

COMPANIES AMENDMENT BILL (NO. 2)

EXPLANATORY NOTE

THIS Bill, which is the second of the Bills referred to in the Explanatory Note to the Companies Amendment Bill, amends the Companies Act 1955. It also amends the Incorporated Societies Act 1908 and the Industrial and Provident Societies Act 1908.

As in the case of the Companies Amendment Bill 1982, many of the provisions of the Bill are based on the recommendations contained in the Final Report of the Special Committee to Review the Companies Act (the Macarthur Report) dated March 1973.

Part I of the Bill amends the Companies Act 1955. Parts II and III make small amendments to the Incorporated Societies Act 1908 and the Industrial and Provident Societies Act 1908 respectively.

Clause 1 relates to the Short Title.

Clause 2 inserts a new *section 9A* in the principal Act and relates to the powers of inspection of the Registrar. The main changes are:

- (a) To require the Registrar to maintain secrecy as regards matters which come to his attention as a result of an inspection and prohibit communication except in certain specified cases:
- (b) To permit disclosure of information obtained in the course of an investigation to the Registrar of Companies, or a Deputy or District Registrar without the requirement of a specific direction as is currently the case:
- (c) To extend the section to apply to banks and officials employed in or in connection with Government Departments.

Clause 3 substitutes a new *paragraph (c)* in section 14 (4) of the principal Act. The effect of the amendment is to require a subscriber to write in his own handwriting and in words in the memorandum of the company the number of shares subscribed for. See Macarthur Report, paragraphs 68 and 69.

Clause 4 substitutes a new *section 18* in the principal Act and relates to the alteration of a company's objects. Under section 18 of the principal Act, a company is restricted in the cases in which it may alter its memorandum and may do so only with the approval of the High Court. The proposed new section provides a new procedure to enable a company to alter its objects without being limited to specified grounds and without, in every case, having to obtain the Court's approval. In broad terms what is proposed is that notice of a meeting at which it is intended to pass a special resolution altering the objects must be given publicly and to all members and debenture holders of the company. If it is desired to oppose the alteration, application must be made to the Court to cancel the alteration within 21 days after the resolution was passed. No alteration shall be effective until it is registered, and in the case of an alteration which is opposed, until it is confirmed by the Court and registered. See Macarthur Report, paragraphs 102-104.

Clause 5 inserts a new *section 18A* in the principal Act. The new section modifies the ultra vires doctrine. It provides that the acts of a company shall not, except in certain specified cases, be invalid on the ground that they are ultra vires. The exceptions are in the case of proceedings—

- (a) Against the company by any member or debenture holder to prevent the company from entering into a transaction which is ultra vires the company or to obtain any other relief;
- (b) By the company or a member of the company against any officer of the company on the ground that the act of the company was ultra vires;
- (c) By the Registrar for the winding up of a company.

It is also provided that relief may be granted other than for loss of anticipated or future profits by the Court to any party to a contract which the company is prevented from performing. See Macarthur Report, paragraphs 89–98.

Clause 6 substitutes a new *section 26* in the principal Act relating to the registration of the memorandum and articles of a company. This amendment requires the filing of any other documents which must be filed with the Registrar on or before incorporation at the same time as the memorandum and articles. See Macarthur Report, paragraphs 70 and 71.

Clause 7 amends *section 29* of the principal Act relating to the conclusiveness of a certificate of registration.

Subsection (1) is amended by omitting the words “authorised to be registered”.

Subsection (2) (which requires a statutory declaration of compliance to be lodged) is repealed. See Macarthur Report, paragraphs 74–76.

Clause 8 substitutes a new *section 30* in the principal Act. The new section relates to the change of status of companies. It specifies the cases in which a company may re-register under the Act and the procedure and requirements for application for such registration. See Macarthur Report, paragraphs 77 and 78.

Clause 9 substitutes a new *section 31* in the principal Act and relates to restrictions on the registration of companies by certain names. It confers a general discretion on the Registrar regarding the names of companies, and provides that a company may not be registered by a name which—

- (a) In the opinion of the Registrar is undesirable; or
- (b) Is a name which has been declared by Order in Council to be not available for registration.

It also specifies the procedure to be followed in respect of name approval for companies to be incorporated and as regards name changes. See Macarthur Report, paragraphs 79–81.

Clause 10 substitutes a new *section 32* in the principal Act which relates to a change of name by a company. The amendments made are minor in nature. See Macarthur Report, paragraphs 79–81.

Clause 11 inserts a new *section 42A* in the principal Act. The new section relates to what are commonly termed pre-incorporation contracts, that is, contracts purporting to have been made by or on behalf of a company before that company has been incorporated.

Subsection (1) provides that the section applies to any contract purporting to be made by a company before its incorporation, or by any person on behalf of a company before, and in contemplation of, its incorporation.

Subsection (2) provides that, notwithstanding any enactment or rule of law, such a contract may be ratified by the company within a reasonable time after it has been incorporated, and if so ratified, shall be valid and enforceable as if the company had been a party to the contract when it was made.

Subsection (3) specifies the manner in which a pre-incorporation contract may be ratified.

Subsection (4) provides that where a contract is made in the name of, or for a company before incorporation, unless a contrary intention is expressed in the contract, the person purporting to enter into the contract warrants that the company will be incorporated within a reasonable time and, within a reasonable time thereafter, will ratify the contract.

Subsection (5) relates to the damages recoverable in an action for breach of the warranty referred to in *subsection (4)*.

Subsection (6) provides that if a contract made prior to incorporation is not ratified, any party to the contract, may in an application to the Court, recover from the company any property acquired by the company under the contract or obtain other relief relating to such property.

Subsection (7) provides that in proceedings against a company for breach of a contract made before incorporation which has been ratified by the company, the Court may, on the application of the company, or any party to the proceedings, or of its own motion, make an order for the payment of damages or other relief against the person by whom the contract was made in the name of or on behalf of the company.

Subsection (8) provides that if a company, after its incorporation, enters into a contract in the same terms as, or in substitution for, a contract to which the new section 42A applies, the liability of any person for breach of warranty under *subsection (4)* shall be discharged.

Subsection (9) provides that *subsections (2) and (3)* apply to pre-incorporation contracts entered into before the commencement of the section.

Clause 12 substitutes a new Part IV in the principal Act relating to the Registration of Charges. See Macarthur Report, paragraphs 172–186.

The new *section 102* differs from the existing section 102 in the following respects—

- (a) All charges created by a company are to be registered (the existing section 102 requires the registration of a specified number of classes of charges):
- (b) Provision is made for prescribed particulars of registrable charges to be registered where the charge is not created or evidenced in writing:
- (c) The statutory declaration as to execution and verification of a copy of an instrument creating or evidencing a charge is to be made in the prescribed form by an officer of the company or its solicitor:
- (d) The proviso to section 102 (1) of the existing section 102 (which provides for the registration of particulars of charges registered under other Acts) is repealed. This is related to the new *section 103*.

The new *section 102A* requires certain contracts or prescribed particulars of those contracts (being credit contracts in terms of section 3 (1) (d) or (e) of the Credit Contracts Act 1981) to be registered. In general terms these are—

- (a) Contracts for the sale of property or the provision of services to a company under which the company is required to pay in the future an amount exceeding the cash price of the property or services (i.e. contracts which contain an element of financing); and
- (b) Contracts of bailment of goods under which the company is required to pay in the future an amount exceeding the cash price of the goods.

It does not, however, extend to contracts under which the amount payable by the company is required to be paid within 6 months after the date of the sale of

the property, the provision of the services, or the bailment of the goods, unless the contract provides for payment after 6 months from the date of the sale of other property, or the supply of other services, or the bailment of other goods under the contract. The omission to register under this section does not avoid the contract.

The new *section 102B* provides that where a charge is transferred, assigned, or modified, or the priority of a charge is altered, a copy of the relevant instrument or, in the absence of any instrument, the prescribed particulars, must be registered within the specified period. Subject to the new *section 103A*, the omission to register under this section likewise does not affect the validity of the transfer, assignment, modification, or alteration in priority. The new *section 103A* provides that variation of a charge which increases the amount secured, or the maximum amount which may be secured (i.e., a charge to which the new *section 102C* applies), shall be void against certain persons unless registered.

The new *section 102C* provides that where a charge secures an unspecified amount (e.g. advances) the instrument creating the charge, or the prescribed particulars, shall specify the maximum amount secured at any time. This section should be read together with the new *section 103B* which provides that if the maximum amount is not so specified, the charge shall be void, and if the maximum amount is specified, shall be void as respects any amount in excess thereof.

The new *section 102D* requires registration of certain contracts made by a company. These are contracts for the sale of goods to a company under which—

(a) Title to or property in—

- (i) Goods the subject of the contract:
- (ii) Goods delivered or to be delivered:
- (iii) Any goods derived therefrom,—

is reserved to the seller under the contract, until payment for the goods sold under the contract is made:

(b) The seller is beneficially entitled to the proceeds of sale of such goods (whether or not title is reserved) or any claim thereto.

