

Serial Number **1954/34**



**THE COMMUNITY WATER SUPPLY ASSOCIATIONS
REGULATIONS 1954**

C. W. M. NORRIE, Governor-General

ORDER IN COUNCIL

At the Government House at Wellington, this 10th day of March 1954

Present:

HIS EXCELLENCY THE GOVERNOR-GENERAL IN COUNCIL

PURSUANT to the Land Act 1948, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, hereby makes the following regulations.

REGULATIONS

1. These regulations may be cited as the Community Water Supply Associations Regulations 1954.
2. The memorandum of association of a community water supply association constituted under section 50A of the Land Act 1948 (as inserted by section 3 of the Land Amendment Act 1953) shall be in the form specified in the First Schedule to these regulations.
3. The articles of association of every such community water supply association shall be in the form specified in the Second Schedule to these regulations.

SCHEDULES

FIRST SCHEDULE

FORM OF MEMORANDUM OF ASSOCIATION OF COMMUNITY WATER SUPPLY
ASSOCIATION

*Memorandum of Association of the [Name] Community Water Supply Association
Limited*

1. The name of the Association is the [Name] Community Water Supply Association Limited.
2. The objects of the Association shall be those specified in subsection (4) of section 50A of the Land Act 1948 and to exercise all the powers conferred upon associations by sections 50A to 50F of that Act.
3. The liability of the shareholders is limited.

FIRST SCHEDULE—*continued*

4. The share capital of the Association shall consist of _____ pounds, divided into _____ shares of one pound each.
5. The Association shall be a private company.

We the undersigned persons being occupiers of land in a water area as defined in section 50 of the Land Act 1948 as amended by the Land Amendment Act 1953 desire to be formed into a community water supply association in pursuance of the said Act and of this memorandum of association, and we respectively agree to take the number of shares in the capital of the Association set opposite our respective names.

Name in Full	Address	Description	Signature	Number of Shares taken

Total Shares Taken:

Dated the day of 19.....

Witness to the above signatures—

Signature:
Description:
Address:

SECOND SCHEDULE

FORM OF ARTICLES OF ASSOCIATION OF A COMMUNITY WATER SUPPLY ASSOCIATION

Articles of Association of the [Name] Community Water Supply Association Limited

THE regulations contained in Table A of the Second Schedule to the Companies Act 1933 shall apply to the Association, but with the following exceptions, modifications, amendments, additions, and conditions:

1. Articles 2, 3, 4, and 5 shall not apply.
2. Article 6 is hereby modified by omitting the words “but nothing in this regulation shall prohibit transactions mentioned in the proviso to section 56 (1) of the Act”.
3. Articles 7, 8, 9, and 10 shall not apply.
4. Article 11 is hereby modified by omitting the words “exceed one-fourth of the nominal amount of the share or”.
5. Article 16 shall not apply, and the following Article shall be substituted:
“16. After such initial call (if any) as may have been made for the purpose of providing the necessary preliminary expenses upon the formation of the Association, the directors shall as far as possible carry on the business of the Association without having recourse to the monies unpaid in respect of the shares, and calls upon members in respect of the shares shall be made for the purposes set out in subparagraphs (b) and (c) of subsection (3) of section 50B of the Land Act 1948 only if it is found impossible to provide such money as is from time to time required by the Association either from levies on the members in pursuance of section 50 of the Land Act 1948 or by borrowing upon the security of the assets of the Association or by the utilization of reserve funds set apart by the Association.”
6. (1) Article 19 is hereby modified by omitting paragraph (b), and substituting the following paragraph:
“(b) The transferors have complied with the provisions of subsections (4), (5), (6), and (7) of section 50B of the Land Act 1948.”
(2) Article 19 is hereby further modified by excluding the words “and may also decline to register any transfer of shares on which the Company has a lien”.

SECOND SCHEDULE—*continued*

7. Article 20 is hereby modified by adding the following words: "The provisions of this Article are conditional upon such person or persons being also entitled to the land in respect of which the shares were issued".

8. Article 21 is hereby modified by inserting, after the words "required by the directors", the words "and provided that person is also entitled to the land in respect of which the shares were issued".

9. Article 22 is hereby modified by inserting, after the words "assignee of his estate", the words "and provided they or he are entitled to the land in respect of which the shares have been issued".

10. Articles 23 to 29 shall not apply.

11. Articles 30 to 33 shall not apply.

12. Article 34 is hereby modified by omitting the words "of such amount", and substituting the words "of one pound each".

13. Article 35 shall not apply, and the following Article shall be substituted:

"35. Unless otherwise consented to by the Land Settlement Board, all new shares shall be allotted to the shareholders of the Association in proportion, as nearly as the circumstances admit, to the number of shares held by each shareholder at the date of the issue of the new shares, and each shareholder shall accept such new shares as may be allotted to him. Such new shares shall be subject to the same provisions with reference to the payment of calls, transfer, transmission, and otherwise as the shares in the original share capital."

14. Articles 36 to 38 shall not apply.

15. Article 45 is hereby modified by omitting the words "save as herein otherwise provided, three members personally present shall form a quorum", and substituting the words "two-thirds of the members shall form a quorum".

16. Article 46 is hereby modified by omitting the words "if convened upon the requisitions of members, shall be dissolved; in any other case it".

17. Article 70 shall not apply, and the following Article shall be substituted:

"70. The directors shall cause minutes of all general meetings of the Association and of all meetings of the directors to be kept in accordance with section 128 of the Companies Act 1933."

18. Article 72 is hereby modified by adding the following additional proviso:

"Provided also that nothing herein shall be deemed to prohibit a director from being also a manager, supervisor, or other servant of the Association and being paid such remuneration for his services as the Board of Directors authorizes."

19. Article 89 shall not apply, and the following Article shall be substituted:

"89. The Association shall not be entitled to declare a dividend except upon a final winding up of the Association."

20. Articles 90 to 92 shall not apply.

21. Article 93 shall not apply, and the following Article shall be substituted:

"93. The directors may set aside from time to time out of any surpluses held by the Association such sums as they think proper as a reserve or reserves, which shall at the discretion of the directors be applicable for meeting contingencies or for any other purpose which the directors think fit."

22. Articles 94, 95, and 96 shall not apply.

23. The following Article is hereby added:

"108. The directors shall in respect of the members and the land of the members within the water area have all the powers conferred upon the Land Settlement Board by regulations 20 and 21 (2) of the Land Act Regulations 1949* as if references in those regulations to the Board were references to the Association, and every member shall be deemed to be bound by and shall comply with those regulations."

Dated the day of 19....

Witness to the above signatures—

Signature:
Description:
Address:

T. J. SHERRARD,
Clerk of the Executive Council.

* Statutory Regulations 1949, Serial number 1949/37, page 158.

EXPLANATORY NOTE

[This note is not part of the regulations, but is intended to indicate their general effect.]

Section 50A of the Land Act 1948 provides that any two or more occupiers of land in a water area constituted under section 50 of that Act may form a community water supply association registered under the Companies Act 1933 as a private company with limited liability, and also provides that the form of the memorandum and articles of association are to be prescribed by Order in Council.

These regulations prescribe the form of the memorandum and articles of association of community water supply associations incorporated under that section.

Issued under the authority of the Regulations Act 1936.

Date of notification in *Gazette*: 11 March 1954.

These regulations are administered in the Department of Lands and Survey.