

Reprint  
as at 30 May 2017



## Friendly Societies and Credit Unions Act 1982

Public Act 1982 No 118  
Date of assent 1 December 1982  
Commencement see section 1(2)

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#### Note

Changes authorised by subpart 2 of Part 2 of the Legislation Act 2012 have been made in this official reprint.  
Note 4 at the end of this reprint provides a list of the amendments incorporated.

**This Act is administered by the Ministry of Business, Innovation, and Employment.**

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**An Act to consolidate and amend the law relating to friendly and certain other societies, to make better provision for the formation and administration of credit unions, and to provide for matters related thereto**

**1 Short Title and commencement**

- (1) This Act may be cited as the Friendly Societies and Credit Unions Act 1982.
- (2) This Act shall come into force on 1 April 1983.

**2 Interpretation**

In this Act, unless the context otherwise requires,—

**accounting records** includes all books, accounts, rolls, files, vouchers, receipts, cheques, records, registers, minutes, papers, documents, photographic plates, microfilms, photostatic negatives, prints, tapes (including videotapes), discs, computer reels, perforated rolls, and any other type of record whatsoever; and also includes all papers and other records relating to accounting operations and practice

**actuary** means a person qualified as a Fellow of the Institute of Actuaries of London or as a Fellow of the Faculty of Actuaries in Scotland or as a Fellow of the Institute of Actuaries of Australia or has such other qualification as an actu-

ary as may, subject to such conditions as the Registrar thinks fit, be approved in any particular case by the Registrar for the purposes of this Act

**actuarial report** means the report from time to time supplied to the Registrar following an actuarial valuation made pursuant to section 74(1)

**adult** means a person who is at least 20 years of age

**amendment of rule** includes a new rule, and a resolution rescinding a rule

**annual return** means the return sent to the Registrar—

(a) in the case of societies registered under Part 2, under section 70:

(b) in the case of credit unions, under section 127

**applicable auditing and assurance standard** has the same meaning as in section 5 of the Financial Reporting Act 2013

**applicable financial reporting standard** has the same meaning as in section 5 of the Financial Reporting Act 2013

**association** means an association of credit unions registered as such under Part 3

**bank** means a person carrying on in New Zealand the business of banking; and includes the Reserve Bank of New Zealand, the Post Office Bank Limited, any private savings bank company's successor under the Private Savings Banks (Transfer of Undertakings) Act 1992, and any trustee bank's successor company constituted under the Companies Act 1993

**benevolent society** means a society of the kind specified in section 11(1)(b)

**branch** means any number of the members of a society, under the control of a central body, having a separate fund administered by themselves or by a committee or officers appointed by themselves, and bound to contribute to a fund under the control of a central body; and includes a branch of a branch of a society

**central body** means a body of persons which has the control of the fund or funds to which a branch of a society is bound to contribute, and which also has responsibilities under this Act in relation to that branch

**committee** and **committee of management** mean the directing body of a society or branch, by whatever name that body is known

**credit union** means any society or body of persons registered or deemed to be registered as a credit union under Part 3; and, unless otherwise provided by this Act and with any necessary modifications, includes an association of credit unions

**document** includes all instruments by way of security and title, membership and other registers, and all documents and records; but does not include accounting records

**financial statements** has the same meaning as in section 6 of the Financial Reporting Act 2013



**financial year** means the financial year of every registered society or branch or credit union, being a period of 12 months ending with 1 December or such other day as may be provided in the rules of the society, branch, or credit union

**friendly society** means a society of the kind specified in section 11(1)(a)

**generally accepted accounting practice** has the same meaning as in section 8 of the Financial Reporting Act 2013

**land** includes any interest in land

**licensed insurer** has the same meaning as in section 6(1) of the Insurance (Prudential Supervision) Act 2010

**meeting** includes (where the rules of a society or branch so allow) a meeting of delegates appointed by members

**Minister** means the Minister of the Crown having for the time being charge of the administration of this Act

**non-GAAP standard** has the same meaning as in section 5 of the Financial Reporting Act 2013

**officer**, in relation to a registered society or branch or credit union, includes any trustee, treasurer, secretary, or member of the committee of management of the society, branch, or credit union, and any person appointed by the society or branch or credit union to sue and be sued on its behalf

**persons claiming through a member** includes the nominee of the member where nomination is allowed

**property** means all property, whether real or personal (including accounting records and all documents)

**qualified auditor** has the same meaning as in section 35 of the Financial Reporting Act 2013

**registered** means received by the Registrar and sealed with his seal of office

**registered society or branch** means a society or branch registered or deemed to be registered under Part 2

**Registrar** means the Registrar of Friendly Societies and Credit Unions, and, where a Deputy Registrar of Friendly Societies and Credit Unions is lawfully acting, includes that Deputy Registrar

**Revising Barrister** means the Solicitor-General; and includes any Crown Counsel in the Crown Law Office

**share**, in relation to a credit union, means a share in the capital of that credit union

**specially authorised society** means a society of a kind authorised by the Minister pursuant to section 11(1)(d); but does not include a credit union

**special resolution**, where required under this Act, means a resolution passed in the manner prescribed by section 82

**trustee company** means a trustee company within the meaning of the Trustee Companies Act 1967

**working men's club** means a society of the kind specified in section 11(1)(c).

Compare: 1909 No 12 ss 2, 24; 1915 No 64 s 2; 1970 No 63 s 2(1)

Section 2 **applicable auditing and assurance standard**: inserted, on 1 April 2014, by section 64(1) of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

Section 2 **applicable financial reporting standard**: inserted, on 1 April 2014, by section 64(1) of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

Section 2 **bank**: amended, on 1 July 1997, pursuant to section 2(1) of the Companies Act Repeal Act 1993 (1993 No 126).

Section 2 **bank**: amended, on 30 June 1995, pursuant to section 2(2) of the Banking Act Repeal Act 1995 (1995 No 32).

Section 2 **bank**: amended, on 10 September 1993, pursuant to section 23(1) of the Private Savings Banks (Transfer of Undertakings) Act 1992 (1992 No 21).

Section 2 **bank**: amended, on 8 April 1992, pursuant to section 20 of the Private Savings Banks (Transfer of Undertakings) Act 1992 (1992 No 21).

Section 2 **bank**: amended, on 1 April 1987, by section 11(1) of the State-Owned Enterprises Amendment Act 1987 (1987 No 117).

Section 2 **exempt society or exempt branch or exempt credit union**: repealed, on 1 April 2014, by section 64(2) of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

Section 2 **financial statements**: inserted, on 1 April 2014, by section 64(1) of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

Section 2 **generally accepted accounting practice**: inserted, on 1 April 2014, by section 64(1) of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

Section 2 **Government Actuary**: repealed, on 1 May 2011, by section 82 of the Financial Markets Authority Act 2011 (2011 No 5).

Section 2 **licensed auditor**: repealed, on 1 April 2014, by section 64(3) of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

Section 2 **licensed insurer**: inserted, on 1 February 2011, by section 241(2) of the Insurance (Prudential Supervision) Act 2010 (2010 No 111).

Section 2 **non-GAAP standard**: inserted, on 1 April 2014, by section 64(1) of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

Section 2 **qualified auditor**: inserted, on 1 April 2014, by section 64(1) of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

Section 2 **registered audit firm**: repealed, on 1 April 2014, by section 64(3) of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

## Part 1

### Registrar and officers

#### 3 Registrar of Friendly Societies and Credit Unions

- (1) There shall from time to time be appointed, pursuant to the State Sector Act 1988, a Registrar of Friendly Societies and Credit Unions.
- (2) *[Repealed]*

- (3) The Registrar shall have a seal of office of which judicial notice shall be taken.

Compare: 1909 No 12 ss 3(1), 5(2)

Section 3(1): amended, on 1 April 1988, pursuant to section 88(2) of the State Sector Act 1988 (1988 No 20).

Section 3(2): repealed, on 1 May 2011, by section 82 of the Financial Markets Authority Act 2011 (2011 No 5).

#### **4 Deputy Registrar of Friendly Societies and Credit Unions**

- (1) There may from time to time be appointed, pursuant to the State Sector Act 1988, 1 or more Deputy Registrars of Friendly Societies and Credit Unions.

(2) *[Repealed]*

- (3) Subject to the control of the Registrar, a Deputy Registrar shall have and may exercise all the functions, duties, and powers of the Registrar.

- (4) On the occurrence from any cause of a vacancy in the office of Registrar (whether by reason of death, resignation, or otherwise), and in the case of absence from duty of the Registrar (from whatever cause arising), and so long as any such vacancy or absence continues, a Deputy Registrar shall have and may exercise all the functions, duties, and powers of the Registrar.

- (5) The fact that a Deputy Registrar is exercising any function, duty, or power of the Registrar shall be conclusive evidence of his authority to do so.

Compare: 1909 No 12 ss 3(2)–(4), 5(2)

Section 4(1): amended, on 1 April 1988, pursuant to section 88(2) of the State Sector Act 1988 (1988 No 20).

Section 4(2): repealed, on 1 May 2011, by section 82 of the Financial Markets Authority Act 2011 (2011 No 5).

#### **5 Registry Office and registers**

- (1) The Registrar shall have a Registry Office, and all documents, or information required by or pursuant to this Act to be sent to the Registrar shall be sent to the Registry Office.

- (2) All documents or information required by or pursuant to this Act to be sent to the Registrar shall be deposited with the rules of the society, branch, or credit union to which the documents respectively relate and, together with such observations thereon as he thinks fit, shall be registered or recorded by the Registrar.

- (3) The following documents or information contained in any register shall be open to inspection by the public during ordinary office hours on payment of the prescribed fee (if any):

- (a) in respect of any registered society or branch, the rules and any amendments, notices of change of registered office and of the appointment of new trustees, annual returns, actuarial reports (except those requested by the Registrar pursuant to section 74(4)), notices of change of name and of special resolutions, and any order or award of the Registrar relating to

the dissolution or suspension of any business, or the cancellation or suspension of registration of the society or branch:

- (b) in respect of any credit union, the rules and any amendments, notices of change of registered office and of the appointment of new trustees, annual returns, notices of change of name and of special resolutions, and any order or award of the Registrar relating to the dissolution or suspension of any business, or the cancellation or suspension of registration of the credit union.
- (4) On payment of the prescribed fee (if any), there shall be sent to any person requesting it in writing a copy of any specified document, except the rules or any amendments, which that person would otherwise be able to inspect pursuant to subsection (3).
  - (5) The Governor-General may from time to time, by Order in Council, extend or restrict the range of accounting records and documents that are open to inspection by the public.

Compare: 1909 No 12 s 7

## **6 Appointment of officers and employees**

There shall from time to time be appointed under the State Sector Act 1988 such officers and employees as may be necessary for the effective and efficient carrying out of the functions and duties of the Registrar.

Compare: 1909 No 12 s 6

Section 6: amended, on 1 April 1988, pursuant to section 88(2) of the State Sector Act 1988 (1988 No 20).

## **7 Functions of Registrar**

- (1) Subject to the general direction and control of the Minister, the functions of the Registrar shall be to administer this Act and to carry out such duties as may be imposed upon him by this or any other enactment.
- (2) *[Repealed]*
- (3) The Registrar has such powers as may be necessary to adequately carry out his or her functions and duties, including—
  - (a) the power to request and be supplied with information or reports (including actuarial reports) from registered societies, branches (whether registered or not), or credit unions, whether regularly or otherwise, and whether in respect of any class or classes of society, branch, or credit union, or in respect of any society, branch, or credit union in particular; and
  - (b) the power to inspect any accounting records or other documents pursuant to section 8.

Section 7 heading: amended, on 1 May 2011, by section 82 of the Financial Markets Authority Act 2011 (2011 No 5).

Section 7(2): repealed, on 1 May 2011, by section 82 of the Financial Markets Authority Act 2011 (2011 No 5).

Section 7(3): amended, on 1 May 2011, by section 82 of the Financial Markets Authority Act 2011 (2011 No 5).

## **8 Powers of inspection of records by Registrar**

- (1) The Registrar or any person authorised by him may, for the purpose of ascertaining whether a registered society, branch (whether registered or not), or credit union, or any officer or trustee of any such registered society, branch, or credit union is complying or has complied with this Act or of ascertaining whether the Registrar should exercise any of his functions, duties, or powers under this Act, or of detecting offences against this Act—
  - (a) require a registered society, branch (whether registered or not), or credit union, or any officer or trustee of any such registered society, branch, or credit union to produce for inspection any accounting records or documents that are kept by the registered society, branch, or credit union; and
  - (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 accounting records or documents specified in paragraph (a), require any person (including a bank or receiver or assignee) to produce for inspection any accounting records or documents that contain information relating to any money or other property that is managed, supervised, controlled or held in trust by or for the registered society, branch, or credit union; and
  - (c) inspect and make records of any such accounting records or documents; 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 accounting records or documents.
- (2) *[Repealed]*
- (3) *[Repealed]*
- (4) If any registered society, branch (whether registered or not), or credit union refuses or fails to produce for inspection to the Registrar, or to any person authorised by the Registrar for the purposes of subsection (1), any accounting record or document that the Registrar or authorised person has under that subsection required it to produce, the registered society, branch, or credit union commits an offence and shall be liable on conviction to a fine not exceeding \$1,000.
- (5) If any officer or trustee of a registered society, branch (whether registered or not), or credit union, or any 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), any accounting record or document within the power or control of that officer or trustee or other person that the Registrar or author-

ised person has under that subsection required him to produce, that officer or trustee or other person commits an offence and shall be liable on conviction to a fine not exceeding \$1,000.

- (6) Any person who wilfully obstructs or hinders the Registrar, or any person authorised by the Registrar for the purposes of subsection (1), while the Registrar or authorised person is making an inspection or a record or taking possession of or removing any accounting record or document pursuant to that subsection commits an offence and shall be liable on conviction to a fine not exceeding \$1,000.

Compare: Friendly Societies Act 1974 s 89 (UK)

Section 8(1): amended, on 1 April 1987, by section 25(1) of the Official Information Amendment Act 1987 (1987 No 8).

Section 8(2): repealed, on 1 April 1987, by section 25(1) of the Official Information Amendment Act 1987 (1987 No 8).

Section 8(3): repealed, on 1 April 1987, by section 25(1) of the Official Information Amendment Act 1987 (1987 No 8).

Section 8(4): amended, on 1 July 2013, by section 413 of the Criminal Procedure Act 2011 (2011 No 81).

Section 8(5): amended, on 1 July 2013, by section 413 of the Criminal Procedure Act 2011 (2011 No 81).

Section 8(6): amended, on 1 July 2013, by section 413 of the Criminal Procedure Act 2011 (2011 No 81).

## 9 Registrar may publish statements, etc

The Registrar may from time to time prepare, cause to be circulated, or publish, for the use of registered societies or branches, or credit unions,—

- (a) model forms and model rules:
- (b) information on the subject of the statistics of life and sickness and its application to the business of friendly societies:
- (c) such particulars of annual returns and valuations, and reports, and such other information as the Registrar thinks fit.

Compare: 1909 No 12 s 8

Section 9(a): amended, on 1 April 2014, by section 65 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

## 10 Annual report

*[Repealed]*

Section 10: repealed, on 26 March 2015, by section 4 of the Friendly Societies and Credit Unions Amendment Act 2015 (2015 No 13).

## Part 2 Friendly and other societies

### *Registration*

#### **11 Societies which may be registered**

- (1) Subject to this Act, the following societies may be registered under this Part—
  - (a) societies (in this Act called friendly societies) established to provide by voluntary subscriptions of the members, with or without the aid of donations, for any of the purposes specified in Schedule 1:
  - (b) societies (in this Act called benevolent societies) established for any benevolent or charitable purpose:
  - (c) societies (in this Act called working men's clubs) established for the purposes of social intercourse, mutual helpfulness, and recreation:
  - (d) societies (in this Act called specially authorised societies) established for any purpose which the Minister may, by notice in the *Gazette*, authorise as a purpose to which the provisions of this Act, or such of them as are specified in the notice, ought to be extended.
- (2) No society or branch shall first be registered under this Part unless it consists of at least 7 adults.
- (3) No society or branch shall be registered under this Act which contracts with any person for the assurance of a gross sum or of an annuity in excess of the limits specified in section 42.
- (3A) Subsection (3) does not apply to a licensed insurer.
- (4) In the case of specially authorised societies and their registered branches (if any) established pursuant to subsection (1)(d)—
  - (a) the rules shall bind the society or registered branch and its members, and all persons claiming through them respectively, to the same extent as if each member had subscribed his name and (where appropriate) affixed his seal, and there were in such rules a covenant on the part of himself, his executors and administrators, to conform to such rules subject to the provisions of this Act:
  - (b) all money payable by a member to the society or to a registered branch shall be deemed to be a debt due from such member to the society or registered branch, and shall be recoverable as such.

Compare: 1909 No 12 ss 11, 18(2); 1915 No 64 s 6; 1975 No 21 s 2

Section 11(3A): inserted, on 1 February 2011, by section 241(2) of the Insurance (Prudential Supervision) Act 2010 (2010 No 111).

**12 Applications for registration of societies**

- (1) An application to register a society under this Part shall be signed by 7 adult members and the secretary of the society, and shall be sent to the Registrar.
- (2) Together with an application under subsection (1), there shall be sent a copy of the rules of the society signed by those persons who signed that application and a list of the names, addresses, and designations of the committee of management, the secretary, treasurer, and other principal officers, the trustees, and those persons who are authorised to sue and be sued on behalf of the society.
- (3) The rules of the society so sent shall either—
  - (a) contain provisions in respect of the matters mentioned in Schedule 2; or
  - (b) accord with any model rules applicable to the society as produced by the Registrar pursuant to section 9.
- (4) If the list so sent is signed by the secretary and every other person named, it shall on the registration of the society be evidence that the persons so named have been duly appointed to their office.
- (5) A society shall not be registered under a name identical with that under which any other existing society is registered, or so nearly resembling that name as to be likely, or in any name likely, in the opinion of the Registrar, to deceive the members or the public as to its nature or its identity or in any name which in his opinion is otherwise undesirable.
- (6) If—
  - (a) through inadvertence or otherwise, a society at its first registration, or on its registration by a new name, is registered by a name which is in contravention of subsection (5), or of any enactment (other than this Act), relating to restrictions on the use of any name; or
  - (b) a society is for the time being registered by a name which, in the opinion of the Registrar, is undesirable,—

the society shall, within a period of 4 weeks from the date of its being required by the Registrar to do so, or such longer period as he may allow, change its name to a name that is not in contravention as aforesaid and is not, in the opinion of the Registrar, undesirable.

Compare: 1909 No 12 ss 12, 13

Section 12(2): amended, on 20 September 2007, by section 4 of the Friendly Societies and Credit Unions Amendment Act 2007 (2007 No 59).

**13 Certain societies not disentitled to registration because of division of funds**

A society which is neither a benevolent society nor a working men's club shall not be disentitled to registration by reason of any rule for, or practice of, dividing any part of its funds, if the rules of the society contain distinct provision for



meeting all claims upon the society existing at the time of the division before any such division takes place.

Compare: 1909 No 12 s 14

#### **14 Branches to be registered concurrently with society**

- (1) Where a society has existing branches, the application for registration of the society shall be accompanied by—
  - (a) a list of all the branches and notice of the place where the registered office of each branch, to which all communications and notices may be addressed, is to be situated;
  - (b) a list of the names, addresses, and designations of the committee of management of each branch, the secretary, treasurer, and other principal officers, and the trustees of each branch;
  - (c) if any branch is to have persons authorised to sue and be sued on its behalf (other than the persons authorised to sue and be sued on behalf of the society), a list of the names of all such persons, distinguishing the branches for which they are authorised to sue and be sued;
  - (d) a copy of all branch rules.
- (2) The rules in respect of a branch shall either—
  - (a) contain provisions in respect of the matters mentioned in Schedule 3; or
  - (b) accord with any model rules applicable to the branch as produced by the Registrar pursuant to section 9.
- (3) If a branch does not have separate rules, provision in respect of the matters mentioned in Schedule 3 shall be made (with respect to the branch) in the rules of the society or branch of which that branch forms part.
- (4) No branch shall be registered unless its objects are identical with or comprised in the objects of the society of which it forms part.
- (5) No society shall be registered until every branch of the society in being when the society makes application for registration is capable of being registered at the same time, and when the Registrar issues to the society an acknowledgment of registration under section 17, he shall at the same time issue to each branch of that society a separate acknowledgment of registration.

Compare: 1909 No 12 ss 18, 20, 21

Section 14(1)(d): amended, on 20 September 2007, by section 5 of the Friendly Societies and Credit Unions Amendment Act 2007 (2007 No 59).

#### **15 Actuary to certify rates of contributions before registration**

- (1) No society, whether a friendly society or otherwise, or branch of that society shall be registered under this Part until the rates of contributions for any benefits to be provided by the society or branch (being in accordance with the purposes specified in Schedule 1 and as set out in the rules submitted with the ap-

plication for registration), are certified by an actuary as being appropriate for the business to which they relate.