This section is based on the recommendations contained in Chapter 37 of the Report of the Review Committee on Insolvency Law and Practice (The Cork Committee's Report Cmnd 8558) published in the United Kingdom in June 1982 relating to Reservation of Title. The section should be read together with the new *section 103C*. Under the new *section 103C* every contract shall, unless registered in the manner prescribed under *section 102D*, be void against certain persons as respects any property, title, or interest in goods sold under the contract, or derived from such goods, which vests in or is reserved to the seller pursuant to the contract or as respects any proceeds of sale or any claim thereto.

The new *section 102E* requires registration of guarantees and indemnities given by a company in respect of the obligations of a company that is, or may later become, a related company. The new *section 103D* provides that such a deed, contract, or undertaking shall be void unless registered in the manner required under the new *section 102E*.

The new *section 102F* provides that registration under the new *sections 102 to 102E* may be effected on the application of any person (other than the company) who has an interest in the matter.

The new *section 102G* makes it an offence to fail to register any document requiring registration under the new *sections 102 to 102E*.

The new *section 103* which relates to the avoidance of charges against certain persons differs from the existing *section 103* in the following respects. The first is that an unregistered charge is void not only against the liquidator and any creditor as is provided at present but also against a bona fide purchaser for

value. The second is that a charge registrable under any other Act and which is registered under that Act, or section 102 of the principal Act, shall not be void, if so registered—

(a) Prior to commencement of winding up; or

(b) Within 30 days after the charge was created,—

whichever is later.

The effect of the new *sections 103A to 103D* has been mentioned already in relation to the new *sections 102B to 102E*.

The new *section 103A* provides that a variation of a charge which increases either the amount secured, or the maximum amount which may be secured by the charge (i.e., a charge to which the new *section 102B* applies) shall be void unless registered.

The new *section 103B* relates to the avoidance of charges securing fluctuating amounts.

The new *section 103C* provides that unregistered contracts for the sale of goods to a company which make provision for the reservation of title, or beneficial entitlement to the proceeds of sale or any claim thereto, shall not operate to reserve title in the seller under the contract.

The new *section 103D* relates to the avoidance of guarantees and indemnities given by a company respecting a related company.

The new *section 103E* provides that any contract for the sale of goods to a company (being a contract to which the new *section 102D* applies) shall be void and of no effect in so far as it purports to secure the purchase price of goods sold under other contracts for the sale of goods. In order to secure payment of the price of goods supplied under another contract the seller must either reserve title to (or a beneficial interest in the proceeds of sale of) the goods supplied under that contract, or obtain and register a charge.

The new *section 104* differs in a minor respect from the existing section 104.

The new *section 105* differs from the existing section 105 as a consequence of the new *section 102B*.

The new *section 106* is analogous to the existing section 105, and provides for the keeping of a register of documents requiring registration under *sections 102A to 102E*.

The new *section 108* (which is similar in effect to section 107 of the principal Act) requires the Registrar to make an appropriate record in the register (referred to in the new *section 106*) respecting any contract registered under *section 102D* (which requires registration of contracts under which title to goods or the proceeds of sale is reserved to the seller) or deed, contract, or undertaking registered under *section 102E* (which requires registration of guarantees and indemnities of related companies), where he is satisfied (in the case of contracts to which *section 102D* applies) that the goods have been paid for or property in goods reserved under the contract has passed to the seller, or (in the case of guarantees and indemnities to which *section 102E* applies) that the obligations in respect of which a guarantee or an indemnity has been given have been satisfied.

The new section makes provision (in terms similar to section 107 (2) of the principal Act) for an application to be made to the Court for an order directing the Registrar to make an appropriate record on the register.

The new *section 109* relates to rectification of the register. The main difference from the existing section 108 of the principal Act is that the new section extends to the omission to register any contract, instrument, or other document required to be registered under the new *sections 102B, 102D, and 102E* within the time required.

It is also provided that the section does not apply to certain charges and documents (i.e., those registrable under other Acts) referred to in the new *section 103 (3)*. This does not mean that such charges and documents cannot be registered out of time. They may be registered subject to the penalty provision of the Act.

The new *sections 110 and 111* re-enact the existing sections 113 and 114 respectively of the principal Act with minor amendments in consequence of the new *sections 102A, 102D, and 102E*.

Clause 13, which substitutes a new *subsection (6)* in section 458 of the principal Act, is consequential upon the new section 9A.

Clause 14 relates to a consequential amendment to the Chattels Transfer Act 1924.

Clause 15 relates to the repeal of certain enactments.

Clause 16 relates to transitional provisions.

PART II

AMENDMENTS TO INCORPORATED SOCIETIES ACT 1908

Part II of the Bill amends the Incorporated Societies Act 1908.

Clause 17 provides that Part II of the Bill is to be read together with and deemed part of the Incorporated Societies Act 1908.

Clause 18 substitutes a new *section 34A* in that Act relating to the powers of inspection of the Registrar of Incorporated Societies. The principal effect of this amendment is to conform the existing section 34A with the new *section 9A* of the Companies Act 1955.

PART III

AMENDMENTS TO INDUSTRIAL AND PROVIDENT SOCIETIES ACT 1908

Part III of the Bill amends the Industrial and Provident Societies Act 1908.

Clause 19 provides that Part III of the Bill is to be read together with and deemed part of the Industrial and Provident Societies Act 1908.

Clause 20 substitutes a new *section 13A* in that Act relating to the powers of inspection of the Registrar of Industrial and Provident Societies. The principal effect of this amendment is to conform the existing section 13A with the new section 9A of the Companies Act 1955.

Hon. Mr McLay

COMPANIES AMENDMENT (NO. 2)

ANALYSIS

Title	
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4. Alteration of objects in memorandum	103C. Certain contracts for sale of goods to a company to be void unless registered
5. Ultra vires transactions	103D. Guarantees and indemnities by related companies to be void unless registered
6. Registration of memorandum and articles	103E. Contracts reserving title to goods as security for sums due under other contracts to be void
7. Conclusiveness of certificate of incorporation	104. Duty of company to register charges existing on property acquired
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10. Change of name	107. Entries of satisfaction and release of property from charge
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12. New Part IV substituted	109. Rectification of register of charges
<p style="text-align: center;">PART IV</p> <p style="text-align: center;">REGISTRATION OF CHARGES AND OTHER DOCUMENTS</p> <p style="text-align: center;"><i>Registration of Charges and Other Documents With Registrar of Companies</i></p>	
102. Registration of charges created by companies	110. Application of this Part to the Crown
102A. Certain contracts to be registered	111. Application of this Part to overseas companies
102B. Transfer, modification, and variation in priority of charges	13. Limited application of Act to banks
102C. Charges securing unspecified or fluctuating amounts	14. Consequential amendment
102D. Contracts by a company for sale of goods where title reserved to be registered	15. Repeals
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PART II	PART III
AMENDMENTS TO INCORPORATED SOCIETIES ACT 1908	AMENDMENTS TO INDUSTRIAL AND PROVIDENT SOCIETIES ACT 1908
17. This Part to be read with Incorporated Societies Act 1908	19. This Part to be read with Industrial and Provident Societies Act 1908
18. Powers of inspection of Registrar	20. Powers of inspection of Registrar

A BILL INTITULED

An Act to amend the Companies Act 1955

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

1. Short Title—This Act may be cited as the Companies Amendment Act (No. 2) 1982, and shall be read together with and deemed part of the Companies Act 1955* (hereinafter referred to as the principal Act).

2. Powers of inspection of Registrar—The principal Act 5 is hereby amended by repealing section 9A (as substituted by section 6 of the Companies Amendment Act 1975 and amended by section 2 of the Companies Amendment Act 1977), and substituting the following section:

“9A. (1) Subject to subsection (2) of this section, the Registrar or any person authorised by him may, for the purpose of ascertaining whether a company or any officer of a company is complying or has complied with this Act, or of ascertaining whether the Registrar should exercise any of his rights or powers under this Act, or of detecting offences 15 against this Act—

“(a) Require a company or any officer of a company to produce for inspection any registers, records, accounts, books, or papers that are kept by the company; and 20

“(b) In any case where the Registrar or the person authorised by him 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 25 produced for inspection, require any person (including any officer employed in or in connection with any Government Department), to produce for

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Amendments: 1978, No. 45; 1980, No. 43; 1981, No. 61

inspection any registers, 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 company; and

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

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“(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.

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“(2) No person authorised by the Registrar for the purposes of subsection (1) of this section may require the production of a document or make an inspection under that subsection unless he has first made a declaration in the prescribed form that he will not, except in accordance with subsections (4) and (5) of this section, or for the purposes of this Act, or in the course of any criminal proceedings, make a record of or divulge or communicate to any other person any information that he acquires by an inspection under that subsection.

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“(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 company's affairs.

