“(b) The value as shown in a report made by a registered valuer; or

“(c) The purchase price paid by the society on the acquisition of the land, less depreciation, in respect of improvements, at the prescribed rate. 30

“(5) Any reference in this Act to contravention of any provision of this Act, or of any regulations or directions thereunder, shall include a reference to failure to comply with that provision.” 35

3. New sections substituted—(1) The principal Act is hereby amended by repealing section 9 and the heading above section 9, and substituting the following heading and sections:

Struck Out

“Function and General Powers of Building Societies

5 “9A. **Function of building societies**—(1) Subject to any restrictions or prohibitions contained in the rules of a society, the function of a building society registered under this Act shall be to provide services of any kind for its members or other persons (including, without limiting the generality of the foregoing, to provide financial services).

10 “(2) For the purposes of subsection (1) of this section, but without limiting the generality thereof, ‘financial services’ includes, but is not limited to, any service consisting of, or relating to, the lending of money, the provision of credit, the giving of guarantees and indemnities, the sale and purchase of financial obligations, debts, and securities, the discounting of
15 credit instruments, banking, investment, insurance, trusteeship, and foreign exchange dealing.

New

“Functions and General Powers of Building Societies

20 “9A. **Functions of building societies**—(1) Subject to any restrictions or prohibitions contained in the rules of a society, the functions of every building society registered under this Act shall be—

25 “(a) To provide services of any kind for its members or other persons, including, without limiting the generality of the foregoing, to provide services consisting of, or relating to,—

“*(i)* The lending of money:

“*(ii)* The provision of credit:

“*(iii)* The giving of guarantees and indemnities:

30 “*(iv)* The sale and purchase of financial obligations, debts, and securities:

“*(v)* The discounting of credit instruments:

“*(vi)* Banking:

“*(vii)* Investment:

35 “*(viii)* Insurance:

“*(ix)* Trusteeship:

“*(x)* Foreign exchange dealing:

“*(b)* To acquire by purchase, lease, exchange, or in any other way, land or any interest in land:

New

“(c) To develop, improve, manage, sell, lease, exchange, or otherwise deal in land or any interest in land.

“(2) No society registered under this Act shall be required to carry on all of the functions referred to in **subsection (1)** of this section if the society carries on one or more of those functions. 5

“**9B. Powers of building societies**—(1) Subject to any restrictions or prohibitions contained in the rules of a society, a society shall have all such powers, rights, and authorities as are conferred on it by this Act and all such other powers not inconsistent with this Act as may be reasonably necessary to enable it to carry on its *(function)*functions. 10

“(2) Any power, right, or authority that a society has pursuant to this Act may be exercised—

“(a) As a principal, agent, attorney, contractor, trustee, or otherwise: 15

“(b) By or through an agent, attorney, contractor, trustee, or otherwise.

“**9C. Ultra vires transactions**—(1) Nothing done by a society and no conveyance or transfer of any property to or by a society shall be invalid, void, or unenforceable by reason only of the fact that the society was without capacity or power to do it, or to execute, or give, or take such conveyance or transfer.

“(2) Nothing in **subsection (1)** of this section shall apply:

“(a) In any proceedings against the society by any member of the society, or where the society has issued a debenture or debentures secured by any charge over all or any of the undertaking or property of the society, by the holder of any of those debentures or the trustee for the holder of those debentures— 25 30

“(i) To prevent the doing of any act, or the conveyance or transfer of any property to or by the society on the ground that the society is without capacity or power to do the thing or to execute or take such conveyance or transfer; or 35

“(ii) To obtain any other relief on the ground that the society was without capacity or power to do such thing, or to execute or take such conveyance; or

“(b) In any proceedings by the society or any member of the society against any officer or former officer of the 40

society as a result of any thing done by the society or the conveyance or transfer of any property to or by the society on the ground that the society was without capacity or power to do such thing or to execute, give, or take such conveyance or transfer;

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or

“(c) In any petition by the Registrar for the dissolution by winding up of a society.

“(3) In any proceedings to which subsection (2) (a) (i) of this section applies to prevent the doing of any act, or the conveyance or transfer of any property by or to the society pursuant to any contract to which the society is a party, the Court may, on the application of any party to the contract (including the society), in addition to making any order

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15 restraining or preventing the society from performing the contract, make an order granting such relief as the Court thinks just in respect of any loss or damage which may be sustained as a result of the society being prevented from performing the contract.

“(4) Nothing in subsection (3) of this section shall authorise the granting of relief in respect of the loss of anticipated or future profits.

“(5) Every proceeding to which subsection (2) (a) or subsection (2) (b) of this section applies shall, notwithstanding anything to the contrary in the rules of the society or in sections 108 to 113 of this Act, be heard and determined by the Court and not by arbitration.

“9D. **Registration of documents not to constitute constructive notice**—No person is affected by or is deemed to have notice or knowledge of the rules of a society or any other documents or the contents thereof by reason only that the rules or other documents are—

“(a) Pursuant to this Act—

“(i) Registered by the Registrar, or

“(ii) Filed or lodged with the Registrar; or

“(iii) Filed or lodged with the District Registrar of Companies; or

“(b) Available for inspection at an office of the society.

“9E. **Dealings between society and other persons**—(1) A society or a guarantor of an obligation of a society may not assert against a person dealing with the society or with any person who has acquired any property, rights, or interests from the society that—

“(a) The rules of the society have not been complied with:

- “(b) A person named in a notice sent to the Registrar under section 88 of this Act as a director or secretary of the society—
- “(i) Is not a director or secretary of the society, as the case may be; or 5
 - “(ii) Has not been duly appointed; or
 - “(iii) Does not have authority to exercise a power which a director or secretary of a society carrying on business of the kind carried on by the society customarily has authority to exercise: 10
- “(c) A person held out by the society as an officer or agent of the society—
- “(i) Has not been duly appointed; or
 - “(ii) Does not have authority to exercise a power which an officer or agent of a society carrying on 15 business of the kind carried on by the society customarily has authority to exercise:
- “(d) A person held out by the society as an officer or agent of the society with authority to exercise a power which an officer or agent of a society carrying on business 20 of the kind carried on by the society does not customarily have authority to exercise, does not have authority to exercise that power:
- “(e) An officer or agent of the society who has authority to issue a document on behalf of the society does not 25 have authority to warrant that the document is genuine:
- “(f) An officer or agent of the society who has authority to issue a certified copy of a document on behalf of the society or otherwise certify on behalf of the society 30 does not have authority to warrant that the copy is a true copy or to so certify—

unless that person knows or by reason of that person’s position with or relationship to the society ought to know of the matter referred to in paragraphs (a), (b), (c), (d), (e), or (f), as the case may be, 35 of this subsection.

“(2) A society or a guarantor of an obligation of a society may not assert against a person dealing with the society or with any person who has acquired any property, rights, or interests from the society that a document has not been properly sealed 40 by the society if—

- “(a) The document is sealed with a seal which appears to be the seal of the society; and

“(b) The affixing of the seal appears to have been witnessed by 2 persons; and

“(c) At the time the document appears to have been sealed—

5 “(i) One of those persons was named in a notice sent to the Registrar under section 88 of this Act, or was being held out by the society, as a director of the society; and

10 “(ii) The other person was named in a notice sent to the Registrar under section 88 of this Act, or was being held out by the society, as a director or secretary of the society—

unless that person knows or by reason of that person’s position with or relationship to the society ought to know that—

“(d) The seal is not the seal of the society; or

15 “(e) The affixing of the seal was not witnessed by 2 persons; or

“(f) A person referred to in paragraph (c) (i) of this subsection was not a director of the society; or

20 “(g) A person referred to in paragraph (c) (ii) of this subsection was not a director or secretary of the society, as the case may be.

25 “9F. **Effect of fraud**—Section 9E of this Act applies notwithstanding the fact that a person referred to in any of the provisions of paragraphs (b) to (f) of subsection (1) or paragraph (c) of subsection (2) of that section—

“(a) Acts fraudulently; or

“(b) Forges a document that purports to have been sealed on behalf of the society—

30 unless the person dealing with the society or with the person who has acquired any property, rights, or interests from the society has actual knowledge of the fraud or forgery.”

(2) Section 9c of the principal Act (as enacted by subsection (1) of this section) shall be deemed to have come into force on the commencement of the principal Act and shall apply to any thing done by a society and any conveyance or transfer of any property to or by a society whether before or after the commencement of this Act.

35 (3) Sections 9b to 9F of the principal Act (as enacted by subsection (1) of this section) shall be deemed to have come into force on the commencement of the principal Act.

40 (4) Nothing in sections 9c to 9F of the principal Act shall apply to or affect any proceedings instituted or commenced before the coming into force of this Act.

Struck Out

4. Powers in relation to property—The principal Act is hereby amended by repealing section 12, and substituting the following section:

“12. Any society shall, so far as the society may think it necessary or convenient for the purpose of the performance of the function of the society, have power to—

“(a) Purchase, take on lease or in exchange, hire, and otherwise acquire property:

“(b) Sell, improve, manage, develop, exchange, lease, dispose of, or otherwise deal with all or any part of the property of the society.”