- (2) The Registrar may, in writing, exempt wholly or in part from the requirements of subsection (1) any society or branch transacting business in respect of which he thinks those requirements to be inapplicable, and may from time to time review, vary, or revoke any exemption so given.

Compare: 1911 No 5 s 2

## **16 Revising Barrister may examine rules**

- (1) On receiving the copy of the rules under section 12 or section 19, the Registrar may, if he thinks fit, refer a copy to the Revising Barrister.
- (2) If the Revising Barrister is of the opinion that the objects of the society and the rules comply with the requirements of this Act, he shall advise the Registrar accordingly.
- (3) If the Revising Barrister is of opinion that the objects of the society, or any of them, or any of the rules do not comply with the requirements of this Act, he shall notify his opinion in writing to the Registrar, specifying in what particulars the rules or other matters do not so comply; and the Registrar shall then return the rules to the secretary of the society, with a copy of the opinion of the Revising Barrister, and the society may submit amended rules to the Registrar, signed as required under section 12.

Compare: 1909 No 12 s 15

Section 16(1): amended, on 20 September 2007, by section 6 of the Friendly Societies and Credit Unions Amendment Act 2007 (2007 No 59).

## **17 Acknowledgment of registration**

- (1) On being satisfied that the society or branch has complied with the provisions of this Part as to registration, the Registrar shall—
  - (a) issue to that society or branch an acknowledgment of registration which, in the case of a society, shall specify the designation of that society according to the classification set out in section 11(1).
  - (b) *[Repealed]*
- (2) An acknowledgment of registration under subsection (1) shall be conclusive evidence that the society or branch therein mentioned is duly registered under this Act, unless it is proved that the registration of the society or, in the case of a branch, the society of which it is a branch, has been suspended or cancelled.
- (3) If—
  - (a) through inadvertence or otherwise, a society at its registration is wrongly designated according to the classification set out in section 11(1); or
  - (b) a society is for the time being designated in a classification which, in the opinion of the Registrar, is incorrect for that society—

the Registrar may, after considering any representations of the society made within 4 weeks from the date of its being requested by the Registrar to do so, amend the designation.

Compare: 1909 No 12 ss 16(1), 17, 18(4)

Section 17(1)(b): repealed, on 20 September 2007, by section 7(1) of the Friendly Societies and Credit Unions Amendment Act 2007 (2007 No 59).

Section 17(3): amended, on 20 September 2007, by section 7(2) of the Friendly Societies and Credit Unions Amendment Act 2007 (2007 No 59).

## **18 Refusal to register**

- (1) If the Registrar refuses to issue an acknowledgment of registration to a society, the society may, within 3 months after the date of the refusal, appeal from that refusal to the High Court.
- (2) If the refusal is overruled on appeal, then, subject to such terms and conditions as the court may impose or otherwise in pursuance of the court order, an acknowledgment of registration shall forthwith be issued to the society by the Registrar.

Compare: 1909 No 12 s 16(2), (3)

## **19 Establishment of new branches**

- (1) When a new branch of a registered society is established, the society shall send to the Registrar an application for the registration of that branch signed by the secretary of the branch and by 3 of its adult members, and countersigned by the secretary of the society.
- (2) All the provisions of section 14 shall apply, with any necessary modification, with respect to the establishment of a new branch as if it were a branch existing at the time of the registration of the society.
- (3) Every application under this section shall be made within 3 months after the establishment of the branch, but no such application shall be invalid because it is made after the expiration of that period.
- (4) If any branch continues in existence for more than 3 months without an application being made for its registration, or for more than 3 months after an application for its registration has been refused, every officer of the branch, or of the registered society of which it is a branch, shall be guilty of a continuing offence against this Act so long thereafter as the branch remains in existence and unregistered.
- (5) No society shall, in respect of any branch, be entitled to any privilege, benefit, or protection conferred by this Act or enactment relating to registered societies until such branch has been registered.

Compare: 1909 No 12 s 19; Friendly Societies Act 1912 s 20 (NSW)

**20 Secession or expulsion of branches**

- (1) Every registered branch may, in accordance with the rules of the society of which it forms a part,—
  - (a) secede from that society; or
  - (b) be expelled from that society.
- (2) Every branch which has duly seceded or been expelled from the society of which it forms a part shall, 3 months after having so seceded or been expelled and subject to no application having been made for registration under section 21, be deemed to be no longer registered under this Act; but no such secession or expulsion shall affect any liability previously incurred by the branch or its officers.
- (3) A body which, having been a branch of a registered society, has wholly seceded or been expelled from that society, shall not use the name of that society or any name implying that it is a branch thereof, or the number or other means of identification allotted by the Registrar by which it was designated as such a branch.

Compare: 1909 No 12 ss 25, 27

**21 Seceded or expelled branch may apply for registration**

- (1) A body which, having been a branch of a registered society, has wholly seceded or been expelled from that society may, within 3 months after having so seceded or been expelled, apply pursuant to section 12 for registration as a society in its own right.
- (2) No such body shall be so registered unless there is produced to the Registrar a certificate, under the hand of the secretary or other principal officer of the society of which the body was a branch, that the body has seceded or has been expelled from the society, or the Registrar is otherwise satisfied on those matters.

Compare: 1909 No 12 s 26

*Rules***22 Acknowledgment of registration deemed to be acknowledgment of rules**

An acknowledgment of the registration of a society or branch under section 17 shall also constitute an acknowledgment, and be conclusive evidence, of the registration of the rules of the society or branch in force at the date of the registration of the society or branch.

Compare: Friendly Societies Act 1974 s 17 (UK)

**23 Amendment of rules**

- (1) Subject to subsection (2), any amendment of the rules of a society or branch as for the time being registered under this Act shall not be valid until the amendment has been so registered, and for this purpose a copy of the amendment,

signed by 3 members and the secretary of the society or of the branch, as the case may be, shall be sent to the Registrar.

- (2) Subsection (1) shall not apply to a change in the situation of the registered office of a society or branch; but—
  - (a) notice of any change in the situation of the registered office of a society or branch shall be sent to the Registrar and, in the case of a change in the situation of the registered office of a branch, shall be sent to the Registrar through the secretary of the society of which the branch forms part; and
  - (b) where notice of such a change is sent to the Registrar under paragraph (a), he shall register it as an amendment of the rules of the society or branch concerned.
- (3) No amendment of the rules of a society or branch shall be registered unless the rules as amended contain all the provisions that would be required, in accordance with Schedule 2 or Schedule 3 or any model rules produced by the Registrar, as the case may be, on an application for the registration of the society or branch.
- (4) No amendment of the rules of a branch shall be registered if the objects of the branch thereby cease to be identical with or comprised in the objects of the society of which the branch forms a part.

Compare: 1909 No 12 ss 28(1), 31, 34(2)

Section 23(1): amended, on 20 September 2007, by section 8 of the Friendly Societies and Credit Unions Amendment Act 2007 (2007 No 59).

#### **24 Revising Barrister or actuary may examine amendments**

- (1) All amendments of rules sent to the Registrar may be submitted by him for the perusal of the Revising Barrister in the manner provided by section 16 as to rules sent to the Registrar upon an application for the registration of a society, and the Revising Barrister shall consider the amendments in the same manner and give his opinion accordingly.
- (2) If in the opinion of the Registrar any amendment of a rule may adversely affect the financial soundness of the society or branch or alters the rates of contribution certified pursuant to section 15(1), the amendment shall not be registered until an actuary has certified in writing that the amendment does not adversely affect the financial soundness of the society or branch or that the altered rates of contributions are appropriate for the business to which they relate.

Compare: 1909 No 12 ss 28(3), 30(1)

#### **25 Acknowledgment of registration of amendment of rules**

On being satisfied that any amendment of the rules of a registered society or branch complies with and is not contrary to the provisions of this Part, the Registrar shall issue to the society or branch, in respect of that amendment, an

acknowledgment of registration which shall be conclusive evidence that the amendment is duly registered.

Compare: 1909 No 12 s 29(1)

## **26 Amendment of rules by Registrar**

- (1) Without limiting the responsibilities of any registered society or branch to comply with the provisions of this Act, the Registrar may, if he thinks the rules of a registered society or branch should be amended to comply with any provision of this Act, by notice in writing served personally or by post upon the society or branch, require it within the period specified in the notice to amend the rules in the manner so specified or otherwise in a manner approved by the Registrar.
- (2) Subject to this Act, if within the period specified in the notice the society or branch fails to amend the rules as required, the Registrar may himself, by notation upon the registered copy of the rules, amend the rules of the society or branch.
- (3) The Registrar shall give a society or branch notice in writing of any amendment effected by him under this section and of the date on which the amendment comes into effect.

Compare: Credit Unions Act 1976 s 20 (SA)

## **27 Society or branch to supply copy of rules**

Every registered society or branch shall deliver to any person on request, on payment of a sum not exceeding \$5 or such other sum as may be prescribed from time to time by the Governor-General by Order in Council, a copy of the rules of the society or branch.

Compare: 1909 No 12 s 33; 1975 No 21 s 3

### *Trustees and officers*

## **28 Appointment of trustees**

- (1) Every registered society and branch is to have 1 or more trustees, who must be appointed from time to time by a resolution of a majority of the members of the society or branch entitled to vote and voting on the matter.
- (2) As soon as practicable after any trustee of a registered society or branch dies, or resigns his office or is removed from office, a new trustee shall be appointed in his place in the manner prescribed by subsection (1).
- (3) A registered society or branch may at any time by resolution passed in the same manner remove any trustee and appoint a new trustee in his place.
- (4) No act done by any person appointed as a trustee shall be invalidated by any irregularity or defect in the mode of his appointment, or by the fact that there is any vacancy in the full number of the trustees.

- (5) Within 14 days after any resolution appointing a trustee, the society or branch, as the case may be, shall send to the Registrar a copy of the resolution signed by the trustee appointed and by the secretary of the society or branch.
- (6) In the case of a branch the copy of the resolution shall be sent to the Registrar through the secretary of the society of which the branch forms part.
- (7) The same person shall not be secretary or treasurer of a registered society or branch and also a trustee of that society or branch; but, with the consent in writing of the Registrar, the same person may be both the secretary and the treasurer of that society or branch.

Compare: 1909 No 12 s 43

Section 28(1): replaced, on 30 May 2017, by section 102 of the Regulatory Systems (Commercial Matters) Amendment Act 2017 (2017 No 12).

## **29 Property to vest in trustees**

- (1) All property belonging to a registered society, whether acquired before or after the society is registered, shall vest in the trustees for the time being of the society for the use and benefit of the society and its members, and of all persons claiming through the members according to the rules of the society.
- (2) The property of a registered branch of a society, whether acquired before or after the branch is registered, shall, as the rules of the society provide, vest wholly or partly in the trustees for the time being of that branch, or of any other branch of which that branch forms part, or in the trustees of the society, for the use and benefit either of the members of any such branch and persons claiming through those members, or of the members of the society generally and persons claiming through them according to the rules of the society; but, in the absence of any such rules, or so far as the rules of the society do not extend, the property of a registered branch of a society, whether acquired before or after the branch is registered, shall vest in the trustees for the time being of that branch for the use and benefit of the members of that branch and persons claiming through them.
- (3) Upon the death, resignation, or removal of a trustee of a registered society or branch the property vested in that trustee shall, without conveyance, transfer, or assignment, vest (subject to the same trusts) in the succeeding trustees of that society or branch, either solely or together with any surviving or continuing trustees, and until the appointment of succeeding trustees pursuant to section 28(2), in the surviving or continuing trustees only, or in the executors or administrators of the last surviving or continuing trustee.
- (4) Where any property (other than land dealt with pursuant to section 33) is vested in trustees under this section and, for the purposes of registering the title to or for any other dealing in connection with that property, an instrument is required to be executed by the trustees, that instrument may be executed by the trustees denoted by their official titles and not by their proper names; and no person claiming under any such instrument shall be affected by any notice, ac-

tual or constructive, that the property so dealt with was not vested in the persons executing the instrument, or that such execution was in contravention of the rules of the society or branch of which those persons were, or purported to be, trustees.

Compare: 1909 No 12 s 44

### **30 Registrar may authorise transfer of property to existing trustees**

- (1) Where any person, being a trustee of a registered society or branch,—
- (a) becomes a person subject to a property order under the Protection of Personal and Property Rights Act 1988; or
  - (b) has had issued in respect of his person a property order under the Protection of Personal and Property Rights Act 1988; or
  - (c) has been adjudicated a bankrupt or is bound by a composition in favour of his creditors; or
  - (d) is missing or whose whereabouts are unknown, and is not known to the surviving trustees of the society or branch to be alive or dead,—

then, on application in writing by the secretary and 3 adult members of the society or branch and on proof of the facts to his satisfaction, the Registrar may, by direction in writing, direct and authorise the transfer of any property of the society or branch held in the name of the trustee into the names of the existing trustees of the society or branch, or, in the case of a branch which has ceased to exist, into the names of the existing trustees of the society of which the branch formed part; and every such direction in writing shall be sufficient authority to all persons to make such a transfer accordingly in the same manner as if the said property had been assigned to the said existing trustees in due course of law.

- (2) The Registrar and all persons acting in pursuance of any such direction in writing are hereby indemnified for all things done by him or them in pursuance of this section, or of such direction against any claim or demand of any person injuriously affected thereby.

Compare: 1909 No 12 s 47

Section 30(1)(a): amended, on 1 October 1988, pursuant to section 117(3) of the Protection of Personal and Property Rights Act 1988 (1988 No 4).

Section 30(1)(b): amended, on 1 October 1988, pursuant to section 117(3) of the Protection of Personal and Property Rights Act 1988 (1988 No 4).

### **31 Delegation of duties by trustee**

- (1) Where a trustee of a registered society or branch—
- (a) is absent from New Zealand or is about to depart therefrom; or
  - (b) is by reason of illness or of any other cause unable to perform his duties as trustee,—



he may, by an instrument in writing sent to and registered by the Registrar, delegate his duties as trustee.

- (2) A trustee may not delegate his duties under subsection (1) unless—
  - (a) his co-trustees and the committee of management of the registered society or branch consent to the delegation; and
  - (b) the delegation is to a person residing in New Zealand who is a co-trustee or is capable of being appointed a trustee of the registered society or branch.
- (3) A delegation may be made under this section in respect of the whole or any part of the duties of the trustee.
- (4) A delegation under this section shall operate until revoked by the trustee who made the delegation or by the committee of management of the registered society or branch by a notice of revocation sent to and registered by the Registrar.
- (5) Two or more trustees may concurrently delegate their duties under this section.
- (6) A trustee of a registered society or branch shall remain answerable for all acts and omissions of his delegate within the scope of the delegation as if they were the acts or omissions of the trustee, and the delegate shall be subject to the provisions of this Act so far as it relates to the performance of the duties delegated in the same manner as if he were the trustee.

Compare: Friendly Societies Act 1912 s 32B (NSW)

### **32 Notice to District Land Registrar of names of trustees**

- (1) Every registered society or branch shall forward to any District Land Registrar, as and when required by him, a notice setting forth the names of the trustees in whom the property of the society or branch is vested, and also a copy of the rules of the society or branch.
- (2) Every such notice shall be accompanied by a statutory declaration made by one of the trustees of the society or branch, stating that the declarant is one of the trustees in whom the property of the society or branch is vested, and verifying the statements contained in the notice.

Compare: 1909 No 12 s 45

### **33 Dealing with land under Land Transfer Act**

- (1) Land under the Land Transfer Act 1952 may be transferred, leased, or mortgaged to the registered society or branch by memorandum of transfer, lease, or mortgage made to the trustees (denoted by their official titles and not by their own proper names) in whom the property of the society or branch, or any part of that property, is for the time being vested; and such trustees for the time being shall be deemed to be the registered proprietors of the land so transferred, or of such lease or mortgage.
- (2) Where any instrument affecting the land included in any such transfer, lease, or mortgage is presented to the District Land Registrar for registration, he shall

register the same if it purports to be executed by the persons in whom the property thereby affected appears to him to have been vested at the time of the execution of the instrument or by a majority of those persons in any case where the rules of the society or branch authorise the execution of such an instrument by a majority of those persons.

- (3) Notwithstanding subsection (2), any discharge of a mortgage vested in a society or branch of land under the Land Transfer Act 1952 or any alteration in the terms of any such mortgage (or any variation of priority in relation to any such mortgage) shall be registered by the District Land Registrar if it appears to him to be executed by a majority of the trustees for the time being of the society or branch, as the case may require.
- (4) No person claiming under any such instrument so registered shall be affected by notice, actual or constructive, that the property of the society or branch was not vested in the persons executing the same, or that the instrument was executed in contravention of the rules of the society or branch.

Compare: 1909 No 12 s 46; 1962 No 70 s 3; 1963 No 89 s 2(1)

#### **34 Officers required to give security**

- (1) Before taking upon himself the execution of his office, every officer of a registered society or branch having the receipt or charge of money shall, notwithstanding any rule of the society or branch to the contrary, give security in accordance with subsection (2) for his rendering a just and true account of all sums of money received and paid by him on account of the society or branch at such times as its rules appoint, or as the society or branch or its trustees or committee require him to do, and for the payment by him of all sums due from him to the society or branch.
- (2) Where an officer of a registered society or branch is required to give security in accordance with subsection (1), he shall do so either—
  - (a) by becoming bound with at least 1 sufficient surety in such form of bond as may from time to time be prescribed by the Registrar for the purpose; or
  - (b) by giving the security of a guarantee society—  
in such sum as the Registrar may from time to time recommend or, in the absence of such a recommendation, as the society or branch directs.
- (3) In this section the term **guarantee society** means—
  - (a) any incorporated company carrying on the business of insurance in New Zealand; or
  - (b) any society registered under this Part as a specially authorised society and duly authorised to guarantee the fidelity of officers of registered societies or branches.

- (4) In the case of any registered friendly society which makes provision by its rules in accordance with clause 8 of Schedule 1 for guaranteeing the performance of their duties by officers of the society or its branches, it shall be a sufficient compliance with this section if any officer of the society or of any branch thereof gives the security of the society in accordance with those rules.
- (5) The Registrar may from time to time, either generally or specifically, review any security or bond given pursuant to this section and may require amendments to the sums secured or conditions applying or both.

Compare: 1909 No 12 s 94

### **35 Duty of officers to account**

- (1) Every officer of a registered society or branch having the receipt or charge of money shall—
  - (a) at such times as he is required to do so by the rules of the society or branch; or
  - (b) on demand; or
  - (c) on notice in writing requiring him to do so given or left at his last or usual place of residence,—

render such account as may be required by the society or branch, or by the trustees or committee of management of the society or branch; and shall, on demand or on notice as in paragraph (c), pay over all money and deliver all property in his hands or custody to such person as the society or branch, or the committee or the trustees, may appoint.

- (2) In case of any neglect or refusal to deliver the account or to pay over the money or to deliver the property in accordance with subsection (1), the trustees or authorised officers of the society or branch—
  - (a) may sue upon any bond or security given under section 34; or
  - (b) may apply to the District Court for an order requiring the officer to remedy that neglect or to comply with the provisions of subsection (1).

Compare: 1909 No 12 s 94(1)(b)

### **36 Priority on death, bankruptcy, etc, of officer**

Where any officer (other than a trustee) of a registered society or branch, having in his possession by virtue of his office any money or property belonging to the society or branch, dies or becomes bankrupt or becomes a party to any arrangement for the benefit of his creditors, or where any execution, attachment, or other process is issued against such officer or against his property, in any such case his executors or administrators, or the Official Assignee or other person executing such process, shall, upon demand in writing by the trustees of the society or of the branch, or by any 2 of them, or by any person authorised by the society or branch or by its committee of management to make such demand, pay the money and deliver over the property to the trustees of the soci-

ety or branch in preference to any other debts or claims against the estate of the officer notwithstanding any other enactment or rule of law to the contrary.

Compare: 1909 No 12 s 54

### *Membership and rights of members*

#### **37 Members generally to have 1 vote only**

- (1) Subject to any provision in the rules of a registered society or branch as to voting by a chairman who has a casting vote, on every matter which is determined by a vote of members of a registered society or branch every member shall be entitled to vote and shall have 1 vote only.
- (2) The rules of a registered society or branch may provide that, at any meeting of delegates, the manner of voting and the number of votes to be cast by the delegates shall be as set out in the rules.

#### **38 Members' subscriptions not generally recoverable**

Except as provided in this Part, the subscription of a person who is or has been a member of a registered society or branch shall not be recoverable at law.

Compare: Friendly Societies Act 1974 s 61 (UK)

#### **39 Membership of minors**

- (1) A person 16 years of age or younger may be a member of a registered society or branch if the rules so provide.
- (2) A person over the age of 16 years may be a member of a registered society or branch unless the rules provide to the contrary.
- (3) A minor shall not be a trustee nor hold office as treasurer of any registered society or branch.