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

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“(a) The Registrar:

“(b) A Deputy Registrar:

“(c) A District Registrar:

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“(d) An Assistant 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 Registrar, give, divulge, or communicate any records or information that he has acquired in the course of the inspection to such of the following persons as that Registrar or Deputy Registrar specifies, namely:

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“(a) The Minister:

“(b) The Secretary for Justice:

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

“(6) Notwithstanding anything in subsections (4), (5) and (7) of this section, the Registrar shall maintain and aid in maintaining the secrecy of all matters that come to his knowledge as a result of any inspection made under subsection (1) of this section, and shall not communicate any such matters to any person except the Official Assignee in bankruptcy, or for the purpose of or relating to—

“(a) Carrying this Act into effect; or 10

“(b) Any criminal proceedings; or

“(c) The enactment or proposed enactment of legislation relating to a particular company or group of companies; or

“(d) The liquidation of any company to which an inspection under subsection (1) of this section relates. 15

“(7) The Minister or the Secretary for Justice may, by written notice to that person, require a person for the time being 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. 20

“(8) If any person makes a record of, or divulges, or communicates to, any other person, otherwise than in accordance with this section, or for the purposes of this Act, or in the course of any criminal proceedings, any information that he has acquired in the course of an inspection under subsection (1) of this section, he commits an offence and shall be liable to a fine not exceeding \$200. 25

“(9) If any company 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 that the Registrar or authorised person has under that subsection required it to produce, the company commits an offence and shall be liable to a fine not exceeding \$1,000. 30 35

“(10) If any officer of a company 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 him to produce, that officer or person commits an offence and shall be liable to a fine not exceeding \$1,000. 40

“(11) 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.

“(12) In this section, ‘company’ includes an overseas company.”

10 Cf. 1955, No. 63, s. 9A; 1975, No. 137, s. 6; 1977, No. 94, s. 2

3. Requirements with respect to memorandum—

Section 14 (4) of the principal Act is hereby amended by repealing paragraph (c), and substituting the following paragraph:

15 “(c) Each subscriber must write in his handwriting in words opposite his name the number of shares he takes.”

4. Alteration of objects in memorandum—The principal Act is hereby amended by repealing section 18, and substituting the following section:

20 “18. (1) Subject to the provisions of this section, a company may, by special resolution, alter the provisions expressed or implied in its memorandum with respect to the objects or powers of the company.

25 “(2) Notice of a general meeting specifying the intention to propose as a special resolution, a resolution for the alteration of the provisions of the memorandum of a company with respect to the objects and powers of the company shall be given—

30 “(a) To every member of the company:

“ (b) To any trustee for debenture holders:

35 “ (c) If there is no trustee for, or for a particular class of, debenture holders, to every debenture holder, or every debenture holder of that class (as the case may be), whose names are, at the time of giving of the notice, known to the company:

40 “ (d) By publication in the *Gazette* and in 2 issues of a newspaper circulating in the district where the principal place of business of the company is situated.

“(3) The Court may, if it thinks fit, in the case of any person or class of persons dispense with the notice required by this section.

“(4) An application for the cancellation of an alteration of the memorandum made by special resolution as aforesaid 5 may be made to the Court—

“(a) By the holders of not less in the aggregate than 10 percent in nominal value of the issued share capital of the company, or any class of that capital, or if the company is not limited by shares, not less than 10 10 percent of the members of the company; or

“(b) By the holders of, or the trustee for the holders of, not less in the aggregate than 10 percent in nominal value of the debentures of the company:

“(c) With the leave of the Court, by any creditor or 15 creditors of the company.

“(5) Subject to subsection (12) of this section, if an application is made to the Court under subsection (4) of this section, the alteration to the memorandum shall not have any effect unless it is confirmed by the Court. 20

“(6) An application under subsection (4) of this section shall be made within 21 days after the date on which the resolution altering the memorandum of the company was passed and may be made on behalf of such one or more of such persons by such one or more of their number as may be 25 appointed in writing for the purpose.

“(7) On an application made under subsection (4) of this section the Court may—

“(a) Make an order confirming or cancelling the alteration either wholly or in part, and on such terms and 30 conditions as it thinks fit:

“(b) Adjourn the proceedings in order that an arrangement may be made to the satisfaction of the Court, for the purchase (otherwise than by the company) of the interests of dissentient members: 35

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

“(8) The Court shall, in exercising its powers under subsection (7) of this section, have regard to the rights and 40 interests of the members of the company, or any class of them as well as to the rights and interests of the creditors of the company.

“(9) Notwithstanding anything in this Act, a copy of a special resolution altering the memorandum of a company shall not be delivered to the Registrar before the expiration of 21 days after the passing of the resolution, or, if an application 5 to the Court has been made under subsection (4) of this section, before the application has been determined by the Court, whichever is the later.

“(10) A copy of the special resolution shall, if an application under subsection (4) of this section has not been 10 made to the Court, be delivered to the Registrar by the company within 14 days after the expiration of the period of 21 days referred to in subsection (9) of this section.

“(11) If an application has been made to the Court under subsection (4) of this section, a copy of the special resolution, 15 together with a sealed copy of the order of the Court confirming the alteration, shall be delivered to the Registrar within 14 days after the application has been determined by the Court.

“(12) The Registrar shall register the copy of the special 20 resolution delivered in accordance with subsection (10) of this section, or the copy of the special resolution together with the sealed copy of the order of the Court confirming the alteration delivered in accordance with subsection (11) of this section, as the case may be, and shall certify the registration under his 25 hand and seal, and the certificate shall be conclusive evidence that all the requirements of this Act with respect to the alteration to the memorandum have been complied with, and thenceforth the memorandum shall be the memorandum of the company.

30 “(13) If a company makes default in delivering to the Registrar any document required by this section to be delivered to him, the company and every officer of the company who is in default shall be liable to a default fine.”

5. Ultra vires transactions—The principal Act is hereby 35 amended by inserting, after section 18, the following section:

“18A. (1) Nothing done by a company and no conveyance or transfer of any property, whether real or personal, to or by a company shall be invalid, void, or unenforceable by reason 40 only of the fact that the company 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 company by any member of the company, or where the company has issued debentures secured by a floating charge over all or any of the company’s property, by the holder of any of those debentures or the trustee for the holder of those debentures— 5

“(i) To prevent the doing of any act, or the conveyance or transfer of any property to or by the company on the ground that the company was without capacity or power to do the thing or to execute or take such conveyance or transfer; or 10

“(ii) To obtain any other relief on the ground that the company was without capacity or power to do such thing, or to execute or take such conveyance; or 15

“(b) In any proceedings by the company or any member of the company against any officer or former officer of the company as a result of any thing done by the company or the conveyance or transfer of any property to or by the company on the ground that the company was without capacity or power to do such thing or to execute, give, or take such conveyance or transfer; or 20

“(c) In an application by the Registrar for the winding up of a company. 25

“(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 company pursuant to any contract to which the company is a party, the Court may on the application of any party to the contract (including the company), in addition to making any order restraining or preventing the company 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 company being prevented from performing the contract. 30 35

“(4) Nothing in subsection (3) of this section shall authorise the granting of relief in respect of the loss of anticipated or future profits. 40

“(5) Subsection (1) of this section shall apply to any thing done by a company and any conveyance or transfer of any property, whether real or personal, to or by a company whether before or after the commencement of this Act.

“(6) This section shall not apply to or affect any proceedings instituted or commenced before the coming into force of this Act.”

6. Registration of memorandum and articles—The principal Act is hereby amended by repealing section 26, and substituting the following section:

“26. (1) The memorandum and articles, if any, together with any other document required to be delivered or given to the Registrar by or under this Act on or before the incorporation of a company, shall be delivered or given to the Registrar.

“(2) The Registrar shall retain and register the memorandum and articles, if any, and shall register or otherwise deal with such other documents in the manner required by or under this Act.”

Cf. 1955, No. 63, s. 26

7. Conclusiveness of certificate of incorporation—Section 29 of the principal Act is hereby amended—

- (a) By omitting from subsection (1) the words “authorised to be registered”; and
(b) By repealing subsection (2).

8. Change of registration—The principal Act is hereby amended by repealing section 30, and substituting the following section:

“30. (1) Subject to the provisions of this section—

“(a) A company registered as an unlimited company may register under this Act as a limited company if it was not previously a limited company that became registered as an unlimited company pursuant to paragraph (b) of this subsection or any corresponding previous enactment:

“(b) A company registered as a company limited by shares may register under this Act as an unlimited company:

“(c) A company registered as a company limited by guarantee and not having a share capital may register under this Act as a company limited by guarantee and having a share capital:

“(d) A company registered as a company limited by shares may register under this Act as a company limited both by shares and guarantee:

“(e) A mining company registered as a no liability company may, if all the issued shares in that mining company are fully paid up, register under this Act as a company limited by shares:

“(f) A company already registered as a limited company 5
may re-register under this Act.

“(2) An application by a company under any of paragraphs (a) to (f) of subsection (1) of this section shall be made to the Registrar.