New

4. Powers in relation to land—The principal Act is hereby amended by repealing section 12.

5. Contents of rules—(1) Section 17 (1) of the principal Act is hereby amended by repealing paragraph (f) and paragraph (g).

(2) Section 17 (1) of the principal Act is hereby further amended by repealing paragraphs (j) and (k), and substituting the following paragraphs:

Struck Out

“(ka) Any restrictions or prohibitions on the provision of any service which the society is authorised to provide by this Act:

New

“(ka) Any restrictions or prohibitions on the functions of the society:

“(kb) Any restrictions or prohibitions on any powers, rights, or authorities that a society has under this Act:

“(kc) Any restrictions on the power of the society to borrow money:

“(kd) Any restrictions on the power of the society to lend money:

5 “(ke) Any restrictions on the power of the society to invest money:”.

(3) Section 17 (5B) of the principal Act (as substituted by section 4 (3) of the Building Societies Amendment Act 1980) is hereby amended by repealing paragraph (c).

10 **6. Effect of rules**—The principal Act is hereby amended by repealing section 18, and substituting the following section:

“18. (1) The rules of a society shall be binding on every member and officer of the society, and on all persons claiming on account of any member or under the rules; and all such
15 members, officers, and persons shall be deemed to have full notice of the rules.

“(2) No lender or other person dealing with a society shall be concerned to see or inquire whether any restriction on the power of a society to borrow money imposed by the rules of a
20 society is observed.”

7. Alteration of rules—(1) Section 19 of the principal Act is hereby amended by omitting from subsection (2) the words “3 members and the secretary, and a statutory declaration of an officer of the society that the resolution has been passed as a
25 special resolution”, and substituting the words “a director and the secretary of the society”.

(2) Section 19 of the principal Act is hereby further amended by omitting from subsection (4) the words “or other officer”.

8. Restriction on registration of names—Section 21 of
30 the principal Act is hereby amended by repealing subsection (1A) (as inserted by section 5 (2) of the Building Societies Amendment Act 1980).

9. Commencement of advertising—The principal Act is hereby amended by repealing section 30.

35 **10. New sections inserted**—The principal Act is hereby amended by repealing sections 32, 33, and 34, and substituting the following sections:

“32. **Union of societies**—(1) Two or more building societies may unite and become one society, with or without a

dissolution or division of the funds of any one or more of those societies, if the terms of the union are approved by a special resolution of each of the societies.

“(2) Notice of every union of societies shall be sent to the Registrar. 5

“(3) If any society fails to send notice to the Registrar under subsection (2) of this section, the society, and every officer of the society who is in default, shall be guilty of an offence against this Act.

“33. **Transfer of engagements**—(1) Subject to the 10 provisions of this section, a society may, by special resolution, transfer all or part of its engagements to another society which undertakes to fulfil those engagements.

“(2) A society may, by resolution of a general meeting of the society or of the board of directors of the society, undertake to 15 fulfil all or part of the engagements of another society.

“(3) It shall be the duty of a society transferring all or part of its engagements under this section to send notice of the transfer to the Registrar.

“(4) A transfer of engagements between societies under this 20 section shall not have effect unless notice of the transfer has been registered.

“(5) If a society fails to comply with subsection (3) of this section, the society, and every officer of the society who is in default, shall be guilty of an offence against this Act. 25

“34. **Supplementary provisions as to union and transfer of engagements**—(1) A society (in this section referred to as the relevant society) desiring to unite with one or more other societies, or to transfer all or part of its engagements to another society, shall send to each member 30 referred to in subsection (2) of this section a statement setting out—

“(a) The financial position of the relevant society and that of the other society or societies concerned:

“(b) The interest of the directors of the relevant society in the 35 union or transfer:

“(c) The compensation or other consideration proposed to be paid to the directors or other officers of the relevant society, and of the other society or societies concerned: 40

“(d) The payments (if any) to be made to the members of the relevant society, and of the other society or societies

concerned, in consideration of the union or transfer of engagements.

“(2) A statement under **subsection (1)** of this section shall be sent to every member qualified to vote on the special resolution
5 to approve the union, or to effect the transfer of engagements, as the case may be, together with the notice of meeting required to be sent to each such member.

“(3) Where notice of the union or transfer is sent to the Registrar under **section 32 or section 33** of this Act the Registrar
10 shall, if the Registrar is satisfied that the provisions of those sections and of this section have been complied with, register the notice and give notice thereof to the appropriate District Registrars of Companies.

“(4) The registration by the Registrar of notice of the union
15 or transfer shall operate, by virtue of this subsection and without further assurance, as an effectual transfer and assignment, as at the date of the registration, to the united society or, as the case may be, to the society to which the engagements are transferred, of the funds, property, and assets
20 of the relevant society, or, as the case may be, of such part of those funds, property, and assets as are provided for by the (instrument of union or transfer) resolution to approve the union or to effect the transfer, as the case may be.

“(5) Where by virtue of **subsection (4)** of this section any land
25 or interest in land becomes vested in the united society or, as the case may require, the society to which the engagements are transferred the District Land Registrar, on the request of the said society and on payment of the appropriate fee, and on being satisfied, by statutory declaration or otherwise, of the
30 title of the said society, shall make such entries in the register and on any outstanding documents of title and generally do such things as may be necessary to give effect to that subsection.

“(6) The union or transfer of engagements shall not affect the
35 rights of any creditor of the relevant society.

“(7) A failure to comply with any of the provisions of **subsections (1) and (2)** of this section shall not invalidate the union or transfer of engagements; but if the relevant society fails to comply with any of those provisions the society, and every
40 officer of the society who is in default, shall be guilty of an offence against this Act.

“Disposal of Part of Business Undertaking

“34A. Power to dispose of part of business undertaking—(1) A society may, with the approval of a resolution of a general meeting of the society or of the board of directors of the society, sell or otherwise dispose of any part of the business undertaking of the society to such person or persons and upon such terms and conditions as the society in general meeting or the board of directors thinks fit. 5

“(2) Nothing in subsection (1) of this section authorises a society to sell or dispose of any part of the business undertaking of the society if that sale or disposition would result in the society uniting with any other society or transferring any of the society’s engagements.” 10

11. New Part substituted—The principal Act is hereby amended by repealing Parts III, IV, and V, and substituting the following Part: 15

“PART VA

“INVESTMENT AND BORROWING

“56A. Investment powers—Without limiting the generality of section 9A or section 9B of this Act, but subject to any restriction contained in the rules of the society, a society may invest any money belonging to it or acquired in the course of its business— 20

“(a) For any purpose connected with the *(function)* functions of the society; or 25

“(b) To the extent that any money is not immediately required for the performance of the *(function)* functions of the society, in any other manner that the society thinks fit. 30

“56B. Borrowing powers—Without limiting the generality of section 9A or section 9B of this Act, but subject to any restriction contained in the rules of the society, a society may borrow money on such terms and conditions as the society thinks fit.

“56C. Power to give security—A society may secure the payment of money and the performance of any other obligation of the society in such manner as the society thinks fit. 35

“56D. Home ownership accounts and farm ownership accounts—(1) Without limiting section 56B of this Act, any society which is for the time being designated under section 56F of this Act, or deemed to be so designated, as a society with 40

which trustees may invest trust funds by way of deposit, may, with the approval of the Governor-General by Order in Council, accept deposits from its members in home ownership accounts or farm ownership accounts (any such society being referred to
5 in this section as an approved society).

“(2) Home ownership accounts may be operated by an approved society upon such terms and conditions as may be specified in regulations made under this Act.

“(3) Farm ownership accounts may be opened with and
10 operated by an approved society upon such terms and conditions as may be specified in regulations made under this Act.

“(4) It shall not be lawful for any society, other than an approved society, to accept or hold itself out as willing to
15 accept deposits in home ownership accounts or farm ownership accounts.

“(5) If any society contravenes any provision of this section that is applicable to it, the society, and every officer of the society who is in default, shall be guilty of an offence against
20 this Act.

“56E. **Depositor under age of 20**—A receipt or acknowledgment given to a society by a person under the age of 20 years, in respect of the payment to that person of any sum due in respect of the principal of or interest on sums lent
25 by that person to the society, shall not be invalid on the ground that that person is under the age of 20 years.

“56F. **Designation of societies for investments by trustees**—(1) The Governor-General may from time to time by Order in Council, if satisfied that any society fulfils such
30 requirements as to its assets and liabilities, liquid funds, reserves, and other matters as may be prescribed in regulations made under this Act, designate the society as one with which trustees may, subject to **subsection (3)** of this section, invest trust funds by way of deposit.

35 “(2) Regulations made for the purpose of **subsection (1)** of this section may make provision—

“(a) Defining terms used in the regulations, and in particular defining assets, liabilities, shareholders’ funds, liquid funds, free reserves, deposits, loans, and borrowings
40 at interest, for any of the purposes of this section and of the regulations:

“(b) Generally for giving full effect to this section.