Compare: 1909 No 12 s 91; 1970 No 137 s 6; Friendly Societies Act 1974 s 25 (UK)

#### **40 Register of members**

- (1) Every registered society or branch shall set up and maintain an indexed register for each separate category of its members showing—
  - (a) the name and address of each member;
  - (b) the date on which the member joined the society or branch;
  - (c) the date on which any person ceased to be a member.
- (2) The register of members shall also show such other particulars as may from time to time be prescribed by the Registrar.
- (3) The register shall be kept at the registered office of the society or branch, and shall be open to inspection during ordinary office hours by any member of the society or branch.

#### **41 Inspection of books and accounts of society**

*[Repealed]*

Section 41: repealed, on 1 April 2014, by section 66 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

#### *Benefits*

#### **42 Maximum gross sum for contracts of insurance**

- (1) No member or person claiming through a member shall receive from any registered society or branch or from any registered society including its branches taken together more than \$100,000 by way of gross sum together with any bonuses or additions declared upon assurances not exceeding that sum, or more than \$5,000 a year by way of annuity together with any bonus or addition declared upon that annuity.
- (2) The Governor-General may, from time to time by Order in Council, amend any amount specified in subsection (1) as being a maximum gross sum of assurances or annuity.
- (3) In this section, the term **assurance** includes all life and endowment assurance, and any assurance payable on the member's death provided by the society or branch in respect of any shares in or loans by a credit union.
- (4) This section does not apply to a licensed insurer.

Compare: 1909 No 12 s 51; 1972 No 61 s 2(1); 1975 No 21 s 4

Section 42(1): amended, on 30 October 2008, by clause 3 of the Friendly Societies and Credit Unions (Maximum Gross Sum) Order 2008 (SR 2008/353).

Section 42(1): amended, on 5 August 2004, by clause 3 of the Friendly Societies and Credit Unions (Maximum Annuity) Order 2004 (SR 2004/210).

Section 42(4): added, on 1 February 2011, by section 241(2) of the Insurance (Prudential Supervision) Act 2010 (2010 No 111).

#### **43 Member may nominate person to receive money on death**

- (1) Subject to this section, a member of a registered society (other than a benevolent society or working men's club) or of a branch thereof who is not under the age of 16 years may, by writing under his hand delivered at or sent to the registered office of the society or branch, or made in a register kept at that office, nominate a person or persons to whom any sum of money payable by the society or branch on the death of that member or any specified amount of money so payable shall be paid at his decease.
- (2) The total amount which may be nominated under this section shall not exceed \$2,000, but where a nomination under this section does not specify the maximum sum of money which is to be payable by virtue of the nomination, and the sum to which the nomination relates exceeds \$2,000 the nomination shall not be invalidated by reason only of the excess.

- (3) A person nominated under this section shall not at the date of the nomination be an officer or employee of the society or branch, unless that officer or employee is the spouse, civil union partner, de facto partner, father, mother, child, brother, sister, nephew, or niece of the nominator.
- (4) A nomination so made may be revoked or varied by any similar document under the hand of the nominator delivered, sent or made as mentioned in subsection (1).
- (5) The marriage or civil union of a member of the society or branch shall operate as a revocation of any nomination previously made by that member under this section.
- (6) A nomination, or a variation or revocation of a nomination, by writing under the hand of a member of a registered branch and delivered at or sent to the registered office of that branch, or made in a register kept at that office, shall be effectual notwithstanding that the money to which the nomination relates, or some part thereof, is not payable by that branch but is payable by the society or some other branch.
- (7) If the nomination is in favour of 2 or more persons, the sum payable shall be paid in the shares specified, and if no shares are so specified, then in equal shares.
- (8) No person shall be capable of making separate and successive nominations in favour of different persons, and if successive nominations are so made by any person the earlier shall be deemed to be revoked by the later.
- (9) The Governor-General may, from time to time by Order in Council, amend the amount specified in subsection (2) as being the maximum amount that may be nominated under this section.

Compare: 1909 No 12 s 57; 1975 No 21 s 6; Friendly Societies Act 1974 s 66 (UK)

Section 43(3): amended, on 26 April 2005, by section 7 of the Relationships (Statutory References) Act 2005 (2005 No 3).

Section 43(5): amended, on 26 April 2005, by section 7 of the Relationships (Statutory References) Act 2005 (2005 No 3).

#### **44 Payment on death of nominator**

- (1) Subject to subsection (2), on receiving satisfactory proof of the death of a nominator, the registered society or branch shall pay to his nominee or nominees the amount due to the deceased or, as the case may be, the amount specified in the nomination.
- (2) The total amount paid by virtue of a nomination (whether in favour of 1 nominee or more) shall not exceed the amount specified in section 43(2) as being the maximum amount payable pursuant to a nomination.
- (3) The receipt of a nominee over 16 years of age for any amount paid in accordance with this section shall be valid.

- (4) Where a society or branch has paid money to a nominee in ignorance of a marriage or civil union subsequent to the nomination, the receipt of the nominee shall be a valid discharge to the society or branch.

Compare: 1909 No 12 s 57(1), (5), (13)

Section 44(4): amended, on 26 April 2005, by section 7 of the Relationships (Statutory References) Act 2005 (2005 No 3).

#### **45 Evidence of death**

- (1) A registered society or branch shall not pay any sum of money upon the death of a member or other person whose death is, or ought to be, entered in any register of deaths, except upon the production—
- (a) of a death certificate (within the meaning of section 2 of the Births, Deaths, Marriages, and Relationships Registration Act 1995) relating to the death of the member or other person; or
  - (ab) of a doctor's certificate (within the meaning of section 2(1) of the Burial and Cremation Act 1964) relating to the death of the member or other person; or
  - (b) of the grant of probate of the will of the member or other person or of letters of administration to his estate.
- (2) Subsection (1)(a) shall not apply to deaths at sea or out of New Zealand, nor to a death where the body cannot be found, nor to any death certified by a coroner to be the subject of a pending inquiry, nor to any case where the Registrar, on being satisfied of the fact of death, grants an exemption from this section.

Compare: 1909 No 12 s 56; Friendly Societies Act 1974 s 70 (UK)

Section 45(1)(a): substituted, on 24 January 2009, by section 47 of the Births, Deaths, Marriages, and Relationships Registration Amendment Act 2008 (2008 No 48).

Section 45(1)(ab): inserted, on 24 January 2009, by section 47 of the Births, Deaths, Marriages, and Relationships Registration Amendment Act 2008 (2008 No 48).

Section 45(2): amended, on 1 July 2007, by section 146 of the Coroners Act 2006 (2006 No 38).

#### **46 Restriction on payments on account of death of minors**

Sections 67B to 67E of the Life Insurance Act 1908 shall, with all necessary modifications, apply in respect of a registered society or branch as if—

- (a) every reference therein (except section 67B(1)(b)) to a company were a reference to a registered society or branch; and
- (b) the reference in section 67B(1)(a) to premiums paid under the policy issued by the company on the life of the minor were a reference to any contributions paid to the registered society or branch in order to obtain the benefit payable on the death of the minor.

Section 46: substituted, on 1 April 1986, by section 2 of the Friendly Societies and Credit Unions Amendment Act 1985 (1985 No 118).

**47 Power to make loans against surrender value of policies**

- (1) Notwithstanding anything to the contrary in this Act, where the rules of a registered society or branch provide that a member who elects to cease contributing for a sum payable at death or on survival to a specified date shall be entitled on such election to receive a cash payment, the society or branch may (if its rules so provide) make a loan to any member so entitled to cease contributing of an amount not exceeding 90% of the cash payment to which the member would be entitled if he elected on the day the loan is granted so to cease contributing.
- (2) The amount of the loan, or such part as has not been repaid, together with any interest which may then be owing, shall be a first charge on the sum payable at death or on survival to the specified date or if the member subsequently elects to cease contributing.

Compare: 1942 No 18 s 7

**48 Money payable by friendly societies to their members protected**

- (1) No money paid or payable by a registered friendly society or a registered branch of any such society to a member, or on the death of a member, shall be assets in the bankruptcy of that member, or pass to the trustee or assignee in that bankruptcy, or be seized, attached, or otherwise taken in execution under the process of any court, or pass under a general assignment of the member's property; nor shall any such money, unless otherwise expressly and specifically directed by the will of the member, become available for the payment of his debts or liabilities on his death.
- (2) Nothing in this section shall apply to—
  - (a) any money which is paid or payable by a registered friendly society or branch to any member otherwise than in his capacity as a member; or
  - (b) any money which is paid or payable by a registered friendly society or branch to a member, or on the death of a member, by virtue of that member's membership of a credit union; or
  - (c) any money paid or payable under any agreement or transaction whereby the member has attempted to defeat or delay his creditors.
- (3) This section shall bind the Crown.

Compare: 1909 No 12 s 99; 1950 No 54 s 5(2)

*Investment, funds, and property***49 Duties of trustees in relation to investments**

- (1) The trustees of a registered society or branch may, with the consent given either generally or specifically by the committee or by a resolution of a majority of the members of the society or branch entitled to vote and voting on the matter, from time to time invest the funds of the society or branch or any part of them in accordance with this Act.



- (2) Without limiting the matters to which a trustee may have regard pursuant to Part 2 of the Trustee Act 1956, in the exercise of his powers of investment a trustee of a registered society or branch shall have regard—
- (a) to the need to ensure that sufficient funds are readily available to meet the operating expenses and other outgoings of the society or branch:
  - (b) to a consideration of whether or not any investment is consistent with the objectives of the society or branch and is within its rules:
  - (c) to the need for diversification and balance in the investments, both as to the nature of the investments and to the time elapsing before maturity or realisation, in so far as is appropriate having regard to the circumstances of the society or branch,—
- but shall not be obliged to make any investment that he considers to be of an undesirable nature or that he would otherwise regard as being imprudent.
- (3) Before exercising any power of investment under this Act, a trustee shall obtain and consider proper advice as to whether or not the investment is authorised and is satisfactory after having regard to the matters referred to in subsection (2).
- (4) The trustee or trustees of a registered society or branch shall formulate, and from time to time review, a policy relating to the retention of investments and the circumstances under which investments should be realised or changed having regard to the matters referred to in subsection (2), and, in cases of doubt, shall obtain proper advice.
- (5) For the purposes of subsections (3) and (4) but subject, in the case of real property, to section 52(2), proper advice is the advice of a person who is reasonably believed by the trustee to be qualified to give it by reason of his profession or occupation and his personal expertise and experience in financial and investment matters, and may be given by a person notwithstanding that he gives it in the course of his employment as an officer or employee of the society or branch, or is a co-trustee.

Compare: 1909 No 12 s 49(1); Trustee Investments Act 1961 s 6 (UK)

Section 49(1): amended, on 30 May 2017, by section 103 of the Regulatory Systems (Commercial Matters) Amendment Act 2017 (2017 No 12).

Section 49(2): amended, on 1 October 1988, by section 14(1) of the Trustee Amendment Act 1988 (1988 No 119).

## **50 Trustees of society may make investments for branch, etc**

- (1) The rules of a registered society with branches, and of any registered branch of that society, may provide for the investment of funds of the society or of that branch—
- (a) by the trustees of the society; or
  - (b) by the trustees of any branch of that society.

- (2) The consent required for any such investment shall be the consent given either generally or specifically by the committee or by a resolution of a majority of the members of the society or branch by whose trustees the funds are invested, being members entitled to vote and voting on the matter.

Compare: 1909 No 12 s 49(2)

Section 50(2): amended, on 30 May 2017, by section 104(1) of the Regulatory Systems (Commercial Matters) Amendment Act 2017 (2017 No 12).

Section 50(2): amended, on 30 May 2017, by section 104(2) of the Regulatory Systems (Commercial Matters) Amendment Act 2017 (2017 No 12).

### **51 Borrowing powers, overdrafts**

- (1) Except as provided in this Act and notwithstanding anything to the contrary in the rules of a society or branch, no registered society or branch shall be entitled to borrow money nor shall any person lend money to any registered society or branch.
- (2) Any bank carrying on business in New Zealand may grant, and any registered society or branch may receive, accommodation by way of overdraft in aid of any account established with that bank by that society or branch, and that account may be overdrawn accordingly for a term not exceeding 6 months at any one time unless a longer term or an extension of an existing term is authorised in writing by the Registrar.

### **52 Investment powers**

Subject to this Act, a trustee may invest the funds of a registered society or branch in accordance with the provisions of the Trustee Act 1956 as to the investment of trust funds.

Section 52: substituted, on 1 October 1988, by section 14(1) of the Trustee Amendment Act 1988 (1988 No 119).

### **53 Society providing medical or surgical requisites may issue debentures and invest in certain shares**

- (1) A registered society whose object, or 1 of whose objects, is to provide medical or surgical requisites (not being medical or surgical attendance) for its members or for the members of any registered societies or branches contributing to its funds may (if its rules so provide)—
- (a) issue debentures to member societies or branches for the purpose of raising the capital money required for commencing or extending its business of providing such medical or surgical requisites:
  - (b) without limiting the powers of investment contained in section 52, invest in the shares of any company in which it is necessary to hold shares in order to obtain supplies for the business of providing medical or surgical requisites or in which it is necessary to hold shares to enable such business of providing medical or surgical requisites to be carried on.

- (2) Every branch of such registered society and every registered society or branch contributing to its funds may take up any debentures issued under subsection (1)(a), and may invest any portion of their funds in them.
- (3) The debentures issued under subsection (1)(a) shall be of such amount, and for such term, and shall bear such rate of interest as the committee or a majority of the members of the society issuing them approves.

Compare: 1909 No 12 s 49(1)(g); 1922 No 56 s 3

Section 53(1)(b): amended, on 1 October 1988, by section 14(1) of the Trustee Amendment Act 1988 (1988 No 119).

#### **54 Subscriptions to hospitals or other institutions**

A registered society or branch may subscribe to any hospital, infirmary, or charitable or provident institution, any annual or other sum necessary to secure to members of the society or branch and their families the benefits of that hospital, infirmary, or other institution.

Compare: 1909 No 12 s 52

#### **55 Donations for charitable or other purposes**

A registered society or branch may (if its rules so provide) out of any surplus which has arisen in its management fund, and within the limits prescribed by the rules, make donations for charitable, benevolent, philanthropic, or cultural purposes.

#### **56 Participation in government of other society or branch or contribution to its funds**

- (1) A registered society or branch may contribute to the funds or take part by delegates or otherwise in the government of any other registered society or branch in any manner provided by the rules of that first-named society or branch, without becoming a branch of that other society or branch.
- (2) A registered society or branch shall not withdraw from contributing to the funds of a medical society (being a society established to provide medical or surgical attendance, relief, or requisites) except on not less than 6 months' notice and on payment of all contributions accrued or accruing due on or before the date of the expiration of the notice.
- (3) All money payable by a member of any registered society or branch to meet any contributions payable by that society or branch to a medical society shall be deemed to be a debt due from the member to his society or branch, and shall be recoverable as such.

Compare: 1909 No 12 s 53; 1922 No 56 s 5

#### **57 Powers of society or branch with respect to land**

- (1) Subject to this Act, a registered society or branch may (if its rules so provide)—

- (a) hold, purchase, acquire by gift, devise, bequest, or otherwise, or take on lease, any land in the names of the trustees of the society or branch:
  - (b) sell, exchange, mortgage, or lease that land:
  - (c) erect, alter, pull down, or rebuild buildings on that land:
  - (d) provide, equip, furnish, and maintain on any such land holiday accommodation for its members and their families:
  - (e) establish and conduct convalescent homes for the aged:
  - (f) establish and conduct retirement villages and day care centres for persons who are aged, sick, or infirm.
- (2) A registered society or branch may (if its rules so provide) enter into any arrangement by which it may purchase, build, take on lease, or otherwise provide, and equip, furnish, alter, and maintain such building or part of a building as is sufficient for the purpose of conducting its business therein.
- (3) No purchaser, assignee, mortgagee, or tenant shall be bound to inquire as to the authority for any sale, exchange, mortgage, or lease by the trustees, and the receipt of the trustees shall be a discharge for all money arising from or in connection with the sale, exchange, mortgage, or lease.
- (4) Subject, in the case of an instrument affecting land under the Land Transfer Act 1952, to the provisions of section 33, every document to be executed by a registered society or branch in the exercise of any powers conferred on it by this section may (if its rules so provide) be executed by a majority of the trustees in whom the property of the society or branch is vested.

Compare: 1909 No 12 s 50(1)–(4); 1949 No 30 s 5; 1953 No 62 s 2; 1963 No 89 s 2(2); 1975 No 21 s 7

Section 57(1)(f): added, on 10 July 1987, by section 2 of the Friendly Societies and Credit Unions Amendment Act 1987 (1987 No 142).

## **58 Public Trust or trustee company may hold securities and invest funds for societies**

- (1) Notwithstanding section 29, any part of the funds of a registered society or of any branch of such a society, and any stocks, shares, or securities held by or on behalf of such a society or branch, may be transferred to Public Trust or a trustee company if—
- (a) Public Trust or the trustee company agrees to the transfer; and
  - (b) rules of the society or branch are being, or have been, made for the purpose.
- (2) Public Trust or the trustee company shall invest, in accordance with the rules, any funds so transferred and shall pay the interest on any stocks, shares, or securities acquired by or transferred pursuant to this section to the trustees of the society or branch, and shall, where the trustees so require, transfer the capital of the stocks, shares, or securities to them, or realise the same and transfer the proceeds to them.

- (3) Public Trust or the trustee company shall not be under any liability in relation to any stock, shares, or securities held under this section, and no action shall lie against Public Trust or the trustee company in respect of any such stock, shares, or securities where it acts in accordance with the provisions of this section.

Compare: Friendly Societies Act 1974 s 55 (UK)

Section 58 heading: amended, on 1 March 2002, by section 170(1) of the Public Trust Act 2001 (2001 No 100).

Section 58(1): amended, on 1 March 2002, by section 170(1) of the Public Trust Act 2001 (2001 No 100).

Section 58(1)(a): amended, on 1 March 2002, by section 170(1) of the Public Trust Act 2001 (2001 No 100).

Section 58(2): amended, on 1 March 2002, by section 170(1) of the Public Trust Act 2001 (2001 No 100).

Section 58(3): amended, on 1 March 2002, by section 170(1) of the Public Trust Act 2001 (2001 No 100).

### *Accounting records and financial reporting*

Heading: replaced, on 1 April 2014, by section 67 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

## **59 Financial year**

- (1) The first financial year of a registered society or branch may extend from the date of its registration to such date not later than 18 months from the date of its registration as may be specified in its rules.
- (2) Where the rules of a registered society or branch are amended to alter its financial year, the amendment may provide that the financial year current at the date of amendment shall be extended for such period not exceeding 6 months as may be specified in its rules or that the financial year next following the financial year that is so current shall be for such period exceeding 12 months but not exceeding 18 months as may be specified in its rules.
- (3) *[Repealed]*

Compare: Friendly Societies Act 1912 s 26A (NSW)

Section 59(3): repealed, on 1 April 2014, by section 68 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

## **60 Accounting records must be kept**

- (1) Every registered society or branch must ensure that there are kept at all times accounting records that—
- (a) correctly record the transactions of the society or branch; and
  - (b) will enable the society or branch to ensure that the financial statements of the society or branch comply with the requirements of this Act or any other Act (if those statements are required to be prepared); and

- (c) will enable the financial statements of the society or branch to be readily and properly audited (if those statements are required to be audited).
- (2) Every registered society or branch must establish and maintain a satisfactory system of control of its accounting records.
- (3) The accounting records must be kept—
  - (a) in written form in English; or
  - (b) in a form or manner in which they are easily accessible and convertible into written form in English.

Section 60: replaced, on 1 April 2014, by section 69 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

### **61 Non-application of section 63 if alternative financial reporting duties under financial markets legislation**

Section 63 does not apply to a registered society or branch in relation to a financial year if financial statements in relation to the society or branch and that financial year are required to be prepared under subpart 3 of Part 7 of the Financial Markets Conduct Act 2013 or section 55 of the Financial Reporting Act 2013.

Section 61: replaced, on 1 April 2014, by section 69 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

### **62 Meaning of specified not-for-profit entity**

In sections 63 to 64A, a registered society or branch is, in respect of a financial year, a **specified not-for-profit entity** if it is such an entity in respect of that year under section 46 of the Financial Reporting Act 2013.