“(3) A company which makes an application under any of 10
paragraphs (a) to (d) of subsection (1) of this section shall, subject to subsections (10) and (11) of section 18 of this Act, (as applied by subsection (10) of this section), deliver to the Registrar with the application the following documents:

“(a) A copy of a special resolution of the company— 15

“(i) Authorising the application by the company to be registered under any of paragraphs (a) to (d) of subsection (1) of this section:

“(ii) Making such alterations to the memorandum of the company as are necessary for the 20
memorandum to comply with the requirements of this Act in respect of the company to which the application relates:

“(iii) Making such alterations and additions to the articles of the company, if any, as are necessary 25
for the articles to conform with the requirements of this Act in respect of the company to which the application relates:

“(iv) Adopting, where the company has no registered articles, such articles, if any, as are 30
required by this Act to be registered in respect of the company to which the application relates:

“(v) Where necessary, changing the name of the company to a name by which the company to which the application relates could be registered: 35

“(b) Where, by a special resolution referred to in paragraph (a) of subsection (1) of this section, the memorandum of a company is altered, or the articles of the company are altered or added to, or articles are adopted by the company (as the case 40
may be), a printed or typewritten copy of the memorandum as altered, the articles as altered or added to, or the articles as adopted (as the case may be):

5 “(c) Where a company registered as a limited company makes an application to be registered as an unlimited company, or where a company registered as a company limited by guarantee makes application to be registered as a company limited by guarantee and having a share capital—

10 “(i) A memorandum in the prescribed form signed by or on behalf of each member of the company recording the consent of each member to the registration of the company as an unlimited company, or as a company limited by guarantee and having a share capital (as the case may be); and

15 “(ii) A statutory declaration by a director or secretary of the company verifying that the persons by whom or on whose behalf such a memorandum is signed constitute the whole membership of the company and, if a member has not signed the memorandum himself, that the director or secretary making the declaration has taken all
20 reasonable steps to satisfy himself that any person signing the memorandum on behalf of a member of the company, was authorised to do so.

25 “(4) The Registrar shall register the documents delivered with the application in accordance with this section.

30 “(5) On the registration of the documents as aforesaid, the Registrar shall certify under his hand and seal that the company is incorporated as a company to which the application relates pursuant to this section, and the company shall from the date mentioned in the certificate of incorporation be deemed to be a company registered as a company of the kind to which the application relates with such liability on the part of the members of the company as so registered to contribute to the assets of the company in the
35 event of its being wound up as is provided in this Act.

“(6) The Registrar shall, at the expense of the company, forthwith publish notice of the registration of a company pursuant to this section in the *Gazette*.

40 “(7) A special resolution passed for the purposes of this section shall not take effect until the issue under this section of a certificate of incorporation of the company.

“(8) A certificate of incorporation given by the Registrar under this section shall be conclusive evidence that all the requirements of the Act in respect of registration and of

matters precedent and incidental thereto under this section have been complied with and that the company is a company duly registered under this Act.

“(9) Where a company is registered pursuant to this section—

“(a) The registration of the company does not—

“(i) Create a new legal entity; or

“(ii) Prejudice or affect the identity of the body corporate constituted by the company or its continuity as a body corporate; or

“(iii) Affect the property, rights, or liabilities of the company and those rights or liabilities may be enforced in manner provided by Part X of this Act in the case of a company registered in pursuance of that Part; or

“(iv) Affect any proceedings by or against the company; and

“(b) Any proceedings that could have been commenced or continued by or against the company before registration under this section, may be commenced or continued by or against the company after registration under this section.

“(10) Subsections (2) to (11) of section 18 of this Act shall, with all necessary modifications, apply to a special resolution to which this section applies as if it were a special resolution under that section.”

9. Company names—The principal Act is hereby amended by repealing section 31 (as amended by section 27 (1) of the Flags, Emblems, and Names Protection Act 1981), and substituting the following section:

“31. (1) Subject to this section, except with the approval of the Governor-General by Order in Council, no company (including an overseas company) shall be registered by a name which—

“(a) In the opinion of the Registrar is undesirable; or

“(b) Is a name, or a name of a kind, which the Governor-General has by Order in Council declared is not available for registration.

“(2) Except with the consent of the Governor-General in Council or as expressly provided in any Act other than this Act, no company shall be registered by a name which contains any word referred to in any of sections 12 to 15 and 20 of the Flags, Emblems, and Names Protection Act 1981.

“(3) An application in the prescribed form may be made to the Registrar for the reservation of a name set out in the application as the name—

“(a) Of an intended company:

5 “(b) To which a company proposes to change its name:

“(c) Of an intended overseas company which is proposed to be registered:

“(d) Under which an overseas company proposes to be registered, either originally or on a change of name.

10 “(4) Subject to subsection (1) of this section, no company shall be registered under this Act, and no approval shall be given by the Registrar to the change of name of a company pursuant to section 32 of this Act, unless an application for
15 reservation of the name has been made pursuant to subsection (3) of this section, and that name has been reserved.

“(5) If the name for which reservation is sought is a name by which the intended company, or company, or intended
20 overseas company, or overseas company, as the case may be, could be registered, the Registrar may reserve that name.

“(6) Reservation of a name pursuant to subsection (5) of this section shall have effect for a period of 3 months from the date of the application for reservation of that name, or until
25 revoked by the Registrar, whichever is the earlier.

“(7) During the period for which a name has been reserved pursuant to subsection (6) of this section, no company (except the intended company or company in respect of which approval has been granted) shall be registered under this Act,
30 whether originally or on a change of name, by the name reserved by the Registrar or by a name that in the opinion of the Registrar so closely resembles that name, as to be likely to be mistaken for that name.

“(8) The reservation of a name under this section shall not
35 entitle an intended company, or company, or intended overseas company, or overseas company, to be registered under this Act by that name, either originally or on a change of name.”

10. Change of name—The principal Act is hereby
40 amended by repealing section 32, and substituting the following section:

“32. (1) Subject to this Act, a company may by special resolution and with the approval of the Registrar change its name to a name by which the company could be registered
45 without contravention of section 31 (1), (2), or (7) of this Act.

“(2) Subject to this Act, if the name by which a company is, through inadvertence or otherwise, registered originally or on a change of name, is a name by which the company could not be registered without contravention of section 31 (1), (2), or (7) of this Act, and if the Registrar so directs, the company shall change its name within 6 weeks after the date of the direction, or such longer period as the Registrar allows. 5

“(3) If a company makes default in complying with the requirements of subsection (2) of this section the company and every officer in default shall be liable to a default fine. 10

“(4) No fee shall be payable to the Registrar in respect of any change of name under subsection (2) of this section or in respect of any document required for the purposes of or by reason of any such change of name.

“(5) Where a company changes its name under this section, the Registrar shall enter the new name on the register in place of the former name, and shall issue a certificate of incorporation altered to meet the circumstances of the case. The Registrar shall forthwith after the alteration of the register publish in the *Gazette*, at the expense of the company, a notice of the change of its name, and that notice shall be conclusive evidence of the change to which it relates. 20

“(6) A change of name made pursuant to this section shall not be effective until registered under this section.

“(7) A change of name by a company under this section shall not affect any rights or obligations of the company, or render defective any legal proceedings by or against the company, and any legal proceedings that might have been continued or commenced against it by its former name may be continued or commenced against it by its new name.” 30

11. Contracts entered into before incorporation—The principal Act is hereby amended by inserting, after section 42, the following section:

“42A. (1) This section applies to—

“(a) A contract purporting to be made by a company before its incorporation: 35

“(b) A contract made by a person on behalf of a company before and in contemplation of its incorporation.

“(2) Notwithstanding any enactment or rule of law, a contract to which this section applies may be ratified within a reasonable time after the incorporation of the company in the name of which, or on behalf of which, it has been made. A contract so ratified shall, upon ratification, be valid and enforceable as if the company had been a party to the contract when it was made. 45

“(3) For the purposes of this section, a contract to which this section applies may be ratified by a company in the same manner as a contract may be made by a company under section 42 of this Act, and the provisions of section 42 of this Act shall have effect as if references in that section to making a contract were references to ratifying a contract.

“(4) Notwithstanding any enactment or rule of law, in a contract to which this section applies, unless a contrary intention is expressed in the contract, there is an implied warranty by the person who purports to make the contract in the name, or on behalf of, the company—

“(a) That the company will be incorporated within a reasonable time after the making of the contract; and

“(b) That the company will ratify the contract within a reasonable time after the incorporation of the company.

“(5) The amount of any damages recoverable in an action for breach of the warranty implied in any such contract shall be the same as the amount of damages that would be recoverable in an action against the company for damages on a discharge for breach by the company of the unperformed obligations under the contract as if the contract had been ratified.

“(6) Where a company after its incorporation does not ratify a contract to which this section applies, any party to that contract may apply to the Court for an order directing the company to return any property, whether real or personal, acquired pursuant to the contract to that party, or for any other relief in favour of that party respecting any such property, and the Court may, if it considers it just and equitable to do so, make any order or grant such relief as it thinks fit and whether or not an order has been made under subsection (5) of this section.

“(7) In any proceedings against a company for breach of a contract to which this section applies and which has been ratified by the company, the Court may, on the application of the company, any other party to the proceedings, or of its own motion, make such order for the payment of damages or other relief, in addition to or in substitution for any order which may be made against the company, against any person by whom that contract was made in the name, or on behalf of the company, as the Court considers just and equitable.