“(3) Where a society has been so designated and the designation has not been revoked, the powers of a trustee under section 4 of the Trustee Act 1956 shall include power to invest trust funds in the trustee’s hands by depositing with the society amounts not exceeding in the aggregate, for any one trust, the greater of a sum of \$50,000 or an amount certified by the secretary or principal executive officer of the society as not being more than 0.5 percent of the society’s assets at the time when the deposit is to be made. 5

“(4) In subsection (3) of this section, a society’s assets means the net total of the society’s assets, as ascertained in accordance with section 2 (4) of this Act, after deducting— 10

“(a) The total amount of any advances authorised but not yet paid over; and

“(b) The total amount of any unearned premiums on advances made by way of mortgage; and 15

“(c) The total of all amounts paid on borrowing shares, in any case where the society’s accounts show as assets the full amounts secured to the society by mortgages; and 20

“(d) The amount of any fictitious assets; and

“(e) The amount of any excess of the total book value of the society’s investments over their total market value. 25

New

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“56G. **Memorandum of discharge of mortgage**—For the purposes of section 79 of the Property Law Act 1952, a memorandum of discharge of a mortgage to a society shall be deemed to be duly executed if it is under the society’s seal and countersigned by the manager or secretary of the society.” 30

12. Part VI (which relates to powers of control of Registrar) repealed—The principal Act is hereby amended by repealing Part VI.

13. Inspection of register of members—The principal Act is hereby amended by repealing section 75, and substituting the following section: 35

“75. (1) The register of members kept pursuant to section 74 of this Act shall during business hours (subject to such reasonable restrictions as the society may impose, so that not

less than 2 hours in each day shall be allowed for inspection) be open without charge to the inspection of any member or any person nominated by the member on the member's behalf.

5 “(2) The right to inspect the register conferred by subsection (1) of this section shall be deemed to include the right to take or require a copy of the register, or of any part thereof, on payment in advance of 20 cents, or such less sum as the society may prescribe, for every 100 words or fractional part thereof required to be copied. The society shall cause any copy so
10 required by any member to be sent to that member within a period of 10 days commencing on the day next after the day on which the payment is received by the society.

“ (3) If any inspection required under this section is refused, or if any copy required under this section is not sent within the
15 proper period, the Court may by order compel an immediate inspection of the register or direct that the copies required shall be sent to the member requiring them.”

14. Persons entitled to notice of meetings—Section 78 of the principal Act is hereby amended by omitting from
20 paragraph (a) of the proviso to subsection (2) the expression “\$50”, and substituting the expression “\$200”.

15. Special resolutions—Section 81 of the principal Act is hereby amended by omitting from subsection (2) the expression “\$50” (as substituted by section 16 (b) of the
25 Building Societies Amendment Act 1980), and substituting the expression “\$200”.

16. Giving of security by officers of society—The principal Act is hereby amended by repealing section 84.

17. Duty of officers to account—The principal Act is
30 hereby amended by repealing section 85.

18. Officers not to accept commissions—The principal Act is hereby amended by repealing section 87, and substituting the following section:

35 “87. (1) No director, manager, secretary, or other officer of a society shall, in addition to that person's remuneration as an officer of the society, accept from any other person any commission for or in connection with—

“(a) Any loan made by the society; or

“(b) Any policy of insurance effected through the society or issued by a person nominated or selected by the society.

“(2) If any director or other officer contravenes any of the foregoing provisions of this section— 5

“(a) That director or other officer commits an offence and shall be liable to imprisonment for a term not exceeding 6 months or to a fine not exceeding \$100, or to both; and

“(b) If, having been convicted of an offence against subsection (1) of this section, that director or other officer fails to pay to the society the amount or value of the commission referred to in that subsection, as and when directed to do so by the convicting Court, that director or other officer commits a further offence and shall be liable to imprisonment for a term not exceeding 6 months or to a fine not exceeding \$100, or to both. 10 15

“(3) If any person pays to any director or other officer any commission to which this section applies, that person commits an offence and shall be liable to imprisonment for a term not exceeding 6 months or to a fine not exceeding \$100, or to both. 20

“(4) In this section, ‘commission’ includes any gift, bonus, or benefit.”

19. Directors’ report—The principal Act is hereby amended by repealing section 96 (as amended by section 10 (1) of the Building Societies Amendment Act 1982 and section 2 (3) of the Building Societies Amendment Act 1983), and substituting the following section: 25

“96. (1) The directors shall prepare for submission at the annual general meeting a report of the state of the affairs of the society. 30

“(2) The directors’ report shall be attached to the balance sheet.

“(3) If any copy of a balance sheet is issued, circulated, or published without having attached to it a copy of the directors’ report, the society, and every officer of the society who is in default, shall be guilty of an offence against this Act.” 35

20. Auditors’ report, right of access to books, and right to attend meetings—Section 101 of the principal Act is hereby amended by repealing subsection (4), and substituting the following subsection: 40

“(4) It shall be the duty of the auditors, in preparing the report, to carry out such investigations as will enable them to form an opinion as to whether—

5 “(a) The balance sheet and revenue and appropriation account are in agreement with the books of account and records of the society:

“(b) The balance sheet gives a true and fair view of the state of the society’s affairs as at the end of its financial year:

10 “(c) The revenue and appropriation account gives a true and fair view of the income and expenditure of the society for the financial year,—

and if the auditors form an opinion that the balance sheet and revenue and appropriation account are not so in agreement or
15 do not give a true and fair view as aforesaid, the auditors shall state that fact in the report.”

21. Annual return to disclose advances to certain officers or companies—(1) Section 104 of the principal Act is hereby amended by repealing subsection (2).

20 (2) Section 104 (5) of the principal Act is hereby amended by omitting the words “or subsection (2)”.

22. Additional annual return of certain transactions—The principal Act is hereby amended by repealing section 105.

23. Determination of disputes by arbitration—Section
25 109 of the principal Act is hereby amended by repealing subsection (4), and substituting the following subsection:

“(4) The Registrar shall not be eligible for appointment under this section as a sole arbitrator, or as one of 2 arbitrators or as an umpire.”

30 **24. New Part inserted—**The principal Act is hereby amended by inserting, after Part VII, the following Part:

“PART VIIA

“CONVERSION TO COMPANY

35 **“113A. Building society may approve scheme for conversion of society into company under Companies Act 1955—**(1) A society may, by special resolution, approve a scheme for conversion of the society into a public company limited by shares under the Companies Act 1955.

“(2) Every scheme shall—

40 “(a) State the name of the proposed company:

- “(b) State the authorised capital of the proposed company:
- “(c) Have annexed to it the memorandum of association and articles of association of the proposed company:
- “(d) Specify the persons or classes of persons who will be the members of the proposed company: 5
- “(e) Specify, in the case of persons or classes of persons who are members of the society and who will be members of the proposed company, by reference to the interests of those persons or classes of persons in the capital of the society, the entitlements of those persons or classes of persons to shares in the capital of the proposed company: 10
- “(f) Specify, in the case of persons or classes of persons who are members of the society and who will not be members of the proposed company, the rights and liabilities of such persons or classes of persons: 15
- “(g) Contain such other matters as the society thinks appropriate.

Struck Out

“(3) A copy of every such special resolution shall, within 21 20 days, be delivered to the Registrar, and the Registrar, on being satisfied that the requirements of this section have been complied with, shall retain and register the copy of the resolution which shall be conclusive evidence that the requirements of this section have been complied with. 25

New

“(3) A society that has passed a special resolution approving a scheme for the conversion of the society into a company pursuant to this section shall, within 14 days after the date on which the resolution was passed, file a notice, stating that such a resolution has been passed, and specifying the terms thereof, with the Registrar. 30

“(4) Before a special resolution is passed pursuant to subsection (1) of this section a notice complying with the provisions of subsection (5) of this section shall be sent to every member qualified to vote on the special resolution together with the notice of meeting required by section 78 of this Act to be sent to each such member. 35

“(5) Every notice required for the purposes of **subsection (4)** of this section shall—

- 5 “(a) Summarise, in sufficient detail to enable the members of the society to properly determine how to vote on the resolution, the matters required to be referred to in, and the contents of any documents required to be annexed to, the scheme for conversion as specified in **subsection (1)** of this section:
- 10 “(b) Specify any proposed change in the principal activities of the society:
- “(c) Specify the names of the persons who will be the directors of the proposed company:
- “(d) State whether any financial benefits are to be conferred as a consequence of the scheme on any director of the society or the proposed company:
- 15 “(e) State whether it is intended that the proposed company will, within 6 months of the conversion date, issue any shares in the proposed company other than in accordance with the scheme for conversion:
- 20 “(f) State that a copy of the scheme for conversion is available for inspection by any member at every place of business of the society at any time during normal business hours.
- “(6) No scheme for conversion including a statement purporting to be made by an expert, and no document relating to a scheme for conversion including a statement purporting to be made by an expert, shall be sent to, or made available for inspection by, any person for the purposes of this section, unless—
- 30 “(a) The expert has given and has not, before the date on which the scheme for conversion or other document, as the case may be, is sent to, or made available for inspection by, any person, withdrawn his or her written consent to distribution of the scheme or other document with the statement included in the form and context in which it is included; and
- 35 “(b) A statement that the expert has given and has not withdrawn his or her consent appears in the scheme or other document, as the case may be; and
- 40 “(c) A statement of the expert’s qualifications appears in the scheme or other document, as the case may be; and
- “(d) A statement which appears in the scheme or other document, as the case may be, states whether or not

the expert is or is intended to be a director, officer, or employee of, or professional adviser to, the society or the proposed company; and

