



**THE DAIRY BOARD AMENDMENT ACT (NO. 2)
COMMENCEMENT ORDER 1996**

MICHAEL HARDIE BOYS, Governor-General

ORDER IN COUNCIL

At Wellington this 11th day of November 1996

Present:

HIS EXCELLENCY THE GOVERNOR-GENERAL IN COUNCIL

PURSUANT to section 1 (3) of the Dairy Board Amendment Act (No. 2) 1996, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, and on the recommendation of the Minister of Agriculture, hereby makes the following order.

ORDER

1. Title—This order may be cited as the Dairy Board Amendment Act (No. 2) Commencement Order 1996.

2. Commencement of sections 2, 3, 6, 7, 9, 10, 11, 13, 19, and 20 of, and Second Schedule to, Dairy Board Amendment Act (No. 2) 1996—Sections 2, 3, 6, 7, 9, 10, 11, 13, 19, and 20 of, and the Second Schedule to, the Dairy Board Amendment Act (No. 2) 1996 shall come into force on the 12th day of December 1996.

MARIE SHROFF,
Clerk of the Executive Council.

EXPLANATORY NOTE

This note is not part of the order, but is intended to indicate its general effect.

This order brings into force, on 12 December 1996, sections 2, 3, 6, 7, 9, 10, 11, 13, 19, and 20 of, and the Second Schedule to, the Dairy Board Amendment Act (No. 2) 1996. These sections provide principally for the share structure of the New Zealand Dairy Board.

Section 2 substitutes a new section 2 in the principal Act relating to the interpretation of terms.

Section 3 inserts new sections 2A to 2D into the principal Act. Section 2A defines the term “qualifying company” for the purposes of the issue of shares in the capital of the Board. Section 2B defines the term “solvency test” in a manner similar to section 4 of the Companies Act 1993. Section 2c specifies what constitutes dairy industry approval. The Board is required to obtain dairy industry approval before taking certain action. Section 2D specifies what constitutes the approval of qualifying companies holding shares. The Board is required to obtain the approval to the taking of certain action of qualifying companies holding shares.

Section 6 inserts a new section 3ACA into the principal Act relating to major transactions of the Board. The new section is similar to section 129 of the Companies Act 1993.

Section 7 inserts new sections 3AE to 3AH into the principal Act relating to the constitution of the Board.

Section 9 substitutes a new Part IA. The new Part deals with the share structure of the Board and related matters.

Section 10 makes a consequential repeal.

Section 11 extinguishes the rights of persons who, in their capacity as registered qualifying persons, previously owned the Board’s capital.

Section 13 substitutes a new section 28 relating to the distribution of the annual trading surplus of the Board.

Section 19 adds a new Fifth Schedule to the principal Act relating to the distribution of the Board’s assets in the event of its dissolution.

Section 20 makes a number of amendments to the Income Tax Act 1994.

Issued under the authority of the Acts and Regulations Publication Act 1989.

Date of notification in *Gazette*: 14 November 1996.

This order is administered in the Ministry of Agriculture.