“(8) Where a company, after its incorporation, enters into a contract in the same terms as, or in substitution for, a contract to which this section applies (not being a contract ratified by the company under this section), the liability of any person under subsection (4) of this section (including any liability under an order made by the Court thereunder for the payment of damages) shall be discharged. 5

“(9) Subsections (2) and (3) of this section shall apply to a contract to which this section applies entered into before the commencement of this section.” 10

12. New Part IV substituted—The principal Act is hereby amended by repealing Part IV, and substituting the following Part:

“PART IV

“REGISTRATION OF CHARGES AND OTHER DOCUMENTS 15

“Registration of Charges and Other Documents With Registrar of Companies

“102. Registration of charges created by companies—

(1) Where a company creates any charge to which this section applies, it shall be the duty of the company within the time 20 prescribed by subsection (3) or subsection (4) of this section (as the case may be) to cause a copy of the instrument by which the charge is created or evidenced, or, if the charge is not created or evidenced by an instrument, the prescribed particulars thereof, to be delivered to the Registrar for 25 registration in manner required by this section. Every copy of such instrument shall be accompanied by a statutory declaration in the prescribed form as to the execution of the instrument and verifying the copy as a true copy. Every such declaration shall be made by an officer of the company or its 30 solicitor.

“(2) For the purposes of this Part of this Act, ‘charge’ means any charge whether legal or equitable on any property (whether real or personal) of a company, and includes—

“(a) A mortgage: 35

“(b) A charge on the uncalled share capital of a company:

“(c) A charge on the undertaking of a company.

“(3) Instruments required to be registered in accordance with the foregoing provisions of this section shall, in the case of instruments executed in New Zealand, be delivered for 40 registration within 30 days after the date of execution thereof, and in the case of instruments executed outside New Zealand, within 60 days after the date of execution thereof.

“(4) The prescribed particulars required to be registered in accordance with the foregoing provisions of this section shall, in the case of charges created in New Zealand, be delivered for registration within 30 days after the date the charge was
5 created, and in the case of charges created outside New Zealand, within 60 days after the date the charge was created.

“(5) Where a charge is created in New Zealand but comprises property outside New Zealand, a copy of the instrument creating or purporting to create the charge, or if
10 the charge is not created or evidenced by an instrument, the prescribed particulars thereof, must be delivered for registration under this section notwithstanding that further proceedings may be necessary to make the charge valid or effectual according to the law of the country in which the
15 property is situate.

“(6) Where a negotiable instrument has been given to secure the payment of any book debts of a company the deposit of the instrument for the purposes of securing an advance to the company shall not for the purposes of this
20 section be treated as a charge on those book debts.

“(7) Where a series of debentures containing, or giving by reference to any other instrument, any charge to the benefit of which the debenture holders of that series are entitled *pari passu* is created by a company, it shall for the purposes of this
25 section be sufficient if there are delivered to the Registrar within 30 days, or 60 days, as the case may be, after the execution of the deed containing the charge, or, if there is no such deed, after the execution of any debentures of the series, the following particulars:

- 30 “(a) The total amount secured by the whole series; and
“(b) The dates of the resolutions authorising the issue of the series and the date of the covering deed, if any, by which the security is created or defined; and
“(c) A general description of the property charged; and
35 “(d) The names of the trustees, if any, for the debenture holders,—

together with a copy of the deed containing the charge, or if there is no such deed, a copy of one of the debentures of the series, in either case accompanied by a statutory declaration
40 as required by subsection (1) of this section:

“Provided that, where more than one issue is made of debentures in the series, there shall be sent to the Registrar for entry in the register, particulars of the date and amount of each issue, but an omission to do this shall not affect the
45 validity of the debentures issued.

“(8) Where any commission, allowance, or discount has been paid or made either directly or indirectly by a company to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any debentures of the company, or procuring or agreeing to 5 procure subscriptions, whether absolute or conditional, for any such debentures, the particulars required to be sent for registration under this section shall include particulars as to the amount or rate percent of the commission, discount, or allowance so paid or made, but omission to do this shall not 10 affect the validity of the debentures issued:

“Provided that the deposit of any debentures as security for any debt of the company shall not for the purposes of this subsection be treated as the issue of the debentures at a 15 discount.

“(9) Registration of any instrument under this Part of this Act shall not in itself constitute notice to any person of the contents of that instrument.”

Cf. 1955, No. 63, s. 102

“102A. **Certain contracts to be registered**—(1) This 20 section applies to any contract of the kind specified in section 3 (1) (d) or section 3 (1) (e) of the Credit Contracts Act 1981, being a contract under which (in the case of a contract specified in section 3 (1) (d) of that Act), a person sells or agrees to sell property or provides or agrees to provide 25 services to a company, or under which (in the case of a contract specified in section 3 (1) (e) of that Act), a person bails or agrees to bail goods to a company, (as the case may be).

“(2) Nothing in this section shall apply to— 30

“(a) A contract of the kind specified in section 3 (1) (i) of the Credit Contracts Act 1981; or

“(b) A contract referred to in subsection (1) of this section under which the amount payable by the company in respect of any property, services, or bailment of 35 goods, is required to be paid within 6 months from the date of the sale of the property, the provision of the services or the bailment of the goods, not being a contract which, as respects any other property, services, or bailment of goods, requires payment to 40 be made after 6 months from the date of the sale of the property or the provision of the services or the bailment of the goods (as the case may be).

“(3) Where a contract to which this section applies is entered into by a company, it shall be the duty of the company within the time prescribed by subsection (4) of this section to cause a copy of the contract, or the prescribed 5 particulars thereof, or if the contract is not in writing, the prescribed particulars thereof, to be delivered to the Registrar for registration. Every copy of such contract shall be accompanied by a statutory declaration in the prescribed form verifying the copy as a true copy. Every such declaration 10 shall be made by an officer of the company or its solicitor.

“(4) A copy of every contract or the prescribed particulars thereof (as the case may be) required to be registered in accordance with the foregoing provisions of this section shall, in the case of contracts made in New Zealand, be delivered for 15 registration within 30 days after the date the contract was made, and in the case of contracts made outside New Zealand, within 60 days after the date the contract was made.

“102B. **Transfer, modification, and variation in priority of charges**—(1) Where a charge registered or requiring to be 20 registered pursuant to section 102 of this Act is transferred or assigned by the charge holder, or is modified, a copy of the instrument effecting or evidencing that transfer, assignment, or modification, or if the transfer, assignment, or modification is not effected or evidenced by an instrument, the prescribed 25 particulars thereof, shall be delivered to the Registrar for registration in the manner required by this section.

“(2) Where the priority of a charge required to be registered pursuant to section 102 of this Act is altered, a copy of the instrument effecting or evidencing that alteration, or if 30 that alteration is not effected or evidenced by an instrument, the prescribed particulars of the agreement pursuant to which the priority of the charge is altered, shall be delivered to the Registrar for registration in the manner required by this section.

35 “(3) A copy of every instrument required to be registered in accordance with the foregoing provisions of this section shall be delivered for registration within 30 days after the execution of the instrument.

40 “(4) The prescribed particulars required to be registered in accordance with the foregoing provisions of this section shall be delivered for registration within 30 days after the transfer, assignment, modification, or alteration in priority (as the case may be).

“102c. Charges securing unspecified or fluctuating amounts—Where a charge is created by a company to secure any sum due, or to become due, which cannot be ascertained by reference to the instrument creating or evidencing the charge, or to the prescribed particulars thereof (and whether or not in addition to any specified or ascertainable sum), every copy of the instrument or the prescribed particulars thereof registered under section 102 of this Act shall specify the maximum amount which may be secured by the charge. 5

“102d. Contracts by a company for sale of goods where title reserved to be registered—(1) This section applies to any contract entered into by a company for the sale of goods to the company under which— 10

“(a) Title to, or property in—

“(i) Goods the subject of the contract: 15

“(ii) Any other goods delivered or to be delivered to the company:

“(iii) Any goods deriving directly or indirectly or wholly or in part from goods referred to in subparagraphs (i) or (ii) of this subsection,— 20 does not pass, or is reserved to, the seller under the contract, until payment for the goods referred to in subparagraph (i) of this paragraph is made:

“(b) The seller is beneficially entitled to the proceeds of the sale by the company of goods referred to in subparagraphs (i), (ii), or (iii) of paragraph (a) of this subsection, or any claim thereto, (whether or not title to, or property in such goods passes or is reserved to the seller). 25

“(2) Where a contract to which this section applies is entered into by a company, it shall be the duty of the company within the time prescribed by subsection (3) or subsection (4) of this section (as the case may be) to cause a copy of the contract, or the prescribed particulars thereof, or if the contract is not in writing, the prescribed particulars thereof, to be delivered to the Registrar for registration. Every copy of such contract shall be accompanied by a statutory declaration in the prescribed form verifying the copy as a true copy. Every such declaration shall be made by an officer of the company or its solicitor. 35 40

“(3) A copy of every contract or the prescribed particulars thereof (as the case may be) required to be registered in accordance with the foregoing provisions of this section shall,

in the case of contracts made in New Zealand, be delivered for registration within 30 days after the date the contract was made, and in the case of contracts made outside New Zealand, within 60 days after the date the contract was made.