“(e) The statement was made not earlier than 4 months before the scheme or other document, as the case may be, was sent to, or made available for inspection by, any person for the purposes of this section. 5

“(7) For the purposes of subsection (6) of this section, ‘expert’ means any person who holds himself or herself out to be of a profession or calling that gives authority to a statement made by him or her; and includes an accountant or valuer; but does not include a person acting in his or her capacity as an auditor or as a director or officer of a society. 10

New

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“113AA. Cancellation of approval of scheme for conversion by High Court—(1) An application for the cancellation of the approval, by special resolution passed under section 113A of this Act, of a scheme for conversion of a society into a company may be made to the High Court— 20

“(a) By persons—

“(i) Who together comprise not less than one-tenth of the whole number of members of the society who were qualified to vote on the special resolution of the society to approve the scheme for conversion; and 25

“(ii) Who all voted, by person or by proxy, against that resolution; or

“(b) With the leave of the Court,—

“(i) By any member of the society; or 30

“(ii) By any creditor of the society.

“(2) An application under subsection (1) of this section shall be made within 21 days after the date on which the notice that a special resolution has been passed by the society is filed with the Registrar in accordance with section 113A (3) of this Act. 35

“(3) An application under subsection (1) of this section may be made on behalf of one or more of the persons entitled to make the application by such one or more of their number as may be appointed in writing for the purpose.

“(4) A copy of every application made under subsection (1) of this section shall be filed with the Registrar within 21 days after 40

New

the date on which the notice that a special resolution has been passed by the society is filed with the Registrar in accordance with **section 113A (3)** of this Act.

5 “(5) On an application under **subsection (1)** of this section, the Court may—

“(a) Make an order confirming or cancelling the approval of the scheme for the conversion of the society into a company either wholly or in part, and on such terms and conditions as it thinks fit:

10 “(b) Adjourn the proceedings in order that an arrangement may be made, to the satisfaction of the Court, for the purchase of the interests of dissentient members:

15 “(c) Give such directions and make such orders as it thinks fit for facilitating or carrying into effect any such arrangement.

“(6) In exercising its powers under **subsection (5)** of this section, the Court—

20 “(a) Shall have regard to the rights and interests of the members of the society, or any class of them; and

“(b) May also have regard to any other matter that it thinks fit.

25 “(7) Except by special leave of the Court by whom the judgment or order appealed from was made, or by special leave of the Court of Appeal, no appeal from any judgment or order made under **subsection (5)** of this section shall be brought after the expiration of 30 days from the time the decision of the Court is given.

30 “**113AB. Special resolution approving scheme for conversion to be registered by Registrar of Building Societies**—(1) A copy of a special resolution passed by a society pursuant to **section 113A** of this Act to approve a scheme for the conversion of (a) the society into a company shall not be
35 delivered to the Registrar for registration pursuant to this section before the expiration of the latest of the following:

“(a) Twenty-one days after the date on which the notice that a special resolution has been passed has been filed with the Registrar pursuant to **section 113A (3)** of this
40 Act; or

New

- “(b) If an application to the Court has been made under section 113AA of this Act, the date the application is determined by the Court; or
- “(c) If there is an appeal against that determination, the date the appeal is finally determined. 5
- “(2) A copy of the special resolution together with a copy of the scheme for conversion shall, if an application under section 113AA of this Act has not been made to the Court, be delivered to the Registrar by the society within 14 days after the expiration of the period of 21 days referred to in subsection (1) (a) of this section. 10
- “(3) If an application has been made to the Court under section 113AA of this Act, a copy of the special resolution, together with a sealed copy of the order of the Court confirming the approval of the scheme for conversion, and a copy of the scheme for conversion, shall be delivered to the Registrar by the later of the following: 15
- “(a) Thirty days after the date the application is determined by the Court; or 20
- “(b) If there is an appeal against that determination, 30 days after the date that appeal is finally determined.
- “(4) The Registrar, on being satisfied that the requirements of section 113A of this Act have been complied with, shall retain and register the documents delivered in accordance with subsection (2) or subsection (3) of this section, as the case may be, and shall certify the registration under his or her hand or seal, which shall be conclusive evidence that the requirements of this section and section 113A of this Act have been complied with. 25
- “(5) If a society makes default in delivering to the Registrar any document required by this section to be delivered to the Registrar, the society, and every officer of the society who is in default, shall be guilty of an offence against this Act. 30

“113B. Registrar of Companies to register society as a company on receipt of certain documents—(1) As soon as reasonably practicable after the *(passing of a special resolution under section 113A of this Act)* registration, pursuant to section 113AB (4) of this Act, of a copy of the special resolution approving the scheme for the conversion of the society into a company, (a) the society shall deliver to the Registrar of Companies the following documents and fee: 35 40

- “(a) A copy of the special resolution certified under the hand of the Registrar of Building Societies as having been registered under **(section 113A (3)) section 113AB (4)** of this Act:
- 5 “(b) The memorandum of association in the form annexed to the scheme approved by the society completed in accordance with sections 14 and 15 of the Companies Act 1955:
- 10 “(c) Articles of association in the form annexed to the scheme approved by the society completed in accordance with section 20 of the Companies Act 1955:
- 15 “(d) Confirmation from the Registrar of Companies that the name of the proposed company has been reserved pursuant to section 31 (4) of the Companies Act 1955:
- “(e) A notice of situation of registered office of the proposed company as required by section 115 of the Companies Act 1955:
- 20 “(f) The written consents to act as directors as required by section 184 (1) (a) of the Companies Act 1955 of all persons to be appointed directors of the proposed company:
- 25 “(g) Any undertaking required by subparagraph (iii) or any statutory declaration required by subparagraph (iv) of section 184 (1) (b) of the Companies Act 1955:

New

30 “(ga) A list of the persons who have consented to be directors of the proposed company as required by section 184 (4) of the Companies Act 1955:

- “(h) The certificate of incorporation of the society issued under this Act:
- 35 “(i) Such fee as is payable under the First Schedule to the Companies Act 1955 for the registration of a company.

“(2) The Registrar of Companies, on being satisfied that the documents delivered under **subsection (1)** of this section are in accordance with that subsection, shall retain and register them

40 and issue a certificate of incorporation for the company.

“(3) The certificate of incorporation shall be conclusive evidence that the requirements of this section have been

complied with and that the society was on the date shown in the certificate duly registered as a company under the Companies Act 1955.

“(4) From the commencement of the date shown in the certificate of incorporation the society shall cease to be incorporated under this Act and shall be a company incorporated under Part II of the Companies Act 1955 and that Act (except section 117) (except sections 117 and 134, and the proviso to section 135 (1) and the first proviso to section 152 (1)) shall apply to it accordingly.

“(5) The Registrar shall forthwith publish notice of the registration of the society as a company pursuant to this section in the *Gazette*.

“(6) Upon the registration of a society as a company—

“(a) All persons who are to be members of the company in accordance with the terms of the scheme for conversion shall be members of the company; and

“(b) The shares in the capital of the company to which all such persons are entitled in accordance with the scheme for conversion shall be deemed to be allotted to such persons; and

“(c) An entry shall be made in the register of members of the company in respect of each such person showing—

“(i) The name of that person:

“(ii) The address of that person to which notices and other documents are to be sent:

“(iii) The class of share and the number and nominal amount of the shares in the capital of the company to be held by that person calculated in accordance with the terms of the scheme for conversion.

“(7) Where any shares are, pursuant to **subsection (6)** of this section, deemed to have been allotted to members of the company, the company shall, as soon as practicable, deliver to the Registrar of Companies—

“(a) A list, verified by the statutory declaration of a director, showing—

“(i) The number and nominal amount of the shares comprised in the allotment:

“(ii) The names, addresses, and descriptions of the allottees:

“(iii) The amount credited as paid up on each share allotted:

“(iv) The consideration for which the shares were allotted:

5 “(b) A statutory declaration by a director of the company to the effect that the consideration provided is not less than the amount by which the shares have been paid up otherwise than in cash and describing the consideration for the allotment (or, where the effect of the allotment is to satisfy the whole or part of a liability of the company, for the liability) in sufficient detail to identify it and stating an estimate of its value and how that value was assessed.

10 “(8) Nothing in section 60 of the Companies Act 1955 shall apply to any allotment of shares deemed to have been made pursuant to **subsection (6)** of this section by a company into
15 which a society has become converted.