Section 62: replaced, on 1 April 2014, by section 69 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

### **63 Financial statements must be prepared**

- (1) Every registered society or branch must ensure that, within 3 months after the end of the financial year of the society or branch, financial statements are—
  - (a) completed in relation to the society or branch and that financial year; and
  - (b) dated and signed on behalf of the society or branch by the secretary of the society or branch and either by 2 members of its committee of management acting on behalf of that committee, or by 1 member of its committee of management acting on behalf of that committee and by 1 of the trustees of the society or branch.
- (2) The financial statements must be prepared in accordance with,—
  - (a) in the case of a specified not-for-profit entity, generally accepted accounting practice; or
  - (b) in any other case, either generally accepted accounting practice or a non-GAAP standard that applies for the purposes of this section.

- (3) A registered society or branch must not publish any financial statements unless—
  - (a) those financial statements have been audited by the auditor or auditors last appointed to audit the financial statements of the society or branch; and
  - (b) those financial statements include, or are accompanied by, a report by the auditor or auditors.
- (4) Subsection (3) does not apply if the financial statements are not required to be audited.
- (5) This section is subject to sections 61 and 64.

Section 63: replaced, on 1 April 2014, by section 69 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

#### **64 Registered society or branch may opt out**

- (1) This section applies to a registered society or branch that would, but for this section, be required to comply with section 63 unless the rules of the society or branch expressly provide that this section does not apply.
- (2) However, this section does not apply to a registered society or branch in respect of a financial year if, in each of the 2 preceding financial years, the total operating expenditure of the society or branch is \$30 million or more.
- (3) The members of a registered society or branch may, at a meeting of the society or branch held within 6 months from the start of a financial year, opt out of compliance with section 63 in relation to that financial year by way of a resolution of a majority of the members of the registered society or branch.
- (4) If the members opt out of compliance with section 63 in relation to a financial year under this section, the section does not apply to the society or branch in relation to that financial year.
- (5) A financial reporting standard (or a part of a standard) issued by the External Reporting Board that is expressed as applying for the purposes of this section must be applied in determining whether subsection (2) applies.

Section 64: replaced, on 1 April 2014, by section 69 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

#### **64A Obligation to appoint auditors**

- (1) Every registered society or branch that is a specified not-for-profit entity in respect of a financial year must appoint a qualified auditor to audit its financial statements for that year (whether the financial statements are prepared under this Act or another Act).
- (2) Subsection (1) does not apply if financial statements for that year are not required to be prepared under any Act.

- (3) *See* sections 37 to 39 of the Financial Reporting Act 2013 (which provide for the appointment of a partnership and access to information in relation to a registered society or branch).
- (4) If a registered society or branch is not a specified not-for-profit entity in respect of a financial year, the society or branch must appoint a qualified auditor to audit its financial statements for that year if the rules of the society or branch require an auditor to be appointed.

Section 64A: inserted, on 1 April 2014, by section 69 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

#### **64B Registrar may appoint auditor**

The Registrar may appoint an auditor if—

- (a) no auditor is appointed as required by section 64A; or
- (b) a casual vacancy in the office of auditor is not filled within 1 month of the vacancy occurring.

Section 64B: inserted, on 1 April 2014, by section 69 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

#### **64C Offences relating to accounting records and financial reporting**

Every registered society or branch commits an offence and is liable on conviction to a fine not exceeding \$50,000 if—

- (a) the society or branch fails to comply with section 60, 63(3), or 64A; or
- (b) the society or branch is required to comply with section 63 and the financial statements of the society or branch—
  - (i) are not completed and signed within the time specified in that section; or
  - (ii) fail to comply with an applicable financial reporting standard or a non-GAAP standard (as the case may be).

Section 64C: inserted, on 1 April 2014, by section 69 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

#### **64D Audit must be carried out in accordance with auditing and assurance standards**

An auditor must, in carrying out an audit of the financial statements of a registered society or branch, comply with all applicable auditing and assurance standards.

Section 64D: inserted, on 1 April 2014, by section 69 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

#### **64E Auditor must report to society or branch**

- (1) The auditor of a registered society or branch must make a report to the society or branch on the financial statements audited by the auditor.



- (2) The auditor's report must comply with the requirements of all applicable auditing and assurance standards.

Section 64E: inserted, on 1 April 2014, by section 69 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

## **65 Reappointment and removal of auditors**

- (1) Subject to this Act, a qualified auditor appointed to audit the financial statements of a registered society or branch for the preceding financial year shall be deemed to be reappointed as auditor of the society for the current financial year unless—

- (a) a resolution has been passed at a general meeting of the society or branch appointing another auditor or other auditors or providing expressly that the present auditor shall not be reappointed; or
- (ab) financial statements for the current financial year are not required to be prepared; or
- (ac) the society or branch is not required under section 64A or any other enactment to appoint an auditor for the current financial year; or
- (b) he has given to the society or branch notice in writing of his unwillingness to be reappointed; or
- (c) he is ineligible for appointment as auditor of the society or branch for the current financial year; or
- (d) he has ceased to act as auditor of the society or branch by reason of death or incapacity.

- (2) Where notice is given of an intended resolution to appoint at a general meeting some person or persons in place of a retiring auditor or auditors and the resolution cannot be proceeded with at the meeting because of the death or incapacity of that person or persons, or because he or they are ineligible for appointment as auditor or auditors of the society or branch for the current financial year (as the case may be), the retiring auditor shall not be automatically reappointed by virtue of subsection (1).

Compare: Friendly Societies Act 1974 s 33 (UK)

Section 65(1): amended, on 1 April 2014, by section 70(1) of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

Section 65(1)(ab): inserted, on 1 April 2014, by section 70(2) of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

Section 65(1)(ac): inserted, on 1 April 2014, by section 70(2) of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

## **66 Notice of resolution relating to appointment and removal of auditors**

- (1) For the purposes of section 65(1)(a), a resolution at a general meeting of a registered society or branch—

- (a) appointing another auditor or auditors in place of a retiring qualified auditor; or

- (b) providing expressly that a retiring qualified auditor shall not be reappointed,—

shall not be effective unless notice of the intention to move the resolution has been given to the society or branch not less than 28 days before the meeting at which it is moved.

- (2) Where notice of the intention to move any such resolution has been given under subsection (1) to a society or branch which is required by its rules to give notice to its members of the meeting at which the resolution is to be moved, the society or branch shall, if it is practicable to do so, give them notice of the resolution at the same time and in the same manner as it gives notice of the meeting.
- (3) Where notice of the intention to move any such resolution has been given to a registered society or branch under subsection (1), and that society or branch does not give notice of the resolution under subsection (2), it shall give notice of the resolution to its members not less than 14 days before the meeting at which the resolution is to be moved either by advertisement in a newspaper having an appropriate circulation or in any other way allowed by the rules of the society or branch.
- (4) Where—
- (a) for any of the reasons mentioned in section 65(2), an intended resolution to appoint another auditor or auditors in place of a retiring qualified auditor cannot be proceeded with at the meeting; and
- (b) by the rules of the registered society or branch an auditor can only be appointed by a resolution passed at a general meeting after notice of the intended resolution has been given to the society or branch before the meeting,—

a resolution passed at that meeting reappointing the retiring auditor or appointing an auditor in place of the retiring auditor shall be effective notwithstanding that no notice of that resolution has been given to the society or branch under its rules.

- (5) Any provision in this section which requires notice to be given to the members of a society or branch shall be construed, in the case of a meeting of delegates appointed by members, as requiring the notice to be given to those delegates.

Compare: Friendly Societies Act 1974 s 34 (UK)

## **67 Proceedings subsequent to notice of intention to move resolution**

- (1) On receipt by a registered society or branch of notice of intention to move a resolution under section 66(1), the society or branch shall forthwith send a copy of the notice to the retiring auditor.
- (2) On receipt of a copy of such a notice, the retiring auditor may at any time before the date of the general meeting make concise representations in writing to the society or branch with respect to the intended resolution and may also—

- (a) notify the society or branch that he intends to make such representations; and
  - (b) request that notice of his intention, or of any such representations made by him and received by the society or branch before notice of the intended resolution is given to its members, shall be given to members of the society or branch.
- (3) Subject to subsection (5), a society or branch which receives such representations or such a notification before the date when notice of the intended resolution is required by subsection (2) or (as the case may be) subsection (3) of section 66 is to be given to its members shall—
- (a) in any notice of the resolution given to its members, state that it has received those representations or that notification (as the case may be); and
  - (b) in any such notice, state that any member may receive on demand made before the date of the general meeting a copy of any representations which have been or may be received by the society or branch before that date; and
  - (c) send a copy of any representations received by the society or branch before the date of the meeting to any member on demand made before that date.
- (4) Without prejudice either to subsection (3) or to any right to be heard orally, the retiring auditor may also require that any representations made by him before the date of the general meeting shall be read out at the meeting.
- (5) Copies of any such representations need not be sent out, and the representations need not be read out at the meeting, if, on the application either of the society or branch or of any other person, the District Court is satisfied that the rights conferred by this section are being abused to secure needless publicity for defamatory matter; and the court may order the costs of the society or branch on an application under this section to be paid, in whole or in part, by the auditor, notwithstanding that he is not a party to the application.
- (6) Any provision in this section which requires notice to be given to the members of a society or branch or confers any right upon a member (as the case may be) shall be construed, in the case of a meeting of delegates appointed by members, as requiring a notice to be given to the delegates so appointed or as conferring the right upon a delegate (as the case may be).

Compare: Friendly Societies Act 1974 s 35 (UK)

## **68 Auditors' report**

*[Repealed]*

Section 68: repealed, on 1 April 2014, by section 71 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

**69 Auditors' rights to attend and be heard at meetings**

- (1) *[Repealed]*
- (2) The auditors of a registered society or branch shall be entitled—
  - (a) to attend any general meeting of the society or branch, and to receive all notices of, and other communications relating to, any general meeting which any member of the society or branch is entitled to receive; and
  - (b) to be heard at any meeting which they attend on any part of the business of the meeting which concerns them as auditors.

Compare: Friendly Societies Act 1974 s 39 (UK)

Section 69 heading: amended, on 1 April 2014, by section 72(1) of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

Section 69(1): repealed, on 1 April 2014, by section 72(2) of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

*Annual returns and valuations***70 Annual return**

- (1) Every registered society and branch shall once in every year, within 3 months after the close of the financial year of the society or branch or such extended period as the Registrar may in any particular case allow, send to the Registrar an annual return.
- (2) Every annual return shall relate to the affairs of the society or branch for the financial year preceding that in which the return is required to be sent, and, subject to subsection (3), shall be made in such form and contain such particulars as the Registrar may from time to time require.
- (3) Every annual return—
  - (a) shall be made up for the financial year to which the return relates; and
  - (b) must contain, if financial statements are required by this Act or any other Act to be prepared in relation to the society or branch for the financial year to which the return relates, a copy of those financial statements; and
  - (c) *[Repealed]*
  - (d) shall have attached a list containing the names, addresses, and designations of the committee of management, the secretary, treasurer, and other principal officers, the trustees, and those persons who are authorised to sue and be sued on behalf of the society or branch; and
  - (e) shall be accompanied by a statement giving details of the total number of members in each category of member as recorded in the register kept pursuant to section 40.
- (4) In the case of a branch, the annual return, list, and statement shall be sent to the Registrar under the hand of the secretary of the society of which the branch

forms part or, alternatively, may be comprised in the annual return of that society.

- (5) The annual return sent to the Registrar must be accompanied by the auditor's report on the financial statements referred to in subsection (3)(b) (if any).

Compare: 1909 No 12 s 36; Friendly Societies Act 1974 s 43(4) (UK)

Section 70(3)(b): replaced, on 1 April 2014, by section 73(1) of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

Section 70(3)(c): repealed, on 1 April 2014, by section 73(1) of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

Section 70(5): replaced, on 1 April 2014, by section 73(2) of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

### **71 Annual return by society under dissolution, etc**

- (1) Any registered society or branch which is being terminated by an instrument of dissolution under section 94 or the award of the Registrar under section 95 shall make up its annual return to the date of that instrument of dissolution or that award.
- (2) In the case of a society or branch amalgamating or transferring its engagements pursuant to section 83 or converting to a company pursuant to section 84, the Registrar may require an annual return made up to the date of such amalgamation, transfer of engagements, or conversion, or to such other date as he may specify.

### **72 Annual return to be supplied to members**

- (1) A registered society or branch must, on the application of a member or person interested in its funds, supply to the member or person without charge a copy of the last annual return of the society or branch.
- (2) A registered society or branch must provide, together with every copy of an annual return supplied under subsection (1), a copy of the auditor's report on the financial statements contained in the return (if any).

Section 72: replaced, on 1 April 2014, by section 74 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

### **73 Financial statements must be available**

Every registered society or branch must keep available for inspection (without charge), by a member or person interested in its funds, at its office during ordinary office hours a copy of the last financial statements completed and signed in accordance with this Act or any other Act (if any), together with the auditor's report (if any) and a copy of the last actuarial report.

Section 73: replaced, on 1 April 2014, by section 75 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

### **74 Actuarial valuation and report**

- (1) Every registered society shall—

- (a) at least once in every 5 years; or
  - (b) sooner, if requested by the Registrar in writing and within the time specified by him,—
- cause its assets and liabilities (including the assets and liabilities of its branches) to be valued by an actuary and the financial condition of the society and branches reported on to the Registrar within the time specified.
- (2) Every report shall be in such form and contain such particulars as the Registrar may require.
  - (3) The Registrar may, in writing, exempt wholly or in part from the requirements of subsection (1) any society transacting business in respect of which he thinks those requirements to be inapplicable, and may from time to time review, vary, or revoke any exemption so given.
  - (4) Notwithstanding subsection (1), the Registrar, may at any time, or at such time or times as he may specify, require any registered society to have a report or reports prepared by an actuary in respect of such business of the society and its branches or any of them as he may specify, and to send a copy of that report to him within such time as he may specify.
  - (5) The requirements of this Act relating to the actuarial valuation shall not apply to benevolent societies or working men's clubs or licensed insurers.

Compare: 1909 No 12 s 37; 1915 No 64 s 3

Section 74(5): amended, on 1 February 2011, by section 241(2) of the Insurance (Prudential Supervision) Act 2010 (2010 No 111).

## **75 Obligation on branches to supply particulars for annual return or actuarial valuation and report**

It shall be the duty of every branch of a registered society to supply the secretary of the society with all such information as he requires to enable him to prepare the returns he is directed by this Act to furnish to the Registrar, and also with all information required to enable a valuation of the assets and liabilities of the society and its branches to be made or any reports to be prepared in accordance with this Act.

Compare: 1909 No 12 s 42

## **76 Appropriation and transfer of surplus funds**

- (1) A registered society or branch which has been reported to possess a surplus at the last actuarial valuation may, if the rules of the society so provide and with the consent of the Registrar and subject to such conditions as he may prescribe, appropriate and transfer between any of the funds of the society or, as the case may be, branch so much of the surplus as can be safely and equitably used for all or any of the following purposes:
  - (a) an increase in benefits:
  - (b) a reduction in the contributions of members:

- (c) assistance to any fund or funds in deficiency:
  - (d) such other purposes as may properly be determined in accordance with the rules in force at the time of the surplus or as may be subsequently amended for the purpose.
- (2) If, in the opinion of the Registrar, the circumstances in any case are exceptional, the registered society or, as the case may be, branch may, if the rules of the society or branch so provide and with the consent of the Registrar and subject to such conditions as he may prescribe, appropriate and transfer so much of any surplus in any fund as can safely and equitably be used for any of the purposes specified in subsection (1), notwithstanding that the society or branch may not possess a surplus when all its funds are taken into account.
- (3) A registered society may, in accordance with subsection (1) or subsection (2), transfer so much of any surplus of a fund as can be safely and equitably used to any deficient fund of any registered branch of the society.
- (4) A registered branch of any registered society may, in accordance with subsection (1) or subsection (2), transfer so much of any surplus of a branch fund as can be safely and equitably used to any deficient fund of the society of which it is a branch.
- (5) This section does not apply to a licensed insurer.

Compare: 1909 No 12 ss 41, 41A; 1977 No 152 s 2(1)

Section 76(5): added, on 1 February 2011, by section 241(2) of the Insurance (Prudential Supervision) Act 2010 (2010 No 111).

## **77 Registrar may advise society on financial position**

- (1) If, after consideration of the actuarial valuation or any report made in respect of any registered society or branch under section 74 or pursuant to section 7(3)(a), it appears to the Registrar to be necessary or desirable that the financial structure of the business or activities or any part of them of that society or branch should be amended or improved, he may advise the society or branch of his opinion and require them to submit to him such proposals (whether by way of increase in the rate of contribution or otherwise) as will effect that financial amendment or improvement.
- (2) This section does not apply to a licensed insurer.

Compare: Friendly Societies Act 1912 s 31 (NSW)

Section 77(2): added, on 1 February 2011, by section 241(2) of the Insurance (Prudential Supervision) Act 2010 (2010 No 111).

## *Disputes*

## **78 Settlement of disputes generally**

- (1) In this section, the expression **dispute**—

- (a) includes any dispute arising on the question whether a member or person aggrieved is entitled to be, or to continue to be, a member or to be reinstated as a member:
  - (b) in the case of a person who has ceased to be a member, does not (except as provided in paragraph (a)) include any dispute other than one on a question between him and the registered society or branch, or an officer thereof, which arose when he was a member, or arises out of his membership of that society or branch.
- (2) Subject to this Act, every dispute between—
- (a) a member, or a person claiming through a member (unless that member or person is a supervisor appointed for the purposes of subpart 1 of Part 4 of the Financial Markets Conduct Act 2013) or under the rules of a registered society or branch, and the society or branch or an officer of the society or branch; or
  - (b) any person aggrieved who has ceased to be a member of a registered society or branch, or any person claiming through such person aggrieved (unless that person aggrieved or other person claiming through that person is a supervisor appointed for the purposes of subpart 1 of Part 4 of the Financial Markets Conduct Act 2013), and the society or branch or an officer of the society or branch; or
  - (c) any registered branch of any society or branch and the society or branch of which it is a branch; or
  - (d) an officer of any such registered branch and the society or branch of which that registered branch is a branch; or
  - (e) any 2 or more registered branches of any society or branch or any officers thereof respectively,—

shall be decided in the manner directed by the rules of the society or branch (including the appointment of an arbitrator or umpire); and the decision so made shall be binding and conclusive on all parties.

- (3) Where the rules of a registered society or branch direct that disputes must be referred to Justices, or to a District Court Judge, or to the District Court, the dispute must be determined by way of action in the District Court, and the decision of that court is final.

Compare: 1909 No 12 s 72(1), (4); Friendly Societies Act 1974 s 76(4) (UK)

Section 78(2)(a): replaced, on 1 December 2014, by section 150 of the Financial Markets (Repeals and Amendments) Act 2013 (2013 No 70).

Section 78(2)(b): replaced, on 1 December 2014, by section 150 of the Financial Markets (Repeals and Amendments) Act 2013 (2013 No 70).

Section 78(3): replaced, on 1 March 2017, by section 261 of the District Court Act 2016 (2016 No 49).



## **79 Reference of dispute to Registrar**

- (1) Notwithstanding anything to the contrary in the rules of any registered society or branch, any party to a dispute of a kind mentioned in section 78(2) may refer the dispute to the Registrar—
  - (a) with the consent of the other party or parties to the dispute:
  - (b) where the rules do not appear to apply in the circumstances of the case.
- (2) The Registrar, when a dispute is referred to him and after he is satisfied that every effort has been made to have the dispute decided in the manner directed by the rules (if applicable) of a society or branch (including the appointment of an arbitrator or umpire), may either decline the reference or may hear and determine the dispute, in which case he shall have power to order the expenses of the hearing and determination to be paid either out of the funds of the society or branch or by such parties to the dispute as he may think fit, and may administer oaths and require the attendance of all parties concerned and of witnesses, and the production of all accounting records and other documents relating to the matter in question.
- (3) The determination of the Registrar under this section shall have the same effect and be enforceable in the same manner as a decision made pursuant to the rules of the society or branch.

Compare: 1909 No 12 s 72(3); Friendly Societies Act 1912 s 73(1) (NSW)

## **80 Statement of case, etc, in settlement of dispute**

- (1) Notwithstanding anything in any other Act, the Registrar, or any arbitrator or umpire to whom a dispute of a kind mentioned in section 78(2) is referred, shall not be compelled to state a special case on any question of law arising, but may, if he thinks fit, at the request of any party, state a case for the opinion of the High Court.
- (2) The Registrar, or any arbitrator or umpire to whom such a dispute is referred, may grant to any party such discovery as to documents and otherwise, or such inspection of documents, as might be granted by the High Court, and the discovery shall be made on behalf of the society or branch by such of their officers as the Registrar, arbitrator, or umpire may determine.

Compare: 1909 No 12 s 72(6), (7)

Section 80(1): amended, on 1 July 1997, by section 17 of the Arbitration Act 1996 (1996 No 99).