5 “(4) For the purposes of this section, ‘goods’ means goods within the meaning of the Sale of Goods Act 1908.

“102E. **Guarantees and indemnities by related companies to be registered**—(1) This section applies to any deed, contract, or undertaking entered into, or given by a
10 company under which that company is, or may become liable to any person (whether by way of guarantee, or indemnity, or otherwise) to perform or discharge an obligation, or satisfy any liability of a related company, or any company that becomes a related company after the deed, contract, or
15 undertaking is made or given.

“(2) Where a deed, contract, or undertaking to which this section applies is entered into or given by a company, it shall be the duty of the company within the time prescribed by
20 subsection (3) of this section to cause a copy of the deed, contract, or instrument evidencing such undertaking, or if the contract or undertaking is not in writing, the prescribed particulars thereof, to be delivered to the Registrar for registration. Every copy of such deed, contract, or
25 undertaking shall be accompanied by a statutory declaration verifying the copy as a true copy. Every such declaration shall be made by an officer of the company or its solicitor.

“(3) A copy of every deed, or contract, or instrument evidencing an undertaking required to be registered in accordance with the foregoing provisions of this section shall,
30 in the case of deeds, contracts, or undertakings made or given in New Zealand in respect of a related company, be delivered for registration within 30 days after the date the deed or contract or undertaking was made or given, and in the case of
35 deeds, contracts, or undertakings entered into or given outside New Zealand in respect of a related company, be delivered for registration within 60 days after the deed or contract or undertaking was made or given.

“(4) The prescribed particulars of every contract, or instrument evidencing an undertaking required to be
40 registered in accordance with the foregoing provisions of this section shall, in the case of contracts or undertakings made or given in New Zealand in respect of a related company, be delivered for registration within 30 days after the date the contract or undertaking was made or given, and in the case of

contracts, or undertakings entered into or given outside New Zealand in respect of a related company, be delivered for registration within 60 days after the contract or undertaking was made or given.

“(5) A copy of every deed, contract, or instrument 5
evidencing an undertaking required to be registered in accordance with the foregoing provisions of this section shall, in the case of deeds, contracts, or undertakings made or given in respect of a company that becomes a related company after the deed, contract, or undertaking was entered into or given, 10
be delivered for registration within 30 days after the date on which that company becomes a related company.

“(6) The prescribed particulars of every contract, or undertaking required to be registered in accordance with the foregoing provisions of this section shall, in the case of 15
contracts, or undertakings made or given in respect of a company that becomes a related company after the contract, or undertaking was made or given, be delivered for registration within 30 days after the date on which that 20
company becomes a related company.

“102F. **Registration under sections 102 to 102E on application of persons interested**—Registration of any document under sections 102 to 102E of this Act may be effected on the application of any person interested therein. Where registration is effected on the application of some 25
person other than the company, that person shall be entitled to recover from the company the amount of any fees properly paid by him to the Registrar on registration.

“102G. **Failure to register documents to constitute an offence**—If any company makes default in delivering to the 30
Registrar for registration any document required to be delivered for registration under sections 102 to 102E of this Act, then, unless the registration has been effected on the application of some other person, the company and every officer of the company who is in default shall be liable to a 35
default fine.

“103. **Unregistered charges to be void in certain cases**—(1) This section applies to—

“(a) Every charge created on or after the 1st day of April 40
1934 and required to be registered under section 102 of this Act or under section 89 of the Companies Act 1933; and

“(b) Every charge created before the 1st day of April 1934, and registrable under section 130 of the Companies Act 1908.

“(2) Subject to the provisions of this Part of this Act, every charge to which this section applies shall, so far as any security on a company’s property or undertaking is conferred thereby, be void against the liquidator, any creditor of the company and any bona fide purchaser for valuable consideration, unless the charge is registered in the manner and within the time prescribed by section 102 of this Act or by section 130 of the Companies Act 1908, as the case may be, or, if the time for registration is extended under section 109 of this Act, then within the extended time, but without prejudice to any contract or obligation for repayment of the money thereby secured, and when a charge becomes void under this subsection the money secured thereby shall immediately become payable.

“(3) Nothing in this section shall apply to a charge registered under the Land Transfer Act 1952, or the Shipping and Seamen Act 1952, or under any other Act—

“(a) At any time prior to the commencement of the winding up of the company; or

“(b) Within 30 days after the charge was created— whichever is the later.

“(4) A charge created outside New Zealand and registered more than 30 days after the execution of the instrument creating or evidencing the charge, but within 60 days after the execution thereof, shall, as to property in New Zealand, take effect subject to any rights acquired before the registration thereof.

Cf. 1955, No. 63, s. 103

“103A. **Increases in amounts secured by charges to be void unless registered**—(1) This section applies to a variation of a charge to which section 102B of this Act applies which either increases the amount secured by the charge or the maximum amount which may be secured by the charge.

“(2) Every variation of a charge to which this section applies shall, so far as any security on the company’s property or undertaking is conferred thereby, be void against the liquidator, any creditor of the company, and any bona fide purchaser for valuable consideration, unless a copy of the instrument creating or evidencing the variation of the charge, or if the variation is not created or evidenced by an instrument, the prescribed particulars thereof, are registered

in the manner and within the time prescribed by section 102B of this Act, or if the time for registration is extended under section 109 of this Act, then within the extended time but without prejudice to any contract or obligation for repayment of the money thereby secured, and when a variation of a charge becomes void under this subsection the money secured thereby shall immediately become payable. 5

“(3) Nothing in this section shall apply to a variation of a charge registered under the Land Transfer Act 1952, the Shipping and Seamen Act 1952, or under any other Act. 10

“**103B. Charges securing unspecified or fluctuating amounts to be void in certain cases**—(1) This section applies to a charge to which section 102C of this Act applies.

“(2) Every charge to which this section applies shall so far as any security on the company’s property or undertaking is 15 conferred thereby be void against the liquidator, any creditor of the company, and any bona fide purchaser for valuable consideration, unless a copy of the instrument creating or evidencing the charge or the prescribed particulars thereof (as the case may be) specifies the maximum amount which may 20 be secured by the charge and, in any case where the maximum amount is so specified, shall be void to the extent of any amount secured in excess of the amount so specified, but without prejudice to any contract or obligation for repayment of the money thereby secured. 25

“(3) When a charge becomes void, or void to the extent of any amount secured in excess of the amount so specified (as the case may be), the money secured under the charge, or that excess amount, shall immediately become payable.

“**103C. Certain contracts for sale of goods to a company to be void unless registered**—(1) This section applies to every contract to which section 102D of this Act applies. 30

“(2) Every contract to which this section applies shall—

“(a) So far as any property, title, or interest in any goods vests in, or is reserved to the seller under the 35 contract; or

“(b) So far as the seller under the contract is beneficially entitled to the proceeds of any sale by the company of any goods, or any claim thereto—

be void against the liquidator, any creditor of the company 40 and any bona fide purchaser for valuable consideration, unless a copy of the contract, or the prescribed particulars thereof, are registered in the manner and within the time

prescribed by section 102D of this Act or if the time for registration is extended under section 109 of this Act, then within the extended time, but without prejudice to any obligation to pay any amount owing under the contract.

5 **“103D. Guarantees and indemnities by related companies to be void unless registered—**(1) This section applies to any deed, contract, or undertaking made or given by a company to which section 102E of this Act applies.

10 “(2) Every deed, contract, or undertaking to which this section applies, shall be void against the liquidator and any creditor of the company unless a copy of the deed, contract, or instrument, or the prescribed particulars thereof, are registered in the manner and within the time prescribed by section 102E of this Act or if the time for registration is
15 extended under section 109 of this Act, then within the extended time.

20 **“103E. Contracts reserving title to goods as security for sums due under other contracts to be void—**(1) This section applies to any contract entered into by a company for the sale of goods to the company under which—

 “(a) Title to, or property in—

 “(i) Goods the subject of the contract:

 “(ii) Any other goods delivered or to be delivered to the company:

25 30 “(iii) Any goods deriving directly or indirectly or wholly or in part from goods referred to in subparagraphs (i) or (ii) of this paragraph,— does not pass, or is reserved to, the seller under the contract:

30 “(b) The seller is beneficially entitled to the proceeds of the sale by the company of goods referred to in subparagraphs (i), (ii), or (iii) of paragraph (a) of this subsection, or any claim thereto, (whether or not title to, or property in such goods passes or is reserved to the seller).