“(9) Notwithstanding anything contained in **subsection (7) (a)** of this section or section 118 of the Companies Act 1955, no company into which a society has become converted pursuant to this Part of this Act shall be required—

20 “(a) To show on the list required to be delivered to the Registrar of Companies by **subsection (7) (a)** of this section; or

“(b) To enter in the register of its members referred to in section 118 of the Companies Act 1955—
25 the description of any person who immediately before the conversion date was a member of the society if the register of members of the society did not contain a description of that person.

30 “113c. **Consequential provisions on conversion of society**—(1) Where any society becomes converted into a company pursuant to this Part of this Act, the undertaking of the society shall, on the conversion date, vest in the company by virtue of this Act.

35 “(2) For the purposes of **subsection (1)** of this section, ‘undertaking’, in relation to any society, means the property, rights, and liabilities of that society.

“(3) Without limiting the generality of **subsection (1)** of this section, the following provisions shall have effect in respect of any society that becomes converted into a company pursuant
40 to this Part of this Act on and after the conversion date:

“(a) A reference (express or implied) to the society in any instrument made, given, passed, or executed before the conversion date shall be read and construed as a reference to the company:

- “(b) Except as provided in **section 113d** of this Act, all contracts, agreements, conveyances, deeds, leases, licences, and other instruments, undertakings, and notices (whether or not in writing) entered into by, made with, given to or by, or addressed to the society (whether alone or with any other person) before the conversion date and subsisting immediately before the conversion date shall, to the extent that they were previously binding on and enforceable by, against, or in favour of the society, be binding on and enforceable by, against, or in favour of the company as fully and effectually in every respect as if, instead of the society, the company 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, as the case may be: 5
- “(c) An instruction, order, direction, mandate, or authority given to the society and subsisting immediately before the conversion date shall be deemed to have been given to the company: 20
- “(d) A security held by the society as security for a debt or other liability to the society incurred before the conversion date shall be available to the company as security for the discharge of that debt or liability and, where the security extends to future or prospective debts or liabilities, shall be available as security for the discharge of debts or liabilities to the company incurred on or after the conversion date; and, in relation to a security, the company shall be entitled to all the rights and priorities (howsoever arising) and shall be subject to all liabilities to which the society would have been entitled or subject if the society had not become converted into a company: 25 30
- “(e) All the rights and liabilities of the society as bailor or bailee of documents or chattels shall be vested in and assumed by the company: 35
- “(f) A negotiable instrument or order for payment of money which before the conversion date is drawn on or given to or accepted or endorsed by the society or payable at a place of business of the society shall, unless the context otherwise requires, have the same effect on and after the conversion date as if it had been drawn on or given to or accepted or endorsed 40

by the company instead of the society or was payable at the place of business of the company:

“(g) Nothing effected or authorised by this Part of this Act—

5 “(i) Shall be regarded as placing the society, or the company, or any other person in breach of contract or confidence or as otherwise making any of them guilty of a civil wrong; or

10 “(ii) Shall be regarded as giving rise to a right for any person to terminate or cancel any contract or arrangement or to accelerate the performance of any obligation; or

15 “(iii) Shall be regarded as placing the society, or the company, or any other person in breach of any enactment or rule of law or contractual provision prohibiting, restricting, or regulating the assignment or transfer of any property or the disclosure of any information; or

20 “(iv) Shall release any surety wholly or in part from any obligation; or

“(v) Shall invalidate or discharge any contract or security:

25 “(h) Any action, arbitration or proceedings, or cause of action which immediately before the conversion date is pending or existing by, against, or in favour of the society or to which the society is a party may be prosecuted, and without amendment of any writ, pleading, or other document, continued and enforced by, against, or in favour of the company.

30 “113D. **Enforceability of rights and liabilities altered by or arising under scheme for conversion**—(1) Where a scheme for conversion approved under section 113A of this Act provides for the conversion or alteration of the rights or liabilities of any person that were subsisting immediately before the conversion date those rights and liabilities shall, 35 notwithstanding section 113c of this Act, cease to be enforceable by, against, or in favour of the company on or after the conversion date except in accordance with that scheme.

40 “(2) Where a scheme for conversion approved under section 113A of this Act provides for any rights or liabilities to arise immediately after the conversion date those rights and liabilities shall be enforceable by, against, or in favour of the company on and after the conversion date.

“113E. **Liability of members of company**—No shares in the capital of a company into which a society has become

converted pursuant to this Part of this Act that are issued in respect of shares held by a person as a member of the society shall require a contribution from that person to the assets of the company in the event of the company being wound up that exceeds the amount undertaken to be contributed by that person in respect of that person's shares in the capital of the society to the assets of the society in the event of the society being dissolved. 5

“113F. Prohibition on issue of terminating or bonus balloting shares in company to which society converts— 10

(1) No shares shall be issued in the capital of a company into which a society has become converted pursuant to this Part of this Act that—

“(a) Are to terminate at the end of given periods or on the attainment of specified results; or 15

“(b) Entitle the holder to participate in a ballot for the purpose of ascertaining which of the holders of such shares are entitled to receive any prizes arising in respect of those shares.

New 20

“(2) Nothing in subsection (1) of this section shall prevent a company into which a society has become converted from issuing any shares that a company incorporated under the Companies Act 1955 (other than pursuant to this Part of this Act) is authorised or permitted to issue by virtue of that Act or any other enactment. 25

“113G. Preservation of rights of terminating shareholders—(1) Subject to subsection (3) of this section, and notwithstanding anything to the contrary contained in any scheme for conversion in relation to a society, every person who, immediately before the conversion date, was a holder of one or more shares in a society which becomes converted into a company pursuant to this Part of this Act, being a share or shares that was or were to terminate at the end of a given period or on the attainment of a specified result, shall be issued with debt or participatory securities of the company into which the society becomes converted corresponding in value to, and, subject to subsection (2) of this section, carrying the same rights and liabilities as, the shares of that class held by that person in the capital of the society. 30 35 40

“(2) No debt or participatory securities issued pursuant to subsection (1) of this section shall confer on the holder of those securities—

- 5 “(a) Any right to vote at any general meeting of the company:
- “(b) Any right to receive notice of any general meeting of the company:
- “(c) Any right to appoint any director of the company:
- 10 “(d) Any other rights ordinarily only conferred on shareholders of a company.

Struck Out

“(3) Subsection (1) of this section shall not apply to any person who has received a notice that complies with subsection (4) of this section and who has consented in writing to the conversion of that person’s shares into any interest other than those specified in subsection (1) of this section.

New

- “(3) Subsection (1) of this section shall not apply to any person—
- 20 “(a) Who has received a notice that complies with subsection (4) of this section; and
 - “(b) Who has consented in writing to the conversion of that person’s shares into any interest other than those specified in subsection (1) of this section.

25 “(4) Every notice referred to in subsection (3) of this section shall inform the person to whom it is addressed, in sufficient detail as to enable that person to make an informed assessment as to the nature of the interests into which his or her shares may be converted,—

- 30 “(a) Of that person’s entitlement under subsection (1) of this section:
- “(b) Of the nature of the interest into which that person’s shares may be converted if that person so consents.

35 **“113H. Terms and conditions of bonus balloting securities not to be substantially different from terms and conditions of bonus balloting shares—**(1) Subject to subsection (2) of this section, where a scheme for conversion of any society that is to become converted into a company

pursuant to this Part of this Act provides for the conversion into debt or participatory securities of any bonus balloting shares issued by the society, the terms and conditions of those debt or participatory securities shall not be substantially different from the terms and conditions of those bonus balloting shares. 5

“(2) Nothing in **subsection (1)** of this section shall require the issue of any debt or participatory securities which confer on the holder of those securities—

“(a) Any right to vote at any general meeting of the company: 10

“(b) Any right to receive notice of any general meeting of the company:

“(c) Any right to appoint any director of the company:

“(d) Any other rights ordinarily only conferred on shareholders of a company. 15

New

“(3) **Subsection (1)** of this section shall not apply to any person—

“(a) Who has received a notice that complies with **subsection (4)** of this section; and 20

“(b) Who has consented in writing to the conversion of that person’s shares into any debt or participatory securities the terms and conditions of which are substantially different from the terms and conditions of that person’s bonus balloting shares. 25

“(4) Every notice referred to in **subsection (3)** of this section shall inform the person to whom it is addressed, in sufficient detail as to enable that person to make an informed assessment as to the nature of the interests into which his or her shares may be converted,— 30

“(a) Of that person’s entitlement under **subsection (1)** of this section:

“(b) Of the nature of the interest into which that person’s shares may be converted if that person so consents.

“113I. **Employees**—Notwithstanding any other provision of this Act, the following provisions shall have effect in respect of any society that becomes converted into a company pursuant to this Part of this Act on and after the conversion date—

“(a) On the conversion date each employee of the society shall become an employee of the company but, for 40 the purposes of every enactment, law, award,

5 determination, contract, and agreement relating to the employment of each such employee, the contract of employment of that employee shall be deemed to have been unbroken and the period of service with the society shall be deemed to have been a period of service with the company:

10 “(b) The terms and conditions of employment of each such employee shall, until varied, be identical with the terms and conditions of that employee’s employment with the society immediately before the conversion date and be capable of variation in the same manner:

15 “(c) No such employee shall be entitled to receive any payment or other benefit by reason only of that employee ceasing to be an employee of the society by virtue of the society becoming converted into a company under this Part of this Act.