## **81 Reference of disputes to court otherwise than under rules**

- (1) Where, in relation to a dispute of a kind mentioned in section 78(2), no decision is made on the dispute within 40 days after application to the registered society or branch in question for a reference under its rules or the Registrar has declined a reference under section 79, then, subject to subsection (2), any person, society, or branch such as is mentioned in paragraphs (a) to (e) of the said section 78(2) who is a party to the dispute may apply to any court of competent

jurisdiction, and the court to which the application is made may hear and determine the matter in dispute.

- (2) In the case of a society with branches, the period of 40 days referred to in subsection (1) shall not begin to run until application has been made in succession to all the bodies entitled to determine the dispute under the rules of the society or branch; but the rules of the society or branch shall not require a greater delay than 3 months between each successive determination of a dispute by the bodies entitled under the rules to determine the dispute.
- (3) For the purposes of this section, the term **court** includes the Disputes Tribunal established under the Disputes Tribunal Act 1988.

Compare: 1909 No 12 s 72(5); Friendly Societies Act 1974 s 79 (UK)

Section 81(3): substituted, on 1 March 1989, by section 82(2) of the Disputes Tribunals Act 1988 (1988 No 110).

Section 81(3): amended, on 1 March 2017, by section 261 of the District Court Act 2016 (2016 No 49).

### *Special resolutions*

## **82 Special resolutions**

- (1) For the purposes of this Act, a special resolution, in relation to a registered society or branch, is a resolution passed—
  - (a) at a general meeting of which notice, specifying the intention to propose that resolution, has been duly given in accordance with the rules of the society or branch; and
  - (b) by not less than 75% of those members of the society for the time being entitled under the society's rules to vote who vote on the matter or, in the case of a meeting of delegates appointed by members, by not less than 75% of the votes of the delegates who vote on the matter.
- (2) *[Repealed]*
- (3) A copy of every special resolution signed by the chairman of the meeting and countersigned by the secretary, shall be sent to the Registrar and, subject to subsection (4), shall forthwith be registered; but until that copy is so registered the special resolution shall not take effect.
- (4) Where, in accordance with subsection (3), there is sent to the Registrar a copy of a special resolution passed at a meeting of a registered friendly society for the purpose of—
  - (a) amalgamating with another registered society or societies; or
  - (b) transferring its engagements to another registered society or company registered under the Companies Act 1993—

the Registrar shall not register the copy before the expiry of a period of 6 weeks commencing with the day on which he receives it, or, where objection

has been made under section 85, he shall not register the copy until the period specified in subsection (3) of that section has expired.

Compare: 1909 No 12 ss 60, 63(1)(a), (2); Friendly Societies Act 1974 s 86 (UK)

Section 82(1)(b): amended, on 30 May 2017, by section 105(1) of the Regulatory Systems (Commercial Matters) Amendment Act 2017 (2017 No 12).

Section 82(1)(b): amended, on 30 May 2017, by section 105(2) of the Regulatory Systems (Commercial Matters) Amendment Act 2017 (2017 No 12).

Section 82(2): repealed, on 30 May 2017, by section 105(3) of the Regulatory Systems (Commercial Matters) Amendment Act 2017 (2017 No 12).

Section 82(4)(b): amended, on 5 December 2013, by section 14 of the Companies Amendment Act 2013 (2013 No 111).

### *Amalgamations, transfers of engagements, and conversions*

#### **83 Amalgamation of societies and transfer of engagements**

- (1) Any 2 or more registered societies may, by special resolution of each of them, become amalgamated together as 1 society, with or without any dissolution or division of the funds of those societies or any of them.
- (2) A registered society may by special resolution transfer its engagements to any other registered society which may (by special resolution or in such other manner as may be authorised by its rules) undertake to fulfil the engagements of that society.
- (3) A registered society may by special resolution determine to transfer its engagements to a company registered under the Companies Act 1993.
- (4) A society which has branches shall not amalgamate or transfer its engagements pursuant to this section except with the consent of the central body of the society.
- (5) Before a society amalgamates or transfers its engagements pursuant to this section, information relating to the terms of the proposed amalgamation or transfer shall be given to the members of the society—
  - (a) by sending to each member of the society, not less than 14 days before the date of the general meeting at which the resolution for the amalgamation or transfer is to be proposed, a notice the contents of which have been approved for the purpose by the Registrar; or
  - (b) if the Registrar so allows in the case of all or any of the members of the society, by placing an advertisement, the contents of which have been approved for the purpose by him, in such newspaper or newspapers, and at such time or times, as he may specify.
- (6) For the purposes of subsection (5), the information to be given to members shall relate, at the least, to—
  - (a) the financial position of the relevant society and that of the other society or societies or company concerned:

- (b) the interest of the officers of the relevant society and of the other society or societies or company concerned in the union or transfer:
  - (c) the compensation or other consideration (if any) proposed to be paid to the officers of the relevant society, and of the other society or societies or company concerned:
  - (d) the payments (if any) to be made to the members of the relevant society, and of the other society or societies concerned, in consideration of the union or transfer of engagements.
- (7) Subject to section 97, where a registered society transfers all its engagements to a company registered under the Companies Act 1993, the registration of that society under this Act and the registration of its branches shall thereupon become void and shall be cancelled by the Registrar.
- (8) Where a registered society transfers part of its engagements to a company registered under the Companies Act 1993, then, notwithstanding anything to the contrary in section 52, the society may, with the approval of the Registrar, hold shares in that company subject to such conditions as the Registrar thinks fit.
- (9) No amalgamation or transfer of engagements shall prejudice any right of a creditor of either or any society which is a party thereto.

Compare: 1909 No 12 ss 62, 63(1); Friendly Societies Act 1974 s 82(4), (5) (UK)

Section 83(3): amended, on 5 December 2013, by section 14 of the Companies Amendment Act 2013 (2013 No 111).

Section 83(7): amended, on 5 December 2013, by section 14 of the Companies Amendment Act 2013 (2013 No 111).

Section 83(8): amended, on 5 December 2013, by section 14 of the Companies Amendment Act 2013 (2013 No 111).

#### **84 Society may apply to be registered as company**

- (1) A registered society may, by special resolution, determine to apply to be registered as a company under the Companies Act 1993.
- (2) A society that has branches shall not pass a resolution of the kind referred to in subsection (1) except with the consent of the central body of the society.
- (3) A copy of every special resolution passed for the purposes of subsection (1) shall be sent or delivered to the Registrar of Companies together with the application for registration under section 12 of the Companies Act 1993.
- (4) Subject to subsection (5) and to section 97, if a registered society is registered as a company under the Companies Act 1993, the registration of that society under this Act shall thereupon cease and shall be cancelled by the Registrar.
- (5) Registration of a registered society as a company shall not affect any right or claim subsisting against the society or any penalty incurred by the society, and—

- (a) for the purpose of enforcing any such right, claim, or penalty, the society may be sued and proceeded against in the same manner as if it had not become registered as a company:
- (b) every such right or claim, or the liability to any such penalty, shall have priority as against the property of the company over all other rights or claims against or liabilities of the company.

Section 84: substituted, on 1 September 1996, by section 51 of the Co-operative Companies Act 1996 (1996 No 24).

### **85 Objections to amalgamations and transfers of engagements**

- (1) Where a special resolution has been passed for the amalgamation, or transfer of the engagements, of a registered friendly society—
  - (a) any member of the society may object on the ground that any provision of this Act or of any rules of the society relating to the procedure for deciding on the resolution have not been complied with:
  - (b) any person (whether a member of the society or not) who claims that he is one of a class of persons who to a substantial extent would be adversely affected by the amalgamation or transfer may object on that ground:
  - (c) any person (whether a member of the society or not and whether a creditor or not) who claims to be entitled to receive any form of benefit from the society may object on the ground that he is dissatisfied with the provision made for satisfying his claim.
- (2) Every objection under this section shall be made in writing to the Registrar.
- (3) No objection under this section shall be made after the expiry of the period of 6 weeks beginning with the date on which the special resolution concerned is received by the Registrar pursuant to section 82(4); but where such an objection is properly made, the special resolution shall not be registered until the expiry of the period of 6 weeks or the objection is finally determined or is withdrawn, whichever is the later.
- (4) Where an objection is made under this section, the Registrar shall have the same powers to hear and determine it as he has under section 79(2) in relation to a dispute; and he may either dismiss the objection or, after giving the objector and the registered society concerned an opportunity of being heard, and finding the objection to be justified, he may either—
  - (a) so declare, but make no other declaration or order under this subsection; or
  - (b) declare the special resolution to be invalid; or
  - (c) make such order as he thinks fit modifying the terms of the amalgamation or transfer and, where appropriate, specifying the steps which must be taken before the special resolution may be registered under section 82,—

and he shall furnish a statement, either written or oral, of the reasons for any decision which he gives under this section.

- (5) In the course of proceedings on an objection under this section, the Registrar may, if he thinks fit, at the request of the objector or of the registered society concerned, state a case for the opinion of the High Court on any question of law arising in the proceedings; and the decision of the High Court on a case stated under this subsection shall be final.

Compare: 1909 No 12 s 63(1)(b), (3); Friendly Societies Act 1974 s 83 (UK)

### **86 Registrar may approve amalgamations, transfers, and conversions**

- (1) If, after notice has been given of a general meeting at which it is proposed to put a special resolution amalgamating or transferring the engagements of the society pursuant to section 83 or converting the society into a company pursuant to section 84, the meeting lapses for want of the quorum specified in the rules of the society, the committee or trustees of the society may apply to the Registrar to confirm the amalgamation, transfer, or conversion as if the special resolution had been properly passed.
- (2) Notice of every such application shall be published by the society in the *Gazette*, and in such newspaper or newspapers as the Registrar may require.
- (3) Objections in writing may be made to the Registrar, and for this purpose the provisions of section 85, with any necessary modifications, shall apply to the application as if it were a special resolution passed in respect of a friendly society and the date of publication of the application were the date the special resolution was received by the Registrar under subsection (3) of that section.

### **87 Branches amalgamating, transferring engagements, or converting to company**

- (1) For the purposes of this Part,—
- (a) the provisions relating to amalgamation and the transfer of engagements shall, subject to subsection (2), apply to any registered branch of a society:
- (b) the provisions relating to conversion to a company shall apply to any registered branch of a society,—

but no such amalgamation, transfer of engagements, or conversion shall take place unless in accordance with the rules of the society relating to such matters (if any) to which the branches belong and with the consent of the central body of the society.

- (2) No registered branch shall transfer its engagements to a company unless the society of which it is a branch and all other branches of that society also transfer their engagements to the same company at the same time.

Compare: 1909 No 12 s 64

**88 Conversion of society into branch**

- (1) Subject to subsection (2), a registered society may, by resolution, determine to become a branch of another registered society or of any registered branch of that other society.
- (2) A resolution under this section shall be passed in the same manner as if it were a special resolution specified under section 82(1) with the words “a majority” substituted for the words “75%” in both places where they occur in paragraph (b) of that subsection.
- (3) If the rules of the society do not comply with all the provisions of this Act in respect of the registration of branches, the meeting at which the resolution is passed may amend the rules so as to bring them into compliance with this Act.
- (4) Where a resolution under this section has been passed at a general meeting of a registered society, there shall be sent to the Registrar—
  - (a) a copy of the rules of the society marked to show the amendments (if any) made at the meeting; and
  - (b) a copy of the resolution and of any such amendment of rules, each being signed by the chairman of the meeting and by the secretary of the society and countersigned by the secretary of the society or branch of which it is to become a branch.
- (5) If the Registrar finds that the rules of a society, with or without any such amendment, comply with the provisions of this Part, he shall—
  - (a) without further request or notice, cancel the registration of the society and register it as a branch of the other society referred to in the resolution and also, if it is so specified in that resolution, of any branch of that other society; and
  - (b) without further application or evidence, register any such amendment of rules,—and until such registration the resolution shall not take effect.
- (6) Notwithstanding anything to the contrary in this Act, publication of a notice of any cancellation of registration under this section shall not be required.
- (7) The rules of a society which becomes a branch under this section shall, so far as they are not contrary to any express provision of this Part and subject to any amendment made under the preceding provisions of this section, continue in force as the rules of the branch until amended.

Compare: 1909 No 12 s 71

Section 88(4)(b): amended, on 20 September 2007, by section 9(a) of the Friendly Societies and Credit Unions Amendment Act 2007 (2007 No 59).

Section 88(4)(b): amended, on 20 September 2007, by section 9(b) of the Friendly Societies and Credit Unions Amendment Act 2007 (2007 No 59).

*Inspection, winding up, and suspension of business***89 Registrar may appoint inspectors or call special meeting**

- (1) Subject to subsection (2), upon the application of—
  - (a) one-fifth of the whole number of members of a registered society which, including its branches, does not have more than 1 000 members; or
  - (b) 200 members in the case of a society which, including its branches, has more than 1 000 members,—or of his own volition in respect of any particular registered society or branch, the Registrar may—
  - (c) appoint 1 or more inspectors to investigate the affairs of the society or any branch, and to report thereon; or
  - (d) call a special meeting of the society or branch; or
  - (e) do both of those things, whether on the same or on different occasions.
- (2) Where an application is made under paragraph (a) or paragraph (b) of subsection (1) by a society having branches, the Registrar shall confer with the central body of the society before proceeding further with the application.
- (3) Where such an application is made by the requisite number of members, the following provisions shall apply:
  - (a) the application shall be supported by such evidence as the Registrar may direct for the purpose of showing that the applicants have good reason for requiring an investigation or a special meeting, as the case may be, and that they are not actuated by malice in making the application:
  - (b) such notice of the application shall be given to the society or branch by the applicants or 1 or more of them as the Registrar may direct:
  - (c) the Registrar may require the applicants to give security for the costs of the proposed investigation or meeting before the inspector is appointed or the meeting is called:
  - (d) all expenses of and incidental to the investigation or meeting shall be defrayed by the applicants, or out of the funds of the society or branch, or by the members or officers or former members or officers of the society or branch, in such proportions as the Registrar may direct.
- (4) Where acting under subsection (1) of his own volition, the Registrar may direct that all or any of the expenses of and incidental or preliminary to the investigation or meeting shall be defrayed out of the funds of the society, or by the members or officers, or former members or officers, of the society in such proportions as he may direct.
- (5) An inspector appointed under this section may examine or require the production of all or any accounting records or documents of the society or branch (and for that purpose the provisions of section 8 shall apply); and may examine on



oath any of its officers, members, agents, and employees, and may administer an oath accordingly.

- (6) Notwithstanding anything in the rules of a society or branch, where a special meeting is called under this section—
- (a) the Registrar may direct at what time and place the meeting is to be held, and what matters are to be discussed and determined at the meeting, and may give such other directions as he thinks fit with respect to the calling, holding, and conduct of the meeting;
  - (b) the Registrar may appoint a person to be chairman at the meeting; and if he does not do so the meeting may appoint its own chairman;
  - (c) the meeting shall have all the powers of a meeting called according to the rules of the society or branch.

Compare: 1909 No 12 s 73; Friendly Societies Act 1974 s 90 (UK)

#### **90 Registrar may apply to put society into liquidation**

- (1) If, after an investigation carried out or meeting held pursuant to section 89, or otherwise howsoever, it appears to the Registrar that it is in the best interests of members of the society or of the public that the society should be put into liquidation, then, unless the society has already been put into liquidation, the Registrar may apply to the High Court for the society to be put into liquidation in accordance with the Companies Act 1993 if the court thinks it just and equitable that this should be done.
- (2) The provisions of this section shall apply in relation to a branch of a registered society as they apply in relation to such a society.

Section 90: substituted, on 1 July 1994, by section 2 of the Company Law Reform (Transitional Provisions) Act 1994 (1994 No 16).

#### **90A Transitional provisions applying to liquidation of societies**

*[Repealed]*

Section 90A: repealed, on 5 December 2013, by section 14 of the Companies Amendment Act 2013 (2013 No 111).

#### **91 Registrar may forbid new business or the accepting of new members of society**

- (1) Subject to this section, the Registrar may, if he considers it expedient to do so in the interests of the members of a registered society or the public, give a direction forbidding the society to accept any new members or to enter into a new contract with any of its members.
- (2) Not less than 1 month before giving a direction under subsection (1) the Registrar shall give the society notice in writing that he proposes to do so, and shall set out in the notice his reasons for doing so.
- (3) The Registrar shall consider any representations with respect to a notice under subsection (2) which may be made to him by the society within such period

(being not less than 1 month) as he may allow from the date on which the society is given the notice or such further period as he may allow, and, if the society so requests, shall afford it an opportunity of being heard by him within that period or further period.

- (4) Where the Registrar gives a direction under subsection (1) he shall give the society notice in writing of the direction setting out his reasons for doing so; but he shall not give such a direction unless all the reasons set out were those, or were among those, which were set out in the notice given to the society under subsection (2).
- (5) Notice of the giving of a direction under subsection (1) shall be published by the Registrar in the *Gazette* and in some newspaper in general circulation in the neighbourhood of the registered office of the society.
- (6) A direction given under this section may be revoked by the Registrar, and notice of the revocation shall be published in the same manner as notice of the giving of the direction.
- (7) A society may, within 1 month after the date of publication of a direction in the *Gazette* under subsection (5), appeal to the High Court against the whole or any part of the direction; but, until the appeal is determined, the direction shall have effect according to its tenor.
- (8) The provisions of this section shall apply in relation to a branch of a registered society as they apply in relation to such a society.

Compare: Friendly Societies Act 1974 s 88 (UK)

### *Cancellation and suspension of registration, and dissolution*

#### **92 Registrar may cancel or suspend registration**

- (1) Subject to this section, the Registrar may suspend for any term not exceeding 3 months and may from time to time renew the suspension for any term not exceeding 3 months each time or may cancel the registration of a society or branch if he is satisfied—
  - (a) that registration has been obtained for the society or branch by fraud or mistake; or
  - (b) that the society or branch exists for an illegal purpose; or
  - (c) that the society or branch has wilfully, and after notice from the Registrar, contravened any of the provisions of this Act; or
  - (d) that the society or branch has not commenced business within 1 year of registration or has voluntarily suspended business for more than 6 months; or
  - (e) that the society or branch has less than 7 adult members; or
  - (f) that the society or branch has ceased to exist; or

- (g) that, at the request of the society or branch, there is good reason for the cancellation or suspension.
- (2) Any cancellation or suspension of registration under this section shall be effected under the seal of the Registrar.
- (3) Before cancelling or suspending the registration of a society or branch under this section, the Registrar shall give to the society or, as the case may be, branch not less than 2 months' notice in writing, specifying briefly the reasons for the proposed cancellation or suspension, except no notice need be given in the case of—
- (a) a cancellation or suspension pursuant to subsection (1)(f) or (g); or
- (b) the renewal of a suspension for a further period under subsection (1).
- (4) The Registrar shall consider any representations with respect to the proposed cancellation or suspension that may be made to him by the society or branch within the said period of 2 months or such further period as he may allow, and, if the society or branch so requests, shall afford it an opportunity of being heard by him within such period or further period allowed.
- (5) A notice of every such cancellation or every such suspension or renewal of suspension shall as soon as practicable be published in the *Gazette* and in some newspaper in general circulation in the neighbourhood of the registered office of the society or branch.
- (6) A society or branch may,—
- (a) within 1 month after receiving notice from the Registrar, appeal to the High Court from the cancellation of its registration:
- (b) within 1 month after receiving notice from the Registrar that its suspension has been renewed where such renewal will exceed a total term of suspension of 6 months, appeal to the High Court from that renewal.
- (7) A society or branch whose registration has been cancelled under this section, and every registered branch of any such society or branch, shall from the time of the cancellation (but subject to the right of appeal given under subsection (6)) be deemed to be no longer registered under this Act.
- (8) Such cancellation shall not relieve any society or branch, or any officer, from any liability previously incurred, and any such liability may be enforced as if the cancellation had not taken place.
- (9) A society whose registration has been suspended, and every registered branch thereof, shall during the period of suspension (but subject to the right of appeal given under subsection (6)) absolutely cease to enjoy as such the privileges of a registered society or branch, but shall for all other purposes be deemed to continue to be a duly registered society or branch.

Compare: 1909 No 12 s 70; Friendly Societies Act 1912 s 25(6) (NSW); Friendly Societies Act 1974 s 91 (UK)

**93 Dissolution of societies and branches**

- (1) Subject to this section, a registered society or branch may terminate or be dissolved in any of the following ways:
  - (a) upon the happening of any event declared by the rules to lead to the termination of the society or branch; or
  - (b) by the consent of not less than 75% of the members of the society or branch testified by their signatures to the instrument of dissolution and also, in the case of a branch of a society, with the consent of the central body of the society and in accordance with the society's rules; or
  - (c) by the award of the Registrar under section 95.
- (2) A society which has branches shall not be dissolved except with the consent of the central body of the society.
- (3) If any member of a registered friendly society or branch in respect of which an instrument of dissolution has been registered in accordance with section 94, or if any person claiming any relief, annuity, or other benefit from the funds of such a society or branch is dissatisfied with the provision made for satisfying his claim, he may within the period of 3 months referred to in subsection (6) of that section, make an application to any court of competent jurisdiction, and the court to which the application is made may hear and determine the matter.
- (4) For the purposes of subsection (3), the term **court** includes the Disputes Tribunal established under the Disputes Tribunal Act 1988.
- (5) If, as a result of the dissolution of any registered friendly society or branch, any annuity ceases or would cease to be paid or any contract for the payment of an annuity fails or would fail either in whole or in part, no payment shall be made out of the funds of the society or branch to the annuitant or person entitled to the benefit of the contract; but any sum which would otherwise have been paid to that person shall be applied in purchasing for the benefit of the annuitant an annuity (for a similar term and subject to similar conditions against surrender, commutation, or assignment) from any person lawfully carrying on a business in New Zealand of granting annuities on human life.