35 “(2) Every contract to which this section applies shall be void and of no effect against the liquidator, any creditor of the company, and any bona fide purchaser for valuable consideration so far as—

40 “(a) Any property, title, or interest in any goods vests in, or is reserved to the seller under the contract; or

“(b) The seller is beneficially entitled under the contract to the proceeds of sale by the company of any goods or any claim thereto—

in respect of the payment by the company to the seller of any sums due under any other contract for the sale of goods to the company. 5

“104. **Duty of company to register charges existing on property acquired**—(1) Where a company acquires any property which is subject to a charge of any such kind as would, if it had been created by the company after the acquisition of the property, have been required to be registered under this Part of this Act, the company shall cause a copy of the instrument by which the charge was created or is evidenced, accompanied by a statutory declaration made by an officer of the company or its solicitor as to the date of the acquisition of the property and verifying the copy as a true copy, to be delivered to the Registrar for registration in manner required by this Act within 30 days after the date on which the acquisition is completed: 10

“Provided that, if the property is situate and the charge was created outside New Zealand, 60 days after the completion of the acquisition shall be substituted for 30 days after the completion thereof as the time within which the copy of the instrument is to be delivered to the Registrar: 20

“Provided also that if the instrument by which the charge is created or evidenced has been already registered with the Registrar, or is registered under any Act other than this Act, it shall be sufficient compliance with the requirements of this subsection if, within 30 days, or 60 days, as the case may be, particulars of the instrument sufficient to identify it, and such other particulars (if any) as may be prescribed, are delivered to the Registrar for registration. 25

“(2) If default is made in complying with this section, the company and every officer of the company who is in default shall be liable to a default fine of \$100 unless it is proved to the satisfaction of the Court that a copy of the instrument required to be registered was not obtainable by the company. 35

Cf. 1933, No. 29, s. 91; 1948 U.K. Act, s. 97

“105. **Register of charges to be kept by Registrar**—

(1) The Registrar shall keep, with respect to each company, a register in the prescribed form of all the charges requiring registration under this Part of this Act, and shall, on payment of the prescribed fee, enter in the register with respect to such charges the following particulars: 40

“(a) In the case of a charge to the benefit of which the holders of a series of debentures are entitled, such particulars as are specified in subsection (7) of section 102 of this Act:

5 “(b) In the case of any other charge—

“(i) If the charge is a charge created by the company, the date of its creation, and, if the charge was a charge existing on property acquired by the company, the date of the acquisition of the property; and

10

“(ii) The amount secured by the charge; and
“(iii) Short particulars of the property charged; and

“(iv) The persons entitled to the charge.

15

“(2) The Registrar shall . . . give a certificate under his hand of the registration of any charge registered in pursuance of this Part of this Act stating the amount thereby secured, and the certificate shall be conclusive evidence that the requirements of this Part of this Act as to registration have been complied with.

20

“(3) Where a charge required to be registered pursuant to section 102 of this Act is transferred, or assigned, or modified, or the priority of such a charge is altered, the Registrar shall note in the register with respect to such charge that the charge has been transferred, or assigned, or modified, or that the priority of the charge has been altered.

25

“(4) The register kept in pursuance of this section and all documents registered under this Part of this Act shall be open to inspection by any person on payment of such fee as may be prescribed.

30

Cf. 1933, No. 29, s. 92; 1948, U.K. Act, s. 98

“106. **Register of other documents to be kept by Registrar**—(1) The Registrar shall keep, with respect to each company, a register of all documents requiring registration under sections 102A to 102E of this Act, and shall, on payment of such fee as may be prescribed, enter in the register with respect to such documents, particulars sufficient to identify the document.

35

“(2) The Registrar shall give a certificate under his hand of the registration of any document registered pursuant to sections 102A to 102E of this Act, and the certificate shall be conclusive evidence that the requirements of this Part of this Act as to registration have been complied with.

40

“(3) The register kept pursuant to this section may be kept as part of the register kept pursuant to section 105 of this Act, and all documents registered under sections 102A to 102E of this Act shall be open to inspection by any person on payment of such fee as may be prescribed.

5

“107. **Entries of satisfaction and release of property from charge**—(1) The Registrar, on evidence being given to his satisfaction with respect to any registered charge,—

“(a) That the debt for which the charge was given has been paid or satisfied in whole or in part; or 10

“(b) That the property or undertaking charged or any part thereof has been released from the charge or has ceased to form part of the company’s property or undertaking,—

and on payment of the prescribed fee, shall enter on the 15 register—

“(i) A memorandum of satisfaction in whole or in part; or

“(ii) A memorandum of the fact that the property or undertaking or any part thereof has been released 20 from the charge; or

“(iii) A memorandum of the fact that the property or undertaking or any part thereof has ceased to form part of the company’s property or undertaking,— 25

as the case may be, and where he enters any such memorandum he shall . . . furnish the company with a copy thereof.

“(2) The Court, on application made to it for that purpose, and on being satisfied as to the fact stated in paragraph (a) or 30 paragraph (b) of subsection (1) of this section, may order that a memorandum as aforesaid, as the case may require, be entered on the register, and the Registrar shall enter that memorandum accordingly.

Cf. 1933, No. 29, s. 94; 1948 U.K. Act, s. 100

35

“108. **Entries of discharge of obligations under contracts required to be registered under this Part**—

(1) This section applies to:

“(a) Any contract entered into by a company to which section 102D of this Act applies: 40

“(b) Any deed, contract, or undertaking made or given by a company to which section 102E of this Act applies.

“(2) The Registrar, on evidence being given to his satisfaction with respect to any contract to which this section applies referred to in subsection (1) (a) of this section—

5 “(a) That payment for the goods the subject of the contract has been made; or

“ (b) That title to, or property in the goods the subject of the contract, or any goods to be delivered, or any other goods deriving directly or indirectly and either wholly or in part therefrom, has passed to
10 the company—

shall make an appropriate record thereof on the contract or the prescribed particulars thereof.

15 “(3) The Registrar, on evidence being given to his satisfaction with respect to any deed, contract, or undertaking to which this section applies referred to in subsection (1) (b) of this section that the liability of a company to perform or discharge an obligation of a related company, or any company that becomes a related company after the deed, contract, or undertaking is made or given, has been
20 discharged or no longer exists, shall make an appropriate record thereof on the deed, contract, or instrument evidencing such undertaking, or the prescribed particulars of that contract or undertaking.

25 “(4) The Registrar shall forthwith furnish the company with a copy of any record made under this section.

30 “(5) The Court, on application made to it for that purpose, and on being satisfied as to the fact stated in subsection (2) (a) or (b) or subsection (3) of this section, may order that the Registrar make an appropriate record under subsection (2) or subsection (3) of this section and the Registrar shall make that record.

“109. **Rectification of register of charges**—(1) This section applies to:

35 “(a) A charge required to be registered under section 102 of this Act:

“ (b) A variation of a charge registered under section 102 of this Act, under which the amount secured, or the maximum amount which may be secured by the charge, is increased, being a variation required to be registered under section 102B of this Act:
40

“ (c) Any document required to be registered under section 102D or section 102E of this Act.

“(2) The Court, on being satisfied that the omission to register a charge, a variation of a charge, or other document, to which this section applies, within the time required by this Act, or that the omission or misstatement of any particular from or in any document or memorandum registered or entered under this Part of this Act was accidental, or due to inadvertence or to some other sufficient cause, or is not of a nature to prejudice the position of creditors or shareholders of the company, or that on other grounds it is just and equitable to grant relief, may, on the application of the company or any person interested, and on such terms and conditions as seem to the Court just and expedient, order that the time for registration shall be extended, or, as the case may be, that the omission or misstatement shall be rectified. 5 10

“(3) The foregoing provisions of this section shall apply with respect to charges created before the commencement of this Act and registrable under section 130 of the Companies Act 1908, or under Part IV of the Companies Act 1933, in the same manner in all respects as they apply to charges created after the commencement of this Act. 20

“(4) Nothing in subsection (1) of this section applies to a charge referred to in section 103 (3) of this Act.

Cf. 1955, No. 63, s. 108

“Rights of the Crown

“110. **Application of this Part to the Crown**—(1) This Act shall bind the Crown in respect of all charges to which the Crown is entitled that are created, or acquired by or on behalf of the Crown after the commencement of this Act. 25

“(2) This Act shall bind the Crown in respect of—

“(a) Any contract to which section 102A or section 102D of this Act applies to which the Crown is a party: 30

“(b) Any deed, contract, or undertaking to which section 102E of this Act applies to which the Crown is party.”

Cf. 1955, No. 63, s. 113

35

“111. **Application of this Part to overseas companies**—

(1) This Part of this Act applies to charges on property in New Zealand which are created, and to charges on property in New Zealand which is acquired, by an overseas company which has an established place of business in New Zealand. 40

“(2) This Part of this Act applies to—

5 “(a) A contract to which section 102A of this Act applies under which a person sells or agrees to sell property in New Zealand, or provides or agrees to provide services in New Zealand, or bails or agrees to bail goods in New Zealand, to an overseas company which has an established place of business in New Zealand:

10 “(b) A contract to which section 102D of this Act applies for the sale of goods to be supplied in New Zealand to an overseas company which has an established place of business in New Zealand:

15 “(c) A deed, contract, or undertaking to which section 102E of this Act applies made or given by an overseas company which has an established place of business in New Zealand in respect of any company (including an overseas company which has an established place of business in New Zealand) which is—

20 “(i) A related company; or

“(ii) A company that becomes a related company after the deed, contract, or undertaking is made or given.”