20 “113j. **Application of Gaming and Lotteries Act 1977 to company ballots**—(1) The Gaming and Lotteries Act 1977 shall not apply to any ballot which is conducted at any time before the expiry of (5) 3 years from the conversion date by a company into which a society has become converted pursuant to this Part of this Act for the purpose of determining the entitlement for prizes of any person who, immediately before the conversion date, was a holder of any bonus balloting share in the capital of the society and which is conducted in accordance with any regulations relating to bonus ballots made under this Act.

30 “(2) The Gaming and Lotteries Act 1977 shall not apply to any ballot which is conducted by a company into which a society has become converted pursuant to this Part of this Act for the purpose of determining the entitlement for loans of any person who, immediately before the conversion date, was a holder of any share in the society of a group that was to terminate at the end of a given period or on the attainment of specified results.

Struck Out

40 “113k. **Restrictions on conduct of bonus ballots by company into which society becomes converted**—No company into which a society has become converted pursuant to this Part of this Act shall—

Struck Out

- “(a) Permit any person to open an account with the company to which a number is given that is drawn in any ballot conducted for the purpose of determining entitlements for prizes: 5
- “(b) Credit to the account of any person to which a number is or has been given that is drawn in any ballot conducted for the purpose of determining entitlements for prizes any amount in addition to the amount standing to the credit of that person’s 10 account immediately before the conversion date.

New

“113k. **Prohibition on opening of new bonus balloting accounts after conversion date**—No company into which a society has become converted pursuant to this Part of this Act 15 shall permit any person to open an account with the company to which a number is given that is drawn in any ballot conducted for the purpose of determining entitlements for prizes.

Struck Out

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“113L. **Retention of trustee investment status for 5 years from conversion**—(1) Where any society becomes converted into a company pursuant to this Part of this Act and that society was, immediately before the conversion date, a society designated pursuant to ~~section 56f~~ of this Act, or deemed 25 to be so designated, as a society with which trustees may invest trust funds by way of deposit, the company into which the society has become converted shall, subject to compliance with any regulations made pursuant to **subsection (2)** of this section, be deemed to be a society designated as one with which 30 trustees may invest trust funds by way of deposit until the earlier of—

- “(a) The expiry of 5 years from the conversion date; or

Struck Out

“(b) The company ceasing to be so designated by virtue of any Order in Council made pursuant to **section 56F** of this Act,—

- 5 and the provisions of this Act and any regulations made under this Act relating to the designation of societies for investment by trustees shall apply to that company in all respects as if it were a society, except in so far as any provisions of the regulations are expressed not to apply to such a company.

New

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“**113L. Retention of trustee investment status for 5 years from conversion**—(1) Subject to **subsection (1A)** of this section, where any society becomes converted into a company pursuant to this Part of this Act and that society was,
 15 immediately before the conversion date, a society designated pursuant to **section 56F** of this Act, or deemed to be so designated, as a society with which trustees may invest trust funds by way of deposit, the company into which the society has become converted shall be deemed to be a society
 20 designated as one with which trustees may invest trust funds by way of deposit until the earlier of—

“(a) The expiry of 5 years from the conversion date; or

“(b) The company ceasing to be so designated by virtue of any Order in Council made pursuant to **section 56F** of
 25 this Act.

- “(1A) Subject to **subsection (1B)** of this section, the provisions of this Act, and any regulations made under this Act, relating to the designation of societies for investment by trustees shall apply to every company referred to in **subsection (1)** of this
 30 section in all respects as if it were a society, except in so far as any provisions of any such regulations are expressed not to apply to such a company.

- “(1B) Nothing in **subsection (1)** or **subsection (1A)** of this section shall apply to a company in any case where trustees are
 35 authorised pursuant to any provision of the Trustee Act 1956 to invest trust funds on deposit with that company, or in the stock, shares, convertible notes, and debentures of that company.

“(2) The Governor-General may from time to time, by Order in Council, make regulations prescribing any requirements to be fulfilled by any company deemed to be a society designated as one with which trustees may invest trust funds by way of deposit pursuant to **subsection (1)** of this section in respect of that company’s assets and liabilities, liquid funds, reserves, and any other similar matters. 5

“113M. **Retention of approved status for accepting deposits in home ownership or farm ownership accounts**—Where a society becomes converted into a company pursuant to this Part of this Act and that society was, immediately before the conversion date, a society approved by Order in Council made under **section 560** of this Act, or deemed to be so approved, as a society that may accept deposits from its members in home ownership accounts or farm ownership accounts, the company into which the society has become converted shall be deemed to be an approved society that may accept deposits from its members or from any other person in home ownership accounts or farm ownership accounts, and the provisions of this Act and any regulations made under this Act relating to the approval of societies as societies that may accept deposits in home ownership or farm ownership accounts, and the opening or operation of such accounts, shall apply to that company in all respects as if it were a society. 10 15 20

“113N. **Prohibition of bonus ballots after expiry of (5) 3 years from conversion date**—(1) No company into which a society has become converted in accordance with this Part of this Act, and no person acting on behalf of any such company, shall, at any time after the expiry of (5) 3 years from the conversion date, conduct any ballot for the purpose of ascertaining the entitlement of any person to receive prizes. 25 30

“(2) Every company that, at any time after its conversion from a society pursuant to this Part of this Act, is under a liability to any person to hold ballots for the purpose of ascertaining the entitlement of any person to receive prizes shall, before the expiry of (5) 3 years from the conversion date, except to the extent that such liabilities may have been otherwise discharged, discharge those liabilities in accordance with regulations made under **section 1130** of this Act. 35

“(3) Every company, and every person acting on behalf of a company, commits an offence and is liable to a fine not exceeding \$1,000 who— 40

“(a) Conducts any ballot in contravention of **subsection (1)** of this section; or

“(b) Fails to comply with the provisions of **subsection (2)** of this section.

“113O. **Regulations for purposes of this Part of Act**—
The Governor-General may from time to time, by Order in
5 Council, make regulations under **section 137** of this Act for all or
any of the following purposes:

“(a) Prescribing the procedure to be followed by a society for
the purpose of becoming converted into a company
pursuant to this Part of this Act:

10 “(b) Regulating ballots conducted by any company into
which a society has become converted pursuant to
this Part of this Act:

“(c) Providing for the maintenance of any fund or funds by
any such company for the purpose of discharging
15 the liabilities (whether existing, future, vested, or
contingent) of any such company to any person
interested in any ballots conducted by the company
for the purpose of determining entitlements to
prizes or loans:

20 “(d) Prescribing the procedure to be followed for the purpose
of—

“(i) Discharging any liabilities to persons
interested in ballots conducted by the company:

25 “(ii) Disposing of any funds required to be
maintained by the company in accordance with
regulations made under **paragraph (c)** of this section:

“(e) Prescribing offences in respect of the contravention of or
non-compliance with any regulations made under
30 this section and prescribing fines, not exceeding
\$1,000 in any case, in respect of any such offences:

“(f) Providing for such other matters as are contemplated by
or necessary for giving full effect to the provisions of
this Part of this Act.

35 “113P. **Taxes and duties**—(1) For the purposes of the Acts
of Parliament specified in the First Schedule to the Inland
Revenue Department Act 1974, and any other enactment that
imposes or provides for the collection of a tax, duty, levy, rate,
or other charge—

40 “(i) (a) Any society that has become converted into a
company and the company into which the society
has become converted shall be deemed to be the
same person; and

“(ii) (b) All transactions entered into by, and acts of, the
society before the conversion date shall be deemed

to have been entered into by, or to be those of, the company and to have been entered into or performed by the company at the time when they were entered into or performed by the society.

New

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“(2) For the purposes of section 188 (7) (a) of the Income Tax Act 1976 (which relates to the carrying forward of losses), where any company claims to carry forward any loss incurred wholly or partly during any income year during any part of which the company was a society registered under this Act, any shares in the company into which the society has become converted pursuant to this Part of this Act that—

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“(a) Were issued, pursuant to the terms of a scheme for the conversion of the society into a company,—

“(i) To persons who, immediately before the conversion date were holders of shares in the society; and

15

“(ii) Corresponding in value to the shares held by those persons in the society; and

“(b) Are held, at the end of the later income year to which the company claims to carry forward the loss,—

20

“(i) By the persons to whom the shares were issued; or

“(ii) By persons to whom the shares have been sold in the ordinary course of trading on the share market; and

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“(c) In the case of shares to which paragraph (b) (ii) of this subsection applies,—

“(i) Were quoted on the official list of a stock exchange in New Zealand at the time when the persons referred to in paragraph (b) (ii) of this subsection acquired the shares; and

30

“(ii) Are not shares that form part of a shareholding of any person who, during the period commencing with the beginning of the year of loss and ending with the end of that later income year, acquired more than 10 percent of the shares in the company, or who, together with any nominee or any associated person, acquired more than 10 percent of those shares during that period,—

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New

shall be deemed to have been held at all times during the period commencing with the beginning of the year of loss and ending with the end of the later income year to which the
 5 company claims to carry forward the loss by or on behalf of the persons who hold the shares at the end of the later income year.

“(3) Section 194A of the Income Tax Act 1976 (which relates to allowable deductions in calculating the assessable income of
 10 building societies) shall apply to a company into which a building society has become converted as if—

“(a) Every reference to a building society were a reference to the company:

15 “(b) Every reference to terminating shares were a reference to debt or participatory securities issued by the company pursuant to **section 113G** of this Act:

20 “(c) Every reference to withdrawable shares were a reference to debt or participatory securities issued by the company pursuant to **section 113G** or **section 113H** of this Act.

“**113Q. Registers**—(1) No Registrar of Deeds or District Land Registrar or any other person charged with the keeping of any books or registers shall be obliged solely by reason of the
 25 foregoing provisions of this Part of this Act to change the name of a society to that of a company in those books or registers or in any document.

“(2) The presentation to any registrar or other person of any instrument, whether or not comprising an instrument of transfer by the company,—

30 “(a) Executed or purporting to be executed by the company; and

“(b) Relating to any property held immediately before the conversion date by the society; and

35 “(c) Containing a recital that that property has become vested in the company, by virtue of the provisions of this Part of this Act—

shall, in the absence of evidence to the contrary, be sufficient proof that the property is vested in the company.

New

“(3) No fee shall be payable to any District Land Registrar under the Land Transfer Act 1952 or any regulations made under that Act for any act, matter, or thing in respect of which a fee is prescribed if the act or thing is done or the matter arises—

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“(a) Solely by reason of the change of name of a society to that of a company pursuant to this Part of this Act; and

“(b) Other than at the request of the society or the company into which the society has become converted.”

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25. Dissolution on award of Registrar—The principal Act is hereby amended by repealing section 117.

26. General control of advertisements—The principal Act is hereby amended by repealing section 122.

27. New sections inserted—The principal Act is hereby amended by inserting, before section 123, the following sections:

“122A. **Powers of inspection of Registrar**—(1) The Registrar or any person authorised by the Registrar may, for the purpose of ascertaining whether a society or any officer of a society is complying or has complied with this Act, or of ascertaining whether the Registrar should exercise any of the Registrar’s rights or powers under this Act, or of detecting offences against this Act,—

“(a) Require a society or any officer of a society to produce for inspection any registers, records, accounts, books, or papers that are kept by the society; and

“(b) In any case where the Registrar or the person authorised by the Registrar considers that the aforesaid purpose cannot be achieved by inspecting only the documents specified in paragraph (a) of this subsection, or where such documents are not produced for inspection, require any person (including any officer employed in or in connection with any Government Department) to produce for inspection any records, accounts, books, or papers that contain information relating to any money or other property that is or has been managed, supervised, controlled, or held in trust by or for the society; and

“(c) Inspect and make records of any such registers, records, accounts, books, or papers; and

5 “(d) For the purpose of making records thereof, take possession of and remove from the premises where they are kept, for such period of time as is reasonable in the circumstances, any such registers, records, accounts, books, or papers.

“(2) Nothing in **subsection (1)** of this section limits or affects the Inland Revenue Department Act 1974 or the Statistics Act
10 1975.

“(3) **Subsection (1)** of this section shall apply also in relation to any registers, records, accounts, books, or papers of a person carrying on the business of banking so far as they relate to the society’s affairs.

15 “(4) A person who has made an inspection under **subsection (1)** of this section shall give, divulge, or communicate any records or information that that person has acquired in the course of the inspection to such of the following persons as may require such records or information, namely:

20 “(a) The Registrar:

“(b) The Deputy Registrar.

“(5) A person who has made an inspection under **subsection (1)** of this section shall, upon being directed to do so by a person for the time being holding the office of Registrar or Deputy
25 Registrar, give, divulge, or communicate any records or information that that person has acquired in the course of the inspection to such of the following persons as that Registrar or Deputy Registrar specifies, namely:

“(a) The Minister:

30 “(b) The Secretary for Justice:

“(c) Any person authorised by that Registrar or Deputy Registrar to receive such records or information.

“(6) The Minister or the Secretary for Justice may, by written notice to that person, require a person for the time being
35 holding the office of Registrar or Deputy Registrar to give a direction under **subsection (5)** of this section; and that person shall comply with any such requirement.

“(7) If any society refuses or fails to produce for inspection to the Registrar, or to any person authorised by the Registrar for
40 the purposes of **subsection (1)** of this section, any document that the Registrar or authorised person has under that subsection required it to produce, the society commits an offence and shall be liable to a fine not exceeding \$1,000.

“(8) If any officer of a society or other person refuses or fails to produce for inspection to the Registrar, or to any person authorised by the Registrar for the purposes of **subsection (1)** of this section, any document within the power or control of that officer or person that the Registrar or authorised person has under that subsection required that officer or person to produce, that officer or person commits an offence and shall be liable to a fine not exceeding \$1,000. 5

“(9) Any person who wilfully obstructs or hinders the Registrar, or any person authorised by the Registrar for the purposes of **subsection (1)** of this section, while the Registrar or authorised person is making an inspection, or a record, or taking possession of, or removing any documents pursuant to that subsection, commits an offence and shall be liable to a fine not exceeding \$1,000. 10 15

“(10) Nothing in this section limits or affects legal professional privilege.

“**122B. Registrar may refuse to disclose information relating to inspection**—(1) Notwithstanding anything in the Official Information Act 1982, but subject to **subsections (4) and (5)** of **section 122A** of this Act, any person who makes an inspection under **section 122A (1)** of this Act, and any person to whom that person has, pursuant to **subsection (4) or subsection (5) of section 122A** of this Act or otherwise, given, divulged, or communicated any information that the first-mentioned person has acquired as a result of that inspection, may refuse to disclose any such information to any other person until the purpose for which that inspection is carried out has been satisfied. 20 25

“(2) Notwithstanding anything in the Official Information Act 1982, where any person requests the Registrar or any person referred to in **subsection (4) (a) or (b) or subsection (5) (a) or (b) of section 122A** of this Act to disclose whether an inspection under **section 122A (1)** of this Act is being, or is proposed to be, or has been carried out, the Registrar or, as the case may require, that person shall not be required to disclose that information under the Official Information Act 1982 unless the disclosure of that information would not be likely to prejudice the commercial position of any society or other person, and there is no other good reason for withholding that information under that Act. 30 35

“**122C. Appeals from decisions under section 122B**— (1) Any person who is aggrieved by the refusal of any person to disclose any information under **section 122B** of this Act may appeal to the Court within 21 days after being notified of that refusal, or within such further time as the Court may allow. 40

“(2) On hearing the appeal, the Court may confirm the refusal, or give such directions or make such determination in the matter as the Court thinks fit.

“122D. **Power of Registrar to require actuary’s certificate as to appropriations by ballot**—(1) The Registrar may at any time by notice in writing to a terminating society, being a society whose rules provide for shareholders to receive appropriations by ballot, call upon the society to supply the Registrar with a certificate from an actuary, approved for the purposes of this section by the Minister, certifying that every member of a terminating group of the society, if that member’s share or shares are properly paid up in accordance with the rules, has a reasonable prospect of receiving appropriations within not more than 30 years from the date of the formation of the group in which that member’s share or shares were originally issued.

“(2) The Registrar may at any time by notice in writing to a company into which a terminating society has become converted that conducts ballots for the purpose of determining entitlement to loans call upon the company to supply the Registrar with a certificate from an actuary, approved for the purposes of this section by the Minister, certifying that every person entitled to participate in any ballot conducted for that purpose, if that person complies with any terms and conditions to which that entitlement is subject, has a reasonable prospect of receiving appropriations within not more than 30 years from the date of the formation of the terminating group of the society that has become so converted in which that person’s share or shares were originally issued.

“(3) If the society or the company, as the case may be, fails to supply the certificate within one month after the date of the notice, or within such further time as the Registrar may in the Registrar’s discretion allow, the Registrar shall, by a further notice to the society or the company, call upon the society or the company so to amend its rules within 3 months after the date of the further notice as to enable such a certificate to be given.

“(4) If a society or the company, as the case may be, fails to comply with a further notice under subsection (3) of this section and to supply the certificate within the said period of 3 months, the Registrar may present a petition for the winding up of the society or the company under the Companies Act 1955.”

28. Provisions as to shares held jointly—The principal Act is hereby amended by repealing section 127, and substituting the following section:

“127. (1) This section shall have effect where shares in a society are held by two or more persons jointly; and in this section seniority of joint holders shall be determined by the order in which the names stand in the register of members and the expression “first named joint holder”, in relation to any shares so held, means such one of the joint holders as is named first in the society’s books.

“(2) The joint holders of any shares shall be entitled to choose the order in which they are named in the society’s books.

“(3) Subject to subsection (4) of this section, except where the society’s rules otherwise provide, any notice or other document may be given or sent by the society to the joint holders by being given or sent to the first named joint holder.

“(4) Nothing in subsection (3) of this section shall prevent any of the joint holders from exercising the right under this Act of a member of a society to obtain from it on demand a copy of the balance sheet.

“(5) Except where the society’s rules otherwise provide, the vote of the senior who tenders a vote at a meeting of the society whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders.

“(6) For the purposes of section 115 of this Act, the shares shall be treated as being held by the first named joint holder alone; and accordingly a person who is a member of the society by reason only of being a joint holder of those shares, other than the first named joint holder, shall not be regarded as a member of the society for the purposes of that section.

“(7) The first named joint holder, but none of the other joint holders, shall have the right to join in making an application under section 123 of this Act; and any reference in that section to the total membership of a society shall be construed accordingly.

“(8) In the register to be maintained under section 74 of this Act, it shall not be necessary to enter the name and address of a person who is one of the joint holders, other than the first named joint holder, by reason only that that person is a joint holder of those shares; and if that person’s name and address are entered in the register in respect of those shares the entry shall indicate that that person is a joint holder who is not the first named joint holder.”

29. Land acquired by exercise of powers of mortgagee to be sold—The principal Act is hereby amended by repealing section 128.

New

5 **29A. Repeal of provisions relating to certain societies**—Section 139 of the principal Act is hereby amended by repealing subsection (8) and subsection (9).

30. First Schedule repealed—The First Schedule to the principal Act is hereby repealed.

10 **31. Third Schedule repealed**—The Third Schedule to the principal Act (as amended by section 11 of the Building Societies Amendment Act 1982 and section 2 (4) of the Building Societies Amendment Act 1983) is hereby repealed.

15 **32. Fourth Schedule repealed**—The Fourth Schedule to the principal Act is hereby repealed.

New

32A. Fifth Schedule amended—The Fifth Schedule to the principal Act is hereby amended by repealing so much thereof as relates to sections 30, 64, and 70 of the principal Act.

20 **33. References to advances**—Any reference in the principal Act to the term “advance” shall be read and construed as a reference to a loan or other investment.

25 **34. Approval of societies for acceptance of deposits from members in home ownership accounts or farm ownership accounts before coming into force of this Act deemed to be approval under new section 56D**—Every society which was an approved society for the purposes of section 57A of the principal Act as in force immediately before the commencement of this Act shall be deemed to be an
30 approved society for the purposes of section 56D of the principal Act (as enacted by section 11 of this Act).

35. Designation of societies for investment by trustees before coming into force of this Act deemed to be designation under new section 56F—Every society designated pursuant to section 63 of the principal Act, as in force immediately before the commencement of this Act, shall be deemed to be designated pursuant to **section 56F** of the principal Act (as enacted by **section 11** of this Act) as a society with which trustees may invest trust funds by way of deposits.

36. Repeals, revocations, and consequential amendments—(1) The enactments specified in the **First Schedule** to this Act are hereby repealed.

(2) The regulations specified in the **Second Schedule** to this Act are hereby revoked.

(3) The enactments specified in the **Third Schedule** to this Act are hereby consequentially amended in the manner indicated in the second column of that Schedule.

37. Amendment to Property Law Act 1952—(1) Section 5 of the Property Law Act 1952 (as amended by section 2 of the Property Law Amendment Act 1976 and section 3 of the Companies Amendment Act 1985) is hereby amended by adding the following subsection:

“(4) Nothing in subsection (1) (a) of this section applies to a deed made by a society registered under the Building Societies Act 1965.”

(2) Subject to **subsection (3)** of this section, this section shall be deemed to have come into force on the commencement of the Building Societies Act 1965.

(3) Nothing in section 5 (4) of the Property Law Act 1952 (as enacted by **subsection (1)** of this section) shall apply to or affect any proceedings instituted or commenced before the enactment of this section.

38. Act to be administered in Department of Justice—As from the commencement of this Act the principal Act (as amended by this Act) shall be administered in the Department of Justice.

SCHEDULES

Section 36 (1)

FIRST SCHEDULE

ENACTMENTS REPEALED

- 1970, No. 117—The Building Societies Amendment Act 1970: Sections 2, 4, 6, and 9. (R.S. Vol. 17, p. 141.)
- 1973, No. 16—The Reserve Bank of New Zealand Amendment Act 1973: Section 14 (5) and so much of the Schedule as relates to the Building Societies Act 1965 and the Building Societies Amendment Act 1970. (R.S. Vol. 16, p. 511.)
- 1974, No. 44—The Building Societies Amendment Act 1974. (R.S. Vol. 17, p. 143.)
- 1978, No. 88—The Building Societies Amendment Act 1978. (R.S. Vol. 17, p. 143.)
- 1980, No. 92—The Building Societies Amendment Act 1980: Sections 2, 5 (2), 7, 12, 13, 14, and 16 (b). (R.S. Vol. 17, p. 144.)
- 1982, No. 169—The Building Societies Amendment Act 1982. (R.S. Vol. 17, p. 146.)
- 1983, No. 62—The Building Societies Amendment Act 1983. (R.S. Vol. 17, p. 148.)
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Section 36 (2)

SECOND SCHEDULE

REGULATIONS REVOKED

Title	Statutory Regulations Serial Number
The Building Societies Savings Banks Regulations 1966	1966/210
The Building Societies Savings Banks Regulations 1966, Amendment No. 1	1974/281

THIRD SCHEDULE
ENACTMENTS CONSEQUENTIALLY AMENDED

Section 36 (3)

Title of Enactment	Amendment
1956, No. 61—The Trustee Act 1956 (R.S. Vol. 15, p. 615)	By repealing paragraph (hh) of section 4 (1) (as inserted by section 139 (4) of the Building Societies Act 1965), and substituting the following paragraph: “(hh) Subject to the provisions of section 56F of the Building Societies Act 1965, on deposit with any building society for the time being designated, or deemed to be so designated, for the purposes of this section under the said section 56F, or with any company deemed to be designated as a society pursuant to section 113L of that Act:”
<i>New</i>	
1957, No. 87—The Summary Proceedings Act 1957 (R.S. Vol. 9, p. 583)	By repealing so much of Part II of the First Schedule as relates to sections 30, 64, and 70 of the Building Societies Act 1965.
1974, No. 45—The Farm Ownership Savings Act 1974 (Reprinted 1976, Vol. 5, p. 3685)	By repealing paragraph (c) of the definition of the term “authorised savings institution” in section 2 (1), and substituting the following paragraph: “(c) A building society which is an approved society under section 56b of the Building Societies Act 1965, or deemed to be so approved, or any company deemed to be a society so approved pursuant to section 113M of that Act:”
1974, No. 51—The Home Ownership Savings Act 1974 (Reprinted 1976, Vol. 5, p. 3893)	By repealing paragraph (c) of the definition of the term “authorised savings institution” in section 2 (1), and substituting the following paragraph: “(c) A building society which is an approved society under section 56b of the Building Societies Act 1965, or deemed to be so approved, or any company deemed to be a society so approved pursuant to section 113M of that Act:”
1976, No. 9—The Real Estate Agents Act 1976	By inserting in section 17 (1), after paragraph (b), the following paragraph: “(bb) Is a building society; or”. By omitting from paragraph (f) of section 32 (1) (as added by section 2 (3) of the Real Estate Agents Amendment Act 1977) the expression “is his agent,—”, and substituting the expression “is his agent; or”.

THIRD SCHEDULE—*continued*

ENACTMENTS CONSEQUENTIALLY AMENDED—*continued*

Title of Enactment	Amendment
<p>1977, No. 62—The Fishing Vessel Ownership Savings Act 1977</p>	<p>By inserting in section 32 (1) (as amended by section 2 (3) of the Real Estate Agents Amendment Act 1977), after paragraph (f), the following paragraph:</p> <p>“(g) In the case of a licensee building society that is being dissolved, is the liquidator or other person conducting its dissolution, or a trustee appointed under an instrument of dissolution of the building society,—”.</p> <p>By inserting in section 88 (1), after paragraph (f), the following paragraph:</p> <p>“(ff) Where the real estate agent is a building society, that the building society is being dissolved; or”.</p> <p>By omitting from paragraph (e) of subsection (1) of section 94 the expression “winding up.”, and substituting the expression “winding up.”.</p> <p>By inserting in section 94 (1), after paragraph (e), the following paragraph:</p> <p>“(f) That, in the case of a licensee building society, the building society is being dissolved.”.</p> <p>By inserting, after section 121, the following section:</p> <p>“121A. References to a company to include references to a building society—In this Act, unless the context otherwise requires, a reference to the expression ‘company’ shall be construed to include a reference to a building society incorporated under the Building Societies Act 1965 or the Building Societies Act 1908.”.</p> <p>By repealing paragraph (c) of the definition of the term “authorised savings institution” in section 2 (1), and substituting the following paragraph:</p> <p>“(c) A building society which is an approved society under section 56D of the Building Societies Act 1965, or deemed to be an approved society, or any company deemed to be an approved society pursuant to section 113M of that Act.”.</p>