Compare: 1909 No 12 ss 65, 69; Friendly Societies Act 1974 s 93 (UK)

Section 93(4): substituted, on 1 March 1989, by section 82(2) of the Disputes Tribunals Act 1988 (1988 No 110).

Section 93(4): amended, on 1 March 2017, by section 261 of the District Court Act 2016 (2016 No 49).

**94 Instrument of dissolution**

- (1) When a registered society or branch is terminated by an instrument of dissolution, the instrument shall set forth—
  - (a) the liabilities and assets of the society or branch in detail;
  - (b) the number of members, and the nature of their interests in the society or branch;

- (c) the claims of creditors (if any), and the provision to be made for their payment:
  - (d) the intended appropriation or division of the funds and property of the society or branch, unless it is expressly stated in the instrument that the appropriation or division shall be left to the award of the Registrar.
- (2) Alterations in the instrument of dissolution may be made with the consent in writing of not less than 75% of the members of the society or branch and also, in the case of a branch of a society or in the case of a society with branches, with the consent of the central body of the society.
- (3) A statutory declaration that the provisions of this Act have been complied with shall be made either by one of the trustees or by 3 adult members and the secretary of the society or branch, and shall be sent to the Registrar with the instrument of dissolution.
- (4) The instrument of dissolution and all alterations to it shall be registered in the manner, with any necessary modifications, provided by sections 23 to 25 for the registration of amendments of rules, and shall be binding upon all the members of the society or branch.
- (5) The instrument of dissolution shall not, in the case of a registered friendly society or branch, direct or contain any provision for a division or appropriation of the funds of the society or branch, or any part thereof, except for the purpose of carrying into effect the objects of the society or branch as declared in their rules, unless the claim of every member or person claiming any relief, annuity, or other benefit from the funds of the society or branch is first duly satisfied or adequate provision is made for satisfying those claims.
- (6) The Registrar shall, as soon as practicable, cause a notice of the dissolution to be advertised at the expense of the society or branch in the *Gazette* and in some newspaper in general circulation in the neighbourhood of the registered office of the society or branch; and unless—
- (a) within 3 months from the date of the *Gazette* in which that advertisement appears a member or other person interested in or having any claim on the funds of the society or branch commences proceedings to set aside the dissolution of the society or branch; and
  - (b) that dissolution is set aside accordingly,—
- the society or branch shall, subject to section 97, be legally dissolved from the date of the advertisement in the *Gazette*, and the requisite consents to the instrument of dissolution shall be deemed to have been duly obtained without proof of the signatures thereto.

Compare: 1909 No 12 s 66; Friendly Societies Act 1974 s 94(5) (UK)

## **95 Dissolution by award**

- (1) On receipt of an application under this section relating to a registered society or branch and after giving not less than 1 month's notice in writing to the society

- or branch, the Registrar may cause the affairs of the society or branch to be investigated.
- (2) An application under this section shall be made in writing under the hands of the like proportion or number of members as are required for the making of an application to appoint inspectors under section 89(1) and (2) and shall—
    - (a) state that the funds of the society or branch are insufficient to meet the existing claims on them, or that the rates of contribution fixed in the rules of the society or branch are insufficient to cover the benefits assured; and
    - (b) set forth the reasons for which the insufficiency is alleged; and
    - (c) request an investigation into the affairs of the society or branch with a view to its dissolution.
  - (3) Subject to subsection (4) and, in the case of a society with branches, to the Registrar first conferring with the central body of the society, if upon an investigation under this section it appears that the funds of the society or branch are insufficient to meet the existing claims on them, or that the rates of contribution fixed in the rules of the society or branch are insufficient to cover the benefits assured to be given by the society or branch, the Registrar may, if he thinks fit, award that the society or branch be dissolved and its affairs wound up, and where such an award is made the Registrar shall direct in what manner the assets of the society or branch shall be divided or appropriated.
  - (4) Where the Registrar makes an award under subsection (3), he may suspend its operation for such period as he thinks necessary to enable the society or branch to make such alterations and adjustments of contributions and benefits as will, in his judgment, prevent the necessity of the award of dissolution coming into operation; and where within that period the society makes such alterations and adjustments the Registrar may cancel the award.
  - (5) The Registrar proceeding under this section shall have the same powers, enforceable by the same penalties, as he has in the case of a dispute referred to him under this Act.
  - (6) Within 21 days after the making of an award of dissolution of a society or branch, the Registrar shall cause notice of the award of dissolution to be advertised in the *Gazette* and in some newspaper in general circulation in the neighbourhood of the registered office of the society or branch; and unless—
    - (a) within 3 months from the date on which that advertisement appears in the *Gazette*, a member or other person interested in or having any claim on the funds of the society or branch commences proceedings to set aside the dissolution of the society or branch consequent upon the award; and
    - (b) the dissolution is set aside accordingly,—

the society or branch shall, subject to section 97, be legally dissolved from the date of the advertisement in the *Gazette*, and the requisite consents to the application under this section shall be deemed to have been duly obtained without proof of the signatures thereto.

- (7) The expenses of every investigation and award under this section and of advertising every notice of dissolution shall be paid out of the funds of the society or branch before any other appropriation is made.
- (8) Every award under this section shall be final and conclusive on—
  - (a) the society or branch in respect of which the award is made; and
  - (b) all members of that society or branch; and
  - (c) all other persons having any claim on the funds of that society or branch,—

and every such award shall be enforced in the same manner as a decision on a dispute under this Act.

Compare: 1909 No 12 s 67; Friendly Societies Act 1974 ss 95(4), 96 (UK)

#### **96 Notice to Registrar of proceedings to oppose dissolution**

- (1) Where any person takes proceedings to set aside the dissolution of a society or branch, he shall give notice of the proceedings to the Registrar not later than the expiry of whichever of the following periods first expires:
  - (a) the period of 7 days after the commencement of the proceedings;
  - (b) the period of 3 months referred to in section 94(6)(a) or, as the case may require, section 95(6)(a).
- (2) Where an order is made setting aside the dissolution of a society or branch, the society or branch shall give notice of the order to the Registrar within 7 days after the order is made.

Compare: 1909 No 12 s 68; Friendly Societies Act 1974 s 97 (UK)

#### **97 Property to be transferred before final dissolution**

Where a registered society or branch amalgamates or transfers its engagements pursuant to section 83, converts to a company pursuant to section 84, or is to be dissolved in accordance with section 94 or section 95, the society shall not be dissolved, and the registration of the society shall not be cancelled, until there has been lodged with the Registrar a certificate signed by the liquidator or by the secretary or some other officer of the society approved by the Registrar that all property vested in the society has been duly conveyed or transferred by the society to the persons entitled.

Compare: Industrial and Provident Societies Act 1965 s 59 (UK)

## Part 3 Credit unions

### *Registration*

#### **98 Credit unions to be registered**

- (1) No person, society, or body of persons (whether corporate or unincorporate) shall trade or carry on business as a credit union unless registered as such under this Part.
- (2) For the purposes of subsection (1), to trade or carry on business as a credit union means—
  - (a) administering a fund into which members of a group contribute money which is to be applied either wholly or principally in loans to those members:
  - (b) representing the person, society, or body of persons as being a credit union:
  - (c) using, in reference to the person, society, or body of persons, any name, title, or descriptive expression containing the words “credit union”, “money club”, “savings society”, or “loan society”, or any cognate term or any derivative of those words, when trading, carrying on business, or advertising for share capital, deposits, or loan funds.
- (3) Nothing in subsection (2)(c) shall apply to—
  - (a) the use by an officer or employee of a credit union of a title or descriptive expression indicating his office or post with the credit union; or
  - (b) the use with reference to an association of credit unions of a name which has been approved in writing by the Registrar.

Compare: Credit Union Act 1969 s 28 (NSW)

#### **99 Exemptions from registration**

- (1) Section 98 shall not apply to—
  - (a) any person, society, or body of persons (whether corporate or unincorporate) specified in Schedule 5; or
  - (b) any person, society, or body of persons (whether corporate or unincorporate) lawfully carrying on the business of banking; or
  - (c) any building society registered under the Building Societies Act 1965; or
  - (d) *[Repealed]*
  - (e) the members of any fund in existence as at the commencement of this Act, being a fund which may otherwise be trading or carrying on business as a credit union but which is an integral part of an associated commercial or trading activity involving those members.



- (2) Schedule 5 may, from time to time by the Governor-General by Order in Council, be amended by adding, omitting, or amending the name of any person, society, or body of persons (whether corporate or unincorporate).
- (3) No person, society, or body of persons to which, by virtue of subsection (1), section 98 does not apply shall use, in reference to itself, any name, title, or descriptive expression containing the words “credit union”, “money club”, “savings society”, or “loan society”, or any cognate term or any derivative of those words:

provided that the prohibition effected by this subsection shall not apply to any person, society, or body of persons using the words “savings society” or “loan society” or any cognate term or derivative of those words in reference to itself as at the commencement of this Act.

Compare: Credit Union Act 1969 s 28(3) (NSW)

Section 99(1)(d): repealed, on 1 December 2014, by section 150 of the Financial Markets (Repeals and Amendments) Act 2013 (2013 No 70).

#### **100 Society may register as credit union**

Subject to this Act, a society may apply for registration as a credit union under this Part if—

- (a) the society has no fewer than 21 members who are—
  - (i) adults; or
  - (ii) charitable entities as defined by the Charities Act 2005; or
  - (iii) incorporated societies registered under the Incorporated Societies Act 1908; and
- (b) the rules of the society comply with section 104; and
- (c) the Registrar is satisfied that the only objects of the society are those of a credit union specified in section 101; and
- (d) the rules of the society specify a common bond (as defined in section 102).

Compare: Credit Unions Act 1979 s 1(1), (2) (UK)

Section 100(a): substituted, on 22 November 2006, by section 4(1) of the Friendly Societies and Credit Unions Amendment Act 2006 (2006 No 65).

Section 100(d): substituted, on 22 November 2006, by section 4(2) of the Friendly Societies and Credit Unions Amendment Act 2006 (2006 No 65).

#### **101 Objects of credit union**

- (1) The objects of a credit union shall be—
  - (a) the promotion of thrift among its members by the accumulation of their savings; and
  - (b) the use and control of the members’ savings for their mutual benefit; and

- (c) the training and education of the members in the wise use of money and in the management of their financial affairs; and
  - (d) at the discretion of the credit union and as a minor adjunct to the other objects set out in this subsection, the welfare of its members and the making of donations for charitable, cultural, benevolent, or philanthropic purposes.
- (2) A credit union shall have no power to take any action or do anything unless that action or thing is directly in pursuance of its objects or incidental to them and is authorised by its rules or this Act.

Compare: Credit Unions Act 1979 s 1(3) (UK)

### 102 Qualifications for admission to membership of credit union

- (1) For the purposes of this Act, a credit union has a **common bond** if the qualification for membership is—
- (a) following a particular occupation or particular occupations:
  - (b) residing in a particular locality or particular localities:
  - (c) being employed in a particular locality or particular localities:
  - (d) being employed by a particular employer or particular employers:
  - (e) being a member of a bona fide organisation or bona fide organisations or being otherwise associated with members of the organisation or organisations for a purpose other than that of forming a society to be registered as a credit union:
  - (f) any other qualification that can be objectively determined:
  - (g) a mixture of any qualifications in paragraphs (a) to (f).
- (2) For the purposes of subsection (1), a qualification can be objectively determined if it—
- (a) includes every person who fulfills the qualification; and
  - (b) is able to be determined by a person who is not a member of the credit union; and
  - (c) does not depend on any person's subjective judgement.
- (3) For the purposes of this Act, if the rules of a credit union so provide, a person shall be treated as fulfilling a qualification for admission to membership stated in those rules if he is a member of the same household as, and is a relative of, another person who is a member of the credit union and fulfils that qualification directly.
- (4) In subsection (3), **relative**, in relation to any person, means—
- (a) any current or former spouse, civil union partner or de facto partner of the person; and

- (b) any lineal ancestor, lineal descendant, brother, sister, uncle, aunt, nephew, niece, or first cousin of the person or of any current or former spouse, civil union partner, or de facto partner of the person; and
- (c) any current or former spouse, civil union partner, or de facto partner of any person referred to in paragraph (b).

Compare: Credit Unions Act 1979, ss 1(4), (5), (6), 31 (UK)

Section 102(1): substituted, on 22 November 2006, by section 5 of the Friendly Societies and Credit Unions Amendment Act 2006 (2006 No 65).

Section 102(2): substituted, on 22 November 2006, by section 5 of the Friendly Societies and Credit Unions Amendment Act 2006 (2006 No 65).

Section 102(4): substituted, on 26 April 2005, by section 7 of the Relationships (Statutory References) Act 2005 (2005 No 3).

### **103 Name to contain words “credit union”**

Except where otherwise authorised in writing by the Registrar in the circumstances of any case, the name of every society registered as a credit union shall contain the words “credit union”.

Compare: Credit Unions Act 1979 s 3 (UK)

### **104 Registration and rules of credit union**

- (1) The provisions of sections 12, 16, 17, 18, 22, 23, 24(1), 25, 26, 27, and 28 shall, as far as they are applicable and with any necessary modification, apply in respect of credit unions as if—
  - (a) the references to societies and Schedule 2 or Schedule 3 were references to credit unions and Schedule 4 respectively; and
  - (b) the reference in section 12(1) to 7 adult members were a reference to 21 members and each of the 21 members is—
    - (i) an adult; or
    - (ii) a charitable entity as defined by the Charities Act 2005; or
    - (iii) an incorporated society registered under the Incorporated Societies Act 1908; and
  - (c) the designation referred to in section 17(1)(a) were that of a credit union.
- (2) On any application for registration of a credit union or its rules or an amendment to its rules, the Registrar may require from the applicant such information or evidence as may be reasonable to show that the applicant will be or is bona fide carrying on the business of a credit union in accordance with this Part.
- (3) Except where there is a change in the situation of the registered office of a credit union or a change to the rules effected by the Registrar pursuant to section 26 or a change of name, the rules of a credit union shall be amended only by special resolution.

Compare: Credit Unions Act 1979 s 4 (UK)

Section 104(1)(b): substituted, on 22 November 2006, by section 6 of the Friendly Societies and Credit Unions Amendment Act 2006 (2006 No 65).

### **105 Effect of rules on members of credit union**

- (1) The rules of a credit union shall bind the credit union and its members and all persons claiming through them respectively to the same extent as if each member had subscribed his name, and there were in such rules a covenant on the part of himself, his executors, and administrators to conform to such rules subject to the provisions of this Act.
- (2) Subject to subsection (3), all money payable by a member to a credit union shall be deemed to be a debt due from the member to the credit union, and shall be recoverable as such.
- (3) A member of a credit union shall not, without his consent in writing having been first obtained, be bound by any amendment of the credit union's rules registered after he became a member, if and so far as that amendment requires him to take or subscribe for more shares than the number held by him at the date of registration of the amendment, or to pay upon the shares so held any sum exceeding the amount unpaid upon them at that date, or in any other way increases the liability of that member to contribute to the share capital of the credit union.
- (4) Fees for admission to membership, or levies, or charges for management or other services are payable by a member to a credit union only if the rules of the credit union set out—
  - (a) the amount of the fees, levies, or charges; or
  - (b) the mechanism for charging the fees, levies, or charges.

Compare: 1915 No 64 s 6; Industrial and Provident Societies Act 1965 s 14(2) (UK)

Section 105(4): substituted, on 22 November 2006, by section 7 of the Friendly Societies and Credit Unions Amendment Act 2006 (2006 No 65).

### **106 Membership of credit union, voting rights**

- (1) An individual, a charitable entity as defined by the Charities Act 2005, or an incorporated society registered under the Incorporated Societies Act 1908 can be a member of a credit union, except that—
  - (a) section 39 (which relates to the membership of minors) applies to any credit union as if it were a society registered under Part 2; and
  - (b) no charitable entity as defined by the Charities Act 2005 or incorporated society registered under the Incorporated Societies Act 1908 can be an officer of a credit union.
- (2) Members need have no more than \$10 in fully paid-up shares, although a credit union's rules may allow for a deposit of more or less than \$10 in fully paid-up shares.
- (3) *[Repealed]*

- (4) A member of a credit union who ceases to fulfil the qualifications for admission to membership shall be entitled, subject to subsection (5), to retain his membership unless the rules of the credit union provide otherwise; and in this Act, the term **non-qualifying member**, in relation to a credit union, means a person who remains a member of the credit union by virtue of this subsection: provided that, where the rules of the credit union so provide, a member shall not cease to fulfil the qualifications for membership by reason merely of retirement from following a particular occupation or employment with a particular employer.
- (5) The number of non-qualifying members of a credit union shall not at any time exceed 10% of the total membership of the credit union.
- (6) Non-qualifying members of a credit union shall be left out of account in determining for any purpose whether a common bond exists between the members of the credit union.
- (7) A non-qualifying member of a credit union shall be entitled, except so far as the rules of the credit union may otherwise provide, to purchase shares and to receive loans.
- (8) Subject to any provision in the rules of a credit union as to voting by a chairman who has a casting vote or to voting by delegates at any conference or meeting relating to credit unions, on every matter which is determined by a vote of members of a credit union every member shall be entitled to vote and shall have 1 vote only.

Compare: Credit Unions Act 1979 s 5 (UK)

Section 106(1): substituted, on 22 November 2006, by section 8 of the Friendly Societies and Credit Unions Amendment Act 2006 (2006 No 65).

Section 106(2): substituted, on 22 November 2006, by section 8 of the Friendly Societies and Credit Unions Amendment Act 2006 (2006 No 65).

Section 106(3): repealed, on 31 August 2012, by section 4(1) of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

Section 106(7): amended, on 31 August 2012, by section 4(2) of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

### *Operation of credit union*

#### **107 Credit union to have shares**

- (1) Every credit union shall have shares, which shall all rank equally and be of a fixed amount of \$1 denomination and may, subject to the rules of the credit union, be subscribed for either in full or by periodical or other subscriptions; but no share shall be allotted to a member until it has been fully paid in cash.
- (2) Shares in a credit union shall not be transferable and a credit union shall not issue to a member a certificate denoting ownership of a share.
- (3) The rules of a credit union may provide for a share to be held by 2 or more members jointly; but, for the purposes of this Act, one of those joint holders (to

be ascertained in the manner provided in the rules) shall be deemed to be the member to whom the share was allotted and to whom the provisions of this Act apply accordingly.

- (4) Subject to subsection (5), shares in a credit union shall be withdrawable; but a credit union shall not issue shares except on terms enabling it to require not less than 60 days' notice of withdrawal.
- (5) If a withdrawal of shares would reduce a member's paid-up shareholding in the credit union to less than his total liability (including any contingent liability) to the credit union whether as borrower, guarantor, or otherwise, then—
  - (a) in the case of a non-qualifying member, the withdrawal shall not be permitted; and
  - (b) in any other case, the withdrawal shall be permitted only at the discretion of the committee of management of the credit union.

Compare: Credit Unions Act 1979 s 7 (UK)

Section 107(1): amended, on 17 December 1985, by section 2 of the Friendly Societies and Credit Unions Amendment Act (No 2) 1985 (1985 No 177).

#### **107A Credit union may offer credit union securities**

- (1) A credit union may, if authorised by and in accordance with its rules and trust deed, offer credit union securities to members for subscription.
- (2) Credit union securities—
  - (a) are transferable only between members; and
  - (b) confer no voting rights upon holders.
- (3) In the event of a credit union being wound up, claims for credit union securities must not be paid until all creditors' claims and claims relating to the shares referred to in section 107 have been paid.
- (4) In the event of a credit union incurring losses that exceed its retained earnings and reserves, the value of the credit union securities must be written down accordingly.
- (5) To avoid doubt, credit union securities do not include shares under section 107.

Section 107A: inserted, on 31 August 2012, by section 5 of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

Section 107A(5): replaced, on 1 December 2014, by section 150 of the Financial Markets (Repeals and Amendments) Act 2013 (2013 No 70).