Cf. 1955, No. 63, s. 114

25 **13. Limited application of Act to banks**—Section 458 of the principal Act is hereby amended by repealing subsection (6), and substituting the following subsection:

30 “(6) Except as provided in the foregoing provisions of this section, subsection (2) of section 464, and subsection (3) of section 9A of this Act, nothing in this Act shall apply to banks.”

14. Consequential amendment—Section 4 of the Chattels Transfer Act 1924 is hereby amended by repealing subsection (2), and substituting the following subsection:

35 “(2) Save as provided in subsection (3) of this section, all persons shall be deemed to have notice of a security granted wholly or partly upon chattels by a society registered under the Industrial and Provident Societies Act 1908, and of the contents of such security, so far as it relates to chattels,
40 immediately upon the registration of such security in the manner provided by the said Industrial and Provident Societies Act 1908.”

15. Repeals—The following enactments are hereby repealed—

- (a) Sections 449 (1) and 450 of the Companies Act 1955:
- (b) The Stamp and Cheque Duties Act 1971: so much of the Second Schedule as relates to section 32 (4) of the principal Act: 5
- (c) Section 6 of the Companies Amendment Act 1975:
- (d) The Companies Amendment Act 1975: sections 9 and 10 and so much of the First Schedule as relates to sections 18 (6), 32 (2), 102, 103 (3), and 104 of the principal Act: 10
- (e) Section 2 of the Companies Amendment Act 1977:
- (f) The Flags, Emblems, and Names Protection Act 1981: so much of the Fourth Schedule as relates to the Companies Act 1955: 15
- (g) Section 45 of the Companies Amendment Act 1981.

16. Transitional provisions—Nothing in section 12 of this Act shall apply in respect of—

- (a) Any charge created by a company before the commencement of this Act: 20
- (b) Any contract to which section 102A of the principal Act applies entered into by a company before the commencement of this Act:
- (c) Any transfer, assignment, or modification of a charge to which section 102B of the principal Act applies made or effected before the commencement of this Act: 25
- (d) Any contract to which section 102D of the principal Act applies, made by a company before the commencement of this Act: 30
- (e) Any deed, contract, or undertaking to which section 102E of the principal Act applies made or given by a company before the commencement of this Act.

PART II

AMENDMENTS TO INCORPORATED SOCIETIES ACT 1908 35

17. This Part to be read with Incorporated Societies Act 1908—This Part of this Act shall be read together with and deemed part of the Incorporated Societies Act 1908* (in this Part of this Act referred to as the principal Act).

*R.S. Vol. 7, p. 383
Amendment: 1981, No. 41

18. Powers of inspection of Registrar—The principal Act is hereby amended by repealing section 34A (as inserted by section 5 of the Incorporated Societies Amendment Act 1981), and substituting the following section:

5 “34A. (1) Subject to subsection (2) of this section, the Registrar or any person authorised by him 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 his
10 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

15 “(b) In any case where the Registrar or the person authorised by him 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
20 produced for inspection, require any person (including any officer employed in or in connection with any Government Department) to produce for inspection any registers, records, accounts, books, or papers that contain information relating to any
25 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

30 “(d) For the purposes 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.

35 “(2) No person authorised by the Registrar for the purposes of subsection (1) of this section may require the production of a document or make an inspection under that subsection unless he has first made a declaration in the prescribed form that he will not, except in accordance with
40 subsections (3) and (4) of this section, or for the purposes of this Act, or in the course of any criminal proceedings, make a record of or divulge or communicate to any other person any information that he acquires by an inspection under that subsection.

“(3) A person who has made an inspection under subsection (1) of this section shall give, divulge, or communicate any records or information that he has acquired in the course of the inspection to such of the following persons as may require such records or information, namely: 5

“(a) The Registrar:

“(b) An Assistant Registrar.

“(4) 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 10 Registrar, give, divulge, or communicate any records or information that he has acquired in the course of the inspection to such of the following persons as that Registrar specifies, namely:

“(a) The Minister of Justice: 15

“(b) The Secretary for Justice:

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

“(5) Notwithstanding anything in subsections (3), (4), and (6) of this section, the Registrar shall maintain and aid in 20 maintaining the secrecy of all matters that come to his knowledge as a result of any inspection made under subsection (1) of this section, and shall not communicate any such matters to any person except the Official Assignee in bankruptcy, or for the purpose of or relating to— 25

“(a) Carrying this Act into effect; or

“(b) Any criminal proceedings; or

“(c) The enactment or proposed enactment of legislation relating to a particular society or group of societies; 30
or

“(d) The liquidation of any society to which an inspection under subsection (1) of this section relates.

“(6) The Minister of Justice or the Secretary for Justice may, by written notice to that person, require a person for the time being holding the office of Registrar to give a direction 35 under subsection (4) of this section; and that person shall comply with any such requirement.

“(7) If any person makes a record of, or divulges, or communicates to any other person, otherwise than in accordance with this section, or for the purposes of this Act, 40 or in the course of any criminal proceedings, any information that he has acquired in the course of an inspection under subsection (1) of this section, he commits an offence and shall be liable to a fine not exceeding \$200.

“(8) If any society 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 that the Registrar or authorised person has under
5 that subsection required it to produce, the society commits an offence and shall be liable to a fine not exceeding \$1,000.

“(9) 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
10 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 him to produce, that officer or person commits an offence and shall be liable to a fine not exceeding \$1,000.

15 “(10) 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
20 that subsection, commits an offence and shall be liable to a fine not exceeding \$1,000.”

Cf. 1908, No. 212, s. 34A; 1981, No. 41, s. 5

PART III

25 AMENDMENTS TO INDUSTRIAL AND PROVIDENT SOCIETIES ACT 1908

19. This Part to be read with Industrial and Provident Societies Act 1908—This Part of this Act shall be read together with and deemed part of the Industrial and Provident Societies Act 1908* (in this Part of this Act referred
30 to as the principal Act).

20. Powers of inspection of Registrar—The principal Act is hereby amended by repealing section 13A (as inserted by section 5 of the Industrial and Provident Societies Amendment Act 1981), and substituting the following
35 section:

“13A. (1) Subject to subsection (2) of this section, the Registrar or any person authorised by him may, for the purpose of ascertaining whether a registered society or any officer of a registered society is complying or has complied

*R.S. Vol. 7, p. 407
Amendment: 1981, No. 42

with this Act, or of ascertaining whether the Registrar should exercise any of his rights or powers under this Act, or of detecting offences against this Act—

“(a) Require a registered society or any officer of a registered society to produce for inspection any registers, records, accounts, books, or papers that are kept by the registered society; and 5

“(b) In any case where the Registrar or the person authorised by him 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 registers, 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 registered society; and 10 20

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

“(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. 25

“(2) No person authorised by the Registrar for the purposes of subsection (1) of this section may require the production of a document or make an inspection under that subsection unless he has first made a declaration in the prescribed form that he will not, except in accordance with subsections (3) and (4) of this section, or for the purposes of this Act, or in the course of any criminal proceedings, make a record of, or divulge, or communicate to any other person any information that he acquires by an inspection under that subsection. 30 35

“(3) A person who has made an inspection under subsection (1) of this section shall give, divulge, or communicate any records or information that he has acquired in the course of the inspection to such of the following persons as may require such records or information, namely: 40

“(a) The Registrar:

“(b) A Deputy Registrar:

“(c) A District Registrar:

“(d) An Assistant Registrar. 45

“(4) 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 Registrar, give, divulge, or communicate 5 any records or information that he 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 of Justice:

“(b) The Secretary for Justice:

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

“(5) Notwithstanding anything in subsections (3), (4), and (6), of this section, the Registrar shall maintain and aid in 15 maintaining the secrecy of all matters that come to his knowledge as a result of any inspection made under subsection (1) of this section, and shall not communicate any such matters to any person except the Official Assignee in bankruptcy, or for the purpose of or relating to—

“(a) Carrying this Act into effect; or

20 “(b) Any criminal proceedings; or

“(c) The enactment or proposed enactment of legislation relating to a particular registered society; or

“(d) The liquidation of any registered society to which an 25 inspection under subsection (1) of this section relates.

“(6) The Minister of Justice or the Secretary for Justice may, by written notice to that person, require a person for the time being holding the office of Registrar or Deputy Registrar to give a direction under subsection (4) of this section; and 30 that person shall comply with any such requirement.

“(7) If any person makes a record of, or divulges, or communicates to any other person, otherwise than in accordance with this section, or for the purposes of this Act, or in the course of any criminal proceedings, any information 35 that he has acquired in the course of an inspection under subsection (1) of this section, he commits an offence and shall be liable to a fine not exceeding \$200.

“(8) If any registered society refuses or fails to produce for inspection to the Registrar, or to any person authorised by the 40 Registrar for 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 registered society commits an offence and shall be liable to a fine not exceeding \$1,000.

“(9) If any officer of a registered 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 and control of that officer or person that the Registrar or authorised person has under that subsection required him to produce, that officer or person commits an offence and shall be liable to a fine not exceeding \$1,000. 5

“(10) 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.” 15