#### **108 General prohibition on taking deposits**

*[Repealed]*

Section 108: repealed, on 31 August 2012, by section 6 of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

### **109 Power of credit union to borrow money**

A credit union may borrow money if the borrowing is authorised by, and in accordance with, its rules and trust deed.

Section 109: replaced, on 31 August 2012, by section 7 of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

### **109A Power of credit union to appoint supervisor for debt securities**

- (1) A credit union may appoint a supervisor and sign or amend a trust deed for the purposes of subpart 1 of Part 4 of the Financial Markets Conduct Act 2013.
- (2) This section applies regardless of anything to the contrary in the rules of a credit union.

Section 109A: replaced, on 1 December 2014, by section 150 of the Financial Markets (Repeals and Amendments) Act 2013 (2013 No 70).

### **110 Credit union may make loans to members**

A credit union may make loans to members for such purposes and upon such security (or without security) and conditions as the rules of the credit union may provide either generally or specifically.

Section 110: replaced, on 31 August 2012, by section 8 of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

### **111 Minister may fix maximum amount of loans to members**

*[Repealed]*

Section 111: repealed, on 31 August 2012, by section 9 of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

### **112 Credit union property to vest in trustees**

- (1) All property belonging to a credit union shall vest in the trustees for the time being of the credit union for the use and benefit of its members, and of all persons claiming through the members according to the rules of the credit union.
- (1A) However, regardless of the rules of a credit union, if a supervisor has been appointed in respect of a debt security for the purposes of subpart 1 of Part 4 of the Financial Markets Conduct Act 2013, then that supervisor may exercise any rights it has under that Act in respect of the property of the credit union.
- (2) Upon the death, resignation, or removal of a trustee of a credit union the property vested in that trustee shall, without conveyance, transfer, or assignment, vest (subject to the same trusts) in the succeeding trustees of that credit union, either solely or together with any surviving or continuing trustees, and until the appointment of succeeding trustees pursuant to section 28(2) (as applied by section 104), in the surviving or continuing trustees only, or in the executors or administrators of the last surviving or continuing trustee.
- (3) For the purposes of this Part, the following provisions of this Act shall, as far as they are applicable and with any necessary modification, apply in respect of credit unions as if they were societies registered under Part 2:

- (a) section 29(4) (which relates to the denoting of trustees by their official titles); and
- (b) section 30 (which relates to trustees under a disability); and
- (c) section 31 (which relates to the delegation of duties by a trustee); and
- (d) section 32 (which requires a District Land Registrar to be advised of the names of trustees); and
- (e) section 33 (which relates to dealing with land under the Land Transfer Act 1952).

Section 112(1A): replaced, on 1 December 2014, by section 150 of the Financial Markets (Repeals and Amendments) Act 2013 (2013 No 70).

### **113 Credit union may hold land**

- (1) A credit union may, in the name of its trustees, if authorised by and in accordance with its rules and trust deed, purchase, hold, take on lease, or otherwise provide—
  - (a) any land, and may sell, exchange, mortgage, or lease any such land, and erect, equip, furnish, alter, and maintain, or pull down buildings on it;
  - (b) any building or part of a building, and equip, furnish, alter, and maintain, or pull down any such building.
- (2) A credit union shall have power to hold any interest in land so far as is necessary for the purpose of making loans to its members on the security of an interest in land and of enforcing any such security.
- (3) *[Repealed]*
- (4) *[Repealed]*
- (5) *[Repealed]*
- (6) *[Repealed]*
- (7) No purchaser, assignee, mortgagee, or tenant shall be bound to inquire as to the authority for any sale, exchange, mortgage, or lease by the trustees, and the receipt of the trustees shall be a discharge for all money arising from or in connection with the sale, exchange, mortgage, or lease.
- (8) Subject, in the case of an instrument affecting land under the Land Transfer Act 1952, to the provisions of section 33 (as applied by section 112(3)(e)), every document to be executed by a credit union in the exercise of any powers conferred on it by this section may (if its rules so provide) be executed by a majority of the trustees in whom the property of the credit union is vested.

Compare: Credit Unions Act 1979 s 12 (UK)

Section 113 heading: amended, on 31 August 2012, by section 10(1) of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

Section 113(1): amended, on 31 August 2012, by section 10(2) of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).



Section 113(3): repealed, on 31 August 2012, by section 10(3) of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

Section 113(4): repealed, on 31 August 2012, by section 10(3) of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

Section 113(5): repealed, on 31 August 2012, by section 10(3) of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

Section 113(6): repealed, on 31 August 2012, by section 10(3) of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

#### 114 Officers of credit union to give security

- (1) Before taking upon himself the execution of his office, every officer of a credit union having the receipt or charge of money shall, notwithstanding any rule of the credit union to the contrary, give security in accordance with subsection (2) for his rendering a just and true account of all sums of money received and paid by him on account of the credit union at such times as its rules appoint, or as the credit union or its trustees or committee require him to do, and for the payment by him of all sums due from him to the credit union.
- (2) If an officer of a credit union is required to give security in accordance with subsection (1), the officer must do so by—
  - (a) becoming bound by 1 or more sureties in such sum as the credit union directs; or
  - (b) giving the security of a guarantee society in such sum as the credit union directs; or
  - (c) including a sum, agreed to by the credit union, within the risks insured by the insurance policy required under section 133.
- (3) In this section the term **guarantee society** means—
  - (a) any incorporated company carrying on the business of insurance in New Zealand; or
  - (b) any society registered under Part 2 as a specially authorised society and duly authorised to guarantee the fidelity of officers of societies or branches registered under the said Part 2 or credit unions; or
  - (c) an association of credit unions authorised under section 143(4)(e) to offer fidelity insurance.
- (4) Where any registered friendly society makes provision by its rules in accordance with clause 8 of Schedule 1 for guaranteeing the performance of their duties by officers of the society or its branches and membership of that friendly society is the common bond for the membership of a credit union, then the society may resolve to extend the effect of the guarantee to cover officers of the credit union to the same extent as if they were officers of the society, and it shall be a sufficient compliance with this section if any officer of the society or of any branch thereof gives the security of the society in accordance with those rules as extended.

(5) *[Repealed]*

Section 114(2): replaced, on 31 August 2012, by section 11(1) of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

Section 114(5): repealed, on 31 August 2012, by section 11(2) of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

**115 Duty of officers of credit union to account**

- (1) Every officer of a credit union having the receipt or charge of money shall—
- (a) at such times as he is required to do so by the rules of the credit union; or
  - (b) on demand; or
  - (c) on notice in writing requiring him to do so given or left at his last or usual place of residence,—

render such account as may be required by the credit union, or by the trustees or committee of management of the credit union; and shall, on demand or on notice as in paragraph (c), pay over all money and deliver all property in his hands or custody to such person as the credit union, or the trustees or the committee, may appoint.

- (2) In case of any neglect or refusal to deliver the account or to pay over the money or to deliver the property in accordance with subsection (1), the trustees or authorised officers of the credit union—
- (a) may sue upon any bond or security given under section 114; or
  - (b) may apply to the District Court for an order requiring the officer to remedy that neglect or to comply with the provisions of subsection (1).

**116 Priority on death, bankruptcy, etc, of officer**

The provisions of section 36 (which relates to the priority of claims on the death or bankruptcy of an officer of a society or branch registered under Part 2) shall, as far as they are applicable and with any necessary modification, apply in respect of officers of a credit union as if they were officers of a society registered under the said Part 2.

**117 Investment of surplus funds**

- (1) In this section **surplus funds**, in relation to a credit union, means funds not immediately required for its purposes.
- (2) The trustees of a credit union may invest its surplus funds if the investment is authorised by, and in accordance with, its rules and trust deed.
- (3) The trustees of a credit union may also invest its surplus funds by depositing them with any association of credit unions of which it is a component member pursuant to section 143.
- (4) Any surplus funds of a credit union which are not either—
  - (a) invested in accordance with subsection (2) or subsection (3); or

- (b) kept in cash in the custody of officers of the credit union,—  
shall be kept by the credit union on current account with, or otherwise on loan to, any bank carrying on business in New Zealand.
- (5) Nothing in this section shall prevent a credit union from making a temporary loan to another credit union pursuant to section 109:  
provided that no association of credit unions shall lend money to another association unless authorised by the rules of the credit union.
- (6) The provisions of section 49 (which relate to the duties of trustees in relation to investments) shall, as far as they are applicable and with any necessary modification, apply in respect of the trustees of a credit union as if they were the trustees of a society registered under Part 2.
- (7) Where the common bond of a credit union is membership of a society registered under Part 2 and the trustees and other officers of the credit union are the same persons as the trustees and other officers of the society, it shall be sufficient compliance with this section if the surplus funds of the credit union were treated together with and as part of the surplus funds of the society and were invested accordingly, but accounted for separately to the credit union.
- (8) Any credit union which contravenes or fails to comply with the provisions of this section commits an offence against this Act.

Compare: Credit Unions Act 1979 s 13 (UK)

Section 117(2): substituted, on 1 October 1988, by section 14(1) of the Trustee Amendment Act 1988 (1988 No 119).

Section 117(2): amended, on 31 August 2012, by section 12(1) of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

Section 117(5) proviso: amended, on 31 August 2012, by section 12(2) of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

### *Distribution to members*

Heading: inserted, on 31 August 2012, by section 13 of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

#### **117A Meaning of distribution**

- (1) In sections 117B to 117D, unless the context otherwise requires, **distribution**, in relation to a distribution by a credit union to a member, means—
- (a) the direct or indirect transfer of money or property to or for the benefit of the member; or
- (b) the incurring of a debt to or for the benefit of the member.
- (2) For the purposes of subsection (1),—
- (a) the distribution must relate to credit union securities held by the member to whom the distribution is being made; and

- (b) a transfer may be made, or a debt incurred, by means of a purchase of property, the redemption or other acquisition of credit union securities or shares, a distribution of indebtedness, or by some other means.

Compare: 1993 No 105 s 2

Section 117A: inserted, on 31 August 2012, by section 13 of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

### **117B Distribution must be authorised**

A distribution must be authorised in writing by the committee, or committee of management, as the case may be, of the credit union.

Compare: 2008 No 1 s 40

Section 117B: inserted, on 31 August 2012, by section 13 of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

### **117C Distribution must not be authorised unless credit union solvent**

The committee, or committee of management, as the case may be, of the credit union must not authorise a distribution unless the committee is satisfied on reasonable grounds that, immediately after the distribution is made, the credit union will be solvent.

Compare: 2008 No 1 s 41

Section 117C: inserted, on 31 August 2012, by section 13 of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

### **117D Solvency test**

- (1) A credit union is solvent for the purposes of the payment of a distribution if—
- (a) the credit union is able to pay its debts as they become due in the normal course of business; and
  - (b) the value of the credit union's assets is greater than its liabilities, including its contingent liabilities.
- (2) In determining whether the value of the credit union's assets is greater than its liabilities, the committee, or committee of management, as the case may be, of the credit union—
- (a) must have regard to all circumstances that the committee knows or ought to know affect, or may affect, the value of the credit union's assets and the value of its liabilities, including its contingent liabilities; and
  - (b) may rely on valuations of assets or estimates of liabilities that are reasonable in the circumstances.
- (3) In determining, for the purposes of this section, the value of a contingent liability, account may be taken of—
- (a) the likelihood of the contingency occurring; and

- (b) any claim that the credit union is entitled to make and can reasonably expect to be met to reduce or extinguish a contingent liability.

Compare: 2008 No 1 s 42

Section 117D: inserted, on 31 August 2012, by section 13 of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

### *Disputes*

#### **118 Disputes in relation to credit unions**

For the purposes of this Part, the following provisions shall, as far as they are applicable and with any necessary modification, apply in respect of credit unions as if they were societies registered under Part 2:

- (a) section 78 (which relates to the settlement of disputes generally); and
- (b) section 79 (which provides for a reference of a dispute to the Registrar); and
- (c) section 80 (which authorises the statement of a case on a matter of law for the opinion of the High Court); and
- (d) section 81 (which relates to the reference of disputes to court).

### *Accounting records and financial reporting*

Heading: replaced, on 1 April 2014, by section 76 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

#### **119 Credit union to maintain general reserves**

*[Repealed]*

Section 119: repealed, on 31 August 2012, by section 14 of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

#### **120 Financial year of credit union**

- (1) The first financial year of a credit union may extend from the date of its registration to such date not later than 18 months from the date of its registration as may be specified in its rules.
- (2) Where the rules of a credit union are amended to alter its financial year, the amendment may provide that the financial year current at the date of amendment shall be extended for such period not exceeding 6 months as may be specified in its rules or that the financial year next following the financial year that is so current shall be for such period exceeding 12 months but not exceeding 18 months as may be specified in its rules.
- (3) *[Repealed]*

Section 120(3): repealed, on 1 April 2014, by section 77 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

**121 Accounting records must be kept**

Every credit union must comply with subpart 2 of Part 7 of the Financial Markets Conduct Act 2013 (which relates to accounting records).

Section 121: replaced, on 1 April 2014, by section 78 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

**122 Financial reporting**

Every credit union must comply with subpart 3 of Part 7 of the Financial Markets Conduct Act 2013 (which relates to the preparation, audit, and lodgement of financial statements).

Section 122: replaced, on 1 April 2014, by section 78 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

**123 Obligation to appoint auditors**

- (1) Every credit union must, in each financial year, appoint a qualified auditor to audit its financial statements for that year.
- (2) *See* sections 37 to 39 of the Financial Reporting Act 2013 (which provide for the appointment of a partnership and access to information in relation to a credit union).

Section 123: replaced, on 1 April 2014, by section 78 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

**124 General matters relating to auditors**

For the purposes of this Part, the following provisions of this Act, as far as they are applicable and with the necessary modifications, apply in respect of credit unions as if they were societies registered under Part 2:

- (a) section 64B (which relates to the Registrar appointing an auditor):
- (b) sections 64D and 64E (which relate to compliance with auditing and assurance standards):
- (c) section 65 (which relates to the reappointment and removal of auditors):
- (d) section 66 (which relates to notices of resolution affecting the appointment or removal of auditors):
- (e) section 67 (which relates to proceedings subsequent to a notice of intention to move a resolution):
- (f) section 69 (which relates to auditors' rights to attend and be heard at meetings).

Section 124: replaced, on 1 April 2014, by section 78 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

**125 General matters relating to auditors, the auditors' report, and auditors' rights of access**

*[Repealed]*

Section 125: repealed, on 1 April 2014, by section 78 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

**126 Registrar may advise credit union on financial position**

Where it appears to the Registrar to be necessary or desirable that the financial structure of the business or activities or any part of them of a credit union should be amended or improved, he may advise the credit union of his opinion and require it to submit to him such proposals (whether by way of levy on members or the writing down of share capital or otherwise) as will effect that financial amendment or improvement.

*Annual returns*

**127 Annual return**

- (1) Every credit union shall once in every year, within 3 months after the close of the financial year of the credit union or such extended period as the Registrar in any particular case may allow, send to the Registrar an annual return.
- (2) Every annual return shall relate to the affairs of the credit union for the financial year preceding that in which the return is required to be sent, and, subject to subsection (3), shall be made in such form and contain such particulars as the Registrar may from time to time require.
- (3) Every annual return—
  - (a) shall be made up for the financial year to which the return relates; and
  - (b) must contain a copy of the financial statements that are prepared in relation to the credit union for the financial year; and
  - (c) *[Repealed]*
  - (d) shall have attached a list containing the names, addresses, and designations of the committee of management, the secretary, treasurer, and other principal officers, the trustees, and those persons who are authorised to sue and be sued on behalf of the credit union; and
  - (e) shall be accompanied by a statement giving details of the total number of members in each category of member as recorded in the register kept pursuant to section 130.
- (4) The annual return sent to the Registrar must be accompanied by the auditor's report on the financial statements referred to in subsection (3)(b).

Section 127(3)(b): replaced, on 1 April 2014, by section 79(1) of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

Section 127(3)(c): repealed, on 1 April 2014, by section 79(1) of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

Section 127(4): replaced, on 1 April 2014, by section 79(2) of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

### **128 Annual return by credit union under dissolution**

- (1) Any credit union which is being terminated by an instrument of dissolution under section 94 or the award of the Registrar under section 95 (each section being as applied by section 140) shall make up its annual return to the date of that instrument of dissolution or that award.
- (2) In the case of a credit union amalgamating or transferring its engagements pursuant to section 135, the Registrar may require an annual return made up to the date of such amalgamation or transfer of engagements, or to such other date as he may specify.

### **129 Annual return to be supplied to members**

- (1) A credit union must, on the application of a member or person interested in its funds, supply to the member or person without charge a copy of the last annual return of the credit union.
- (2) A credit union must provide, together with every copy of an annual return supplied under subsection (1), a copy of the auditor's report on the financial statements contained in the return.

Section 129: replaced, on 1 April 2014, by section 80 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

### *Miscellaneous provisions*

### **130 Register of members of credit union**

- (1) Every credit union shall set up and maintain an indexed register of members showing separately—
  - (a) ordinary members:
  - (b) non-qualifying members within the meaning of section 106(4).
- (2) The register shall show—
  - (a) the name and address of each member:
  - (b) the date on which the member joined the credit union or changed category as a member:
  - (c) the date on which any person ceased to be a member.
- (3) The register of members shall also show such other particulars as may from time to time be prescribed by the Registrar.
- (4) The register shall be kept at the registered office of the credit union, and shall be open to inspection during ordinary office hours by any member of the credit union.



### 131 Inspection of books and accounts of credit union

*[Repealed]*

Section 131: repealed, on 1 April 2014, by section 81 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

### 132 Financial statements must be available

Every credit union must keep available for inspection (without charge), by a member or person interested in its funds, at its office during ordinary office hours a copy of the last financial statements completed and signed in accordance with the Financial Markets Conduct Act 2013 or any other Act, together with the auditor's report.

Section 132: replaced, on 1 April 2014, by section 82 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

### 133 Credit union to be insured against fraud or other dishonesty

- (1) No society shall be registered as a credit union unless the Registrar is satisfied that, on registration, there will be in force in relation to that society a policy of insurance complying with the requirements of this section.
- (2) In order to comply with this section, a policy of insurance—
  - (a) subject to such exceptions as may be prescribed, shall insure the credit union in respect of every description of loss suffered or liability incurred by reason of the fraud or other dishonesty of any of its officers or employees; and
  - (b) shall so insure the credit union up to a limit of not less than such amount as may be prescribed in respect of any one claim, except that the liability of the insurer may be restricted to a prescribed amount in respect of the total of the claims made in any one year; and
  - (c) shall not, except with the consent in writing of the Registrar, provide in relation to any claim for any amount greater than 1% of the limit referred to in paragraph (b) to be met by the credit union; and
  - (d) shall comply with such other conditions as may be prescribed.
- (3) In this section, **prescribed** means prescribed from time to time by the Governor-General by Order in Council; and different exceptions, amounts, limits, and conditions may be prescribed in respect of different credit unions or classes of credit union.
- (4) Notwithstanding any amount prescribed for the purpose of subsection (2)(b), a policy of insurance will still comply with this section if that prescribed amount is reduced by the amount the credit union has obtained as security in respect of the fidelity of its officers pursuant to section 114(2) or section 114(4).
- (5) Every credit union which, at any time, fails to maintain in force a policy of insurance complying with the requirements of this section, and every member of

the committee of management of such a credit union, commits an offence and shall be liable on conviction to a fine not exceeding \$1,000.

Compare: Credit Unions Act 1979 s 15 (UK)

Section 133(5): amended, on 1 July 2013, by section 413 of the Criminal Procedure Act 2011 (2011 No 81).

### **134 Guarantee funds**

- (1) Subject to this section, a credit union, or any 2 or more credit unions, or any association of credit unions on behalf of its constituent members may enter into arrangements with a person carrying on the business of insurance, for the purpose of making funds available—
  - (a) to assist any credit union that is a party to the arrangements and which is in financial difficulties:
  - (b) to meet losses incurred by members of a credit union which is a party to the arrangements.
- (2) Any 2 or more credit unions together or any association of credit unions on behalf of its constituent members may enter into any other kind of arrangements for the purposes specified in subsection (1).
- (3) Subject to this section and notwithstanding anything to the contrary in this Act or a credit union's or association's rules, a credit union or association shall have power to make contributions, whether by instalments or not, under arrangements made in accordance with this section.
- (4) Arrangements under this section may provide for the vesting of a fund in trustees appointed under the arrangements.
- (5) Arrangements under this section may provide for the incorporation of a company under the Companies Act 1993; and a credit union or association shall have power to subscribe for or purchase shares in, or deposit money with, any company so incorporated whether by instalments or not.
- (6) *[Repealed]*

Compare: Credit Unions Act 1979 s 16 (UK)

Section 134(1)(a): amended, on 31 August 2012, by section 15(1) of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

Section 134(3): amended, on 31 August 2012, by section 15(2) of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

Section 134(5): amended, on 31 August 2012, by section 15(3) of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

Section 134(5): amended, on 1 July 1994, by section 2 of the Company Law Reform (Transitional Provisions) Act 1994 (1994 No 16).

Section 134(6): repealed, on 31 August 2012, by section 15(4) of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

### **135 Amalgamation of credit unions and transfer of engagements**

- (1) Any 2 or more credit unions may, by special resolution of each of them, become amalgamated together as 1 credit union, with or without any dissolution or division of the funds of those credit unions or any of them.
- (2) A credit union may by special resolution transfer its engagements to any other credit union which may (by special resolution or in such other manner as may be authorised by its rules) undertake to fulfil the engagements of that credit union.
- (3) A credit union shall not amalgamate with or transfer its engagements to or accept a transfer of engagements from—
  - (a) any society which is not a credit union:
  - (b) any association of credit unions,—and an association shall only amalgamate with or transfer its engagements to another association of credit unions.
- (4) For the purposes of this section, section 83, as far as it is applicable and with any necessary modification, applies in respect of a credit union as if it were a society registered under Part 2.
- (4A) The Registrar must not register a special resolution under section 82 if the proposed amalgamation or transfer of engagements would result in a breach of any provision of this Act.
- (5) In this Part the term **non-qualifying member**, in relation to an amalgamated credit union or a credit union which has accepted a transfer of engagements, includes a person who does not fulfil the qualifications for admission to membership of that credit union but became a member of it by virtue of the amalgamation or transfer of engagements, having been immediately before the amalgamation or transfer a non-qualifying member of one of the amalgamating credit unions or, as the case may be, the credit union from which the transfer of engagements was made.

Compare: Credit Unions Act 1979 s 21 (UK)

Section 135(4): substituted, on 22 November 2006, by section 9 of the Friendly Societies and Credit Unions Amendment Act 2006 (2006 No 65).

Section 135(4A): inserted, on 22 November 2006, by section 9 of the Friendly Societies and Credit Unions Amendment Act 2006 (2006 No 65).

### **136 Registrar may approve amalgamations or transfers of engagements of credit unions**

- (1) If, after notice has been given of a general meeting at which it is proposed to put a special resolution amalgamating or transferring the engagements of the credit union pursuant to section 135 the meeting lapses for want of the quorum specified in the rules of the credit union, the committee or trustees of the credit union may apply to the Registrar to confirm the amalgamation or transfer as if the special resolution had been properly passed.

- (2) Notice of every such application shall be published by the credit union in the *Gazette*, and in such newspaper or newspapers as the Registrar may require.
- (3) Objections in writing may be made to the Registrar, and for this purpose the objection provisions of section 85 with any necessary modifications shall apply to the application as if it were a special resolution passed in respect of a friendly society and the date of publication of the application were the date the special resolution was received by the Registrar under subsection (3) of that section.

*Inspection, liquidation, and suspension of business*

Heading: substituted, on 1 July 1994, by section 2 of the Company Law Reform (Transitional Provisions) Act 1994 (1994 No 16).

**137 Registrar may appoint inspectors or call special meeting**

Section 89 (which relates to the appointment of inspectors or the calling of special meetings) shall, as far as it is applicable and with any necessary modification, apply in respect of a credit union as if it were a society registered under Part 2.

Compare: Credit Unions Act 1979 s 18 (UK)

**138 Registrar may apply to put credit union into liquidation**

On the application of the Registrar, the High Court may appoint a liquidator of a credit union for the liquidation of the credit union in accordance with the Companies Act 1993 if—

- (a) the credit union is unable to pay sums due and payable to its members, or is able to pay such sums only by obtaining further subscriptions for shares or by defaulting in its obligations to creditors; or
- (b) there has been, in relation to that credit union, failure to comply with any provision of, or any direction given under, this Act; or
- (c) there is no longer a common bond between the members of the credit union; or
- (d) the liquidation of the credit union is in the public interest or is just and equitable having regard to the interests of all members of the credit union.

Section 138: substituted, on 22 November 2006, by section 10 of the Friendly Societies and Credit Unions Amendment Act 2006 (2006 No 65).

**138A Transitional provisions applying to liquidation of credit unions**

*[Repealed]*

Section 138A: repealed, on 5 December 2013, by section 14 of the Companies Amendment Act 2013 (2013 No 111).

**139 Registrar may suspend business of credit union**

- (1) Subject to this section, where the Registrar is satisfied that, having regard to the interests of all the members of the credit union or in the interests of potential members of the credit union it is expedient to do so, he may give a direction prohibiting the credit union to such extent and subject to such conditions as may be specified in the direction from carrying on all or any of the following activities:
  - (a) borrowing money:
  - (b) accepting a payment representing the whole or any part of an amount due by way of subscription for a share in the credit union other than a payment which fell due before the making of the order:
  - (c) lending money:
  - (d) repaying share capital:
  - (e) accepting new members.
- (2) Not less than 1 month before giving a direction under subsection (1), the Registrar shall give the credit union notice in writing that he proposes to give such a direction, and shall set out in the notice his reasons for doing so.
- (3) The Registrar shall consider any representations with respect to a notice under subsection (2) which may be made to him by the credit union within such period (being not less than 1 month) as he may allow from the date on which the credit union is given the notice or such further period as he may allow; and, if the credit union so requests, shall afford it an opportunity of being heard by him within that period or further period.
- (4) Where the Registrar gives a direction under subsection (1) he shall give the credit union notice in writing of it setting out his reasons for doing so; but he shall not give such a direction under the said subsection (1) unless all the reasons set out were those, or were among those, which were set out in the notice given to the credit union under subsection (2).
- (5) Notice of the giving of a direction under subsection (1) shall be published by the Registrar in the *Gazette* and in some newspaper in general circulation in the neighbourhood of the registered office of the credit union.
- (6) Nothing in any direction given under this section shall make it unlawful for a credit union to borrow from a bank under section 109(2) if the credit union has first obtained the consent in writing of the Registrar.
- (7) For the purposes of this section and of any direction given under it, if any indebtedness of a member to a credit union is set off to any extent against the share capital credited to him, then, to that extent, the setting off shall be treated as a repayment of that share capital.
- (8) A direction given under this section may be revoked by the Registrar, and notice of the revocation shall be published in the same manner as notice of the giving of the direction.

- (9) Where a direction under this section is revoked, any obligation of any person to make a payment to the credit union which fell due at a time when the credit union was prohibited by the direction from accepting it shall be suspended for a period equal to the period for which the prohibition was in force.
- (10) Subject to subsection (9), any obligation to make to a credit union a payment which the credit union is prohibited from accepting by a direction under this section shall be wholly rescinded.
- (11) A credit union may, within 1 month after the date of publication of a direction in the *Gazette* under subsection (5), appeal to the High Court against the whole or any part of the direction; but, until the appeal is determined, the direction shall have effect according to its tenor.

Compare: Credit Unions Act 1979 s 19 (UK)

#### **140 Cancellation or suspension of registration, and dissolution of credit union**

- (1) The Registrar may suspend a credit union's registration for any term not exceeding 3 months, and may from time to time renew the suspension for any term not exceeding 3 months, or may cancel a credit union's registration if there is no longer a common bond between the credit union's members or the Registrar is satisfied that—
  - (a) registration has been obtained for the credit union by fraud or mistake; or
  - (b) the credit union exists for an illegal purpose; or
  - (c) the credit union has wilfully, and after notice from the Registrar, breached any of the provisions of this Act; or
  - (d) the credit union has not commenced business within 1 year of registration or has voluntarily suspended business for more than 6 months; or
  - (e) the credit union has fewer than 21 members; or
  - (f) the credit union has ceased to exist; or
  - (g) at the request of the credit union, there is good reason for the cancellation or suspension; or
  - (h) there has been a failure by the credit union to comply with any direction of the Registrar given under this Act.
- (1A) Subsection (1) is subject to the following provisions (as far as they are applicable and with any modifications necessary so that they apply to a credit union as if it were a society registered under Part 2):
  - (a) section 92(2) to (9):
  - (b) section 93(1):
  - (c) section 94(1) to (4) and (6):
  - (d) section 95:
  - (e) section 96.

- (2) Where the registration of a credit union is cancelled pursuant to this section, whether as a result of an award or by agreement or otherwise, every officer of the credit union holding office immediately before such cancellation commits an offence if, at the expiry of a period of 3 months after the date of such cancellation or such extended period as the Registrar may allow, there has not been lodged with the Registrar a certificate signed by the liquidator, secretary, or other officer of the credit union approved by the Registrar that all property vested in the credit union has been duly conveyed or transferred by the credit union to the persons entitled.

Section 140(1): substituted, on 22 November 2006, by section 11 of the Friendly Societies and Credit Unions Amendment Act 2006 (2006 No 65).

Section 140(1A): inserted, on 22 November 2006, by section 11 of the Friendly Societies and Credit Unions Amendment Act 2006 (2006 No 65).

#### **141 Liability of members on winding up**

Where a credit union is wound up pursuant to section 138, the liability of a present or past member of the credit union to contribute for payment of the debts and liabilities of the credit union, the expenses of winding up, and the adjustment of the rights of contributories amongst themselves, shall be qualified as follows:

- (a) no person who ceased to be a member not less than 1 year before the beginning of the winding up shall be liable to contribute:
- (b) no person shall be liable to contribute in respect of any debt or liability contracted after he ceased to be a member:
- (c) no person who is not a member shall be liable to contribute unless it appears to the court that the contributions of the existing members are insufficient to satisfy the just demands on the credit union:
- (d) no contribution shall be required from any person exceeding the amount, if any, unpaid on the shares and the credit union securities referred to in section 107A in respect of which he is liable as a past or present member, together with any fees or charges or levies payable as such by a member to the credit union as specified in the rules and any money owing by the member to the credit union:
- (e) in the case of a withdrawable share which has been withdrawn, a person shall be taken to have ceased to be a member in respect of that share as from the date of the notice or application for withdrawal.

Section 141(d): amended, on 31 August 2012, by section 16 of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

#### *Nomination of shares*

#### **142 Nomination of shares in credit union**

- (1) Notwithstanding that, pursuant to section 107(2), shares in a credit union are not transferable, a member of a credit union may, by writing under his hand de-

livered at or sent to the registered office of the credit union, or made in a register kept at that office, nominate a person or persons to receive any shares that the member may have in the credit union at his decease or any sum of money payable by the credit union at that time.

- (2) For the purposes of subsection (1), sections 43, 44, and 45 shall, as far as they are applicable and with any necessary modification, apply in respect of a credit union as if—
  - (a) the references to societies were references to credit unions; and
  - (b) the references to the maximum amount nominated of \$2,000 were references to the maximum value of shares or sum of money nominated as being \$2,000 in total.
- (3) If the transfer of any shares comprised in a nomination in the manner directed by the nominator would raise the share capital of any nominee beyond the maximum for the time being permitted in the case of that credit union, the committee of the credit union shall not transfer to that nominee more of those shares than will raise his share capital to that maximum and shall pay him the value of any of those shares not transferred.

Compare: Industrial and Provident Societies Act 1965 s 24 (UK)

#### *Associations of credit unions*

### **143 Associations of credit unions to be registered**

- (1) No credit union shall be a member of a formal body, whose objects include any of the objects of an association under this section, unless that body is registered as an association under this Part.
- (2) An association of credit unions may be formed by 7 or more credit unions, in accordance with the provisions of this Part.
- (3) The objects of an association shall be such of the following, as may be authorised by the rules of the association—
  - (a) to promote the interests of and strengthen co-operation among credit unions:
  - (b) to render services to, and to act on behalf of, its component members in such ways as may be specified in or authorised by the rules of the association:
  - (c) to encourage the formulation, adoption, and observance by credit unions of standards and conditions governing the carrying on of their business:
  - (d) to supervise and examine the affairs of its component members, as may be provided for in the rules of the association:
  - (e) to provide any other services specified in subsection (4).
- (4) Specified services for the purposes of subsection (3)(e) are—



- (a) receiving deposits or subscriptions (other than subscriptions solely of an annual or periodic nature to be used for the association's purposes) from its component members for purposes specified in its rules:
- (b) making loans to its component members:
- (c) establishing and maintaining a central funding scheme for the benefit of its component members:
- (d) levying its component members the amount or amounts for purposes and in the manner specified in its rules:
- (e) providing, or administering any scheme providing, fidelity insurance, savings insurance, or loan protection insurance:
- (f) undertaking training or education programmes for its component members or members of credit unions or the public:
- (g) providing advisory services for its component members:
- (h) arranging, providing, or co-ordinating data processing or computer services for its component members.

Section 143(3)(e): substituted, on 22 November 2006, by section 12(1) of the Friendly Societies and Credit Unions Amendment Act 2006 (2006 No 65).

Section 143(4): substituted, on 22 November 2006, by section 12(2) of the Friendly Societies and Credit Unions Amendment Act 2006 (2006 No 65).

#### **144 Membership of association**

- (1) The members of an association shall be the credit unions by which the association is formed and any other credit unions that are admitted to membership of the association in accordance with its rules.
- (2) Where an association is formed by the amalgamation of 2 or more associations, the members of the association formed by the amalgamation shall be the members of the amalgamating associations and other members that are admitted in accordance with the rules of the association formed by the amalgamation.

#### **145 Application for registration of association**

- (1) An application to register an association under this Part shall be signed on behalf of at least 7 of the credit unions agreeing to form the association by at least 1 representative of each of those credit unions, and shall be sent to the Registrar.
- (2) Together with an application under subsection (1), there shall be sent a copy of the rules of the association signed by those persons who signed that application and a list of the names, addresses, and designations of the committee of management, the secretary, treasurer, and other principal officers, the trustees, and those persons who are authorised to sue and be sued on behalf of the association.

- (3) Except where otherwise authorised in writing by the Registrar in the circumstances of any case, the name of every association of credit unions shall contain the words “association of credit unions”.
- (4) An association shall not be registered under a name identical with that under which any other existing association, credit union, or society is registered, or so nearly resembling that name as to be likely, or in any name likely, in the opinion of the Registrar, to deceive its component members or the public as to its nature or its identity or in any name which in his opinion is otherwise undesirable.

Section 145(2): amended, on 20 September 2007, by section 10 of the Friendly Societies and Credit Unions Amendment Act 2007 (2007 No 59).

#### **146 Registration of association**

- (1) If, after receipt of an application for the registration of an association, the Registrar is satisfied—
- (a) that the rules as submitted are not contrary to the provisions of this Act and are such as may be reasonably approved by him; and
  - (b) that there are reasonable grounds for believing that the association, if registered, will be able to carry out its objects successfully; and
  - (c) that there is no reasonable cause why the association and its rules should not be registered,—

the Registrar shall issue to that association an acknowledgment of registration and publish, by notice in the *Gazette*, details of the registration.

- (2) Upon the issue of an acknowledgment of registration under subsection (1) in respect of any association, the association shall have the powers, rights, duties, and functions conferred, imposed, or prescribed by or under this Act and the rules of the association.
- (3) The following provisions of this Part shall not apply in respect of associations:
- (a) sections 98 to 100, section 101(1), and sections 102 and 103:
  - (b) so much of section 104(1) as relates to section 12 (except subsection (6)), section 17, and section 23(3) and (4):
  - (c) section 104(1)(a), (b), and (c), and (2):
  - (d) section 106 (except subsection (8)), and sections 107 and 108:
  - (e) section 142.

Section 146(3)(e): replaced, on 31 August 2012, by section 17 of the Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64).

Section 146(3)(e): amended, on 1 April 2014, by section 83 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

## **Part 4**

### **Miscellaneous provisions**

#### **147 Changes of name**

- (1) Subject to this Act, a registered society or branch or credit union may, by ordinary resolution, change its name with the approval in writing of the Registrar.
- (2) No change of name shall affect any right, duty, or obligation of the society, branch, or credit union, or of any member or officer thereof.

Compare: 1909 No 12 s 61

#### **147A Meetings may be held using audio, audio and visual, or electronic communication**

The rules of a registered society or branch or of a credit union may (without limitation) provide for meetings to be held using audio, audio and visual, or electronic communication.

Section 147A: inserted, on 30 May 2017, by section 106 of the Regulatory Systems (Commercial Matters) Amendment Act 2017 (2017 No 12).

#### **147B Postal, electronic, and proxy voting**

- (1) This section applies to any matter that is to be determined by a vote of members of a registered society or branch or of a credit union.
- (2) The rules of the registered society or branch or of the credit union—
  - (a) may (without limitation) permit voting in 1 or more of the following ways:
    - (i) by post;
    - (ii) by electronic means (for example, by email or by the use of an Internet site);
    - (iii) by proxy; and
  - (b) must set out the procedures to be followed in relation to any voting permitted under paragraph (a).
- (3) Rules under this section that permit voting by post or electronic means may permit or require votes cast by post or electronic means to be cast in advance of any meeting at which the matter in question is to be determined.
- (4) Subsection (3) applies despite any enactment (for example, sections 64(3), 65(1)(a), and 82(1) of this Act) that requires a resolution to be passed, or a matter to be otherwise determined, at a meeting.

Section 147B: inserted, on 30 May 2017, by section 106 of the Regulatory Systems (Commercial Matters) Amendment Act 2017 (2017 No 12).

**148 Exemptions from Customs duty**

No Customs duties shall be chargeable on regalia, emblems, certificates, almanacs, and banners being the property of any registered society or branch.

Compare: 1909 No 12 s 98(2)

**149 Recovery of costs, etc, awarded by Registrar**

Any costs or expenses ordered or directed by the Registrar to be paid by any person under this Act shall be recoverable as a debt in any court of competent jurisdiction by the person to whom they are payable.

Compare: 1909 No 12 s 100

**150 Certain persons prohibited from managing societies or credit unions**

- (1) Any person who, being an undischarged bankrupt or bound by a composition in favour of his creditors, acts as a committee member or trustee of, or directly or indirectly takes part in or is concerned in the management of, a registered society or branch or credit union or in any business or activity undertaken by such society, branch, or credit union except with the leave of the High Court shall be guilty of an offence against this Act and shall be liable, on conviction, to a fine not exceeding \$1,000 or to imprisonment for a term not exceeding 6 months or to both.
- (2) Any person who has been convicted of an offence involving fraud or dishonesty and is liable on conviction with imprisonment for a term of 3 months or more and who, within a period of 5 years after his conviction, or if he is sentenced to imprisonment, after his release from prison, without the leave of the High Court is a committee member or trustee or promoter of, or is, whether directly or indirectly, concerned or takes part in the management of, a registered society or branch or credit union or in any business or activity undertaken by such society, branch, or credit union, he shall be guilty of an offence against this Act and shall be liable on conviction to a fine not exceeding \$1,000 or to imprisonment for a term not exceeding 6 months or to both.
- (3) A person intending to apply for the leave of the court under this section shall give to the Registrar not less than 10 days' notice of his intention so to apply.
- (4) On the hearing of any application under this section, the Registrar may appear or be represented at the hearing of, and may oppose the granting of, the application.
- (5) Nothing in this section shall apply in respect of any person who, as at the commencement of this Act, acts as a committee member or trustee of, or directly or indirectly takes part in or is concerned in the management of a registered society or branch or credit union or in any business or activity undertaken by such society, branch, or credit union, and who, but for this subsection, would be guilty of an offence against this Act.

Compare: Friendly Societies Act 1912 s 93A (NSW)

Section 150(1): amended, on 1 July 2013, by section 413 of the Criminal Procedure Act 2011 (2011 No 81).

Section 150(2): amended, on 1 July 2013, by section 413 of the Criminal Procedure Act 2011 (2011 No 81).

## 151 Appeals

- (1) Except where this Act otherwise provides—
  - (a) where this Act provides for an appeal to the High Court; or
  - (b) where any person is aggrieved by the decision of the Registrar in relation to any matter or thing done by him pursuant to this Act,—

the person for whom the appeal is provided or the person aggrieved shall have a right of appeal to the High Court under this section.
- (2) Except where otherwise provided by this Act, every such appeal shall be brought within 1 month after the date on which the appellant was notified of the decision appealed against, or within such further period as the court may allow.
- (3) Where a decision of the Registrar is to cancel or suspend any registration or suspend any business, then, except where this Act otherwise provides, that decision shall be of no effect until,—
  - (a) where notice of an appeal against that decision has been given within the period specified in subsection (2), the appeal is determined; or
  - (b) where no notice of an appeal against that decision has been given within that period, that period expires.
- (4) The court may receive in evidence any statement, document, information, or matter that may in its opinion assist it to deal effectually with the matters before it, whether or not that evidence would be otherwise admissible in a court of law.
- (5) In its determination of any appeal the court may confirm, modify, or reverse the decision appealed against, or any part of that decision, and, subject to subsection (6), the decision of the court shall be final and conclusive.
- (6) The court may in any case, instead of determining any appeal, direct the Registrar to reconsider, either generally or in respect of any specified matters, the whole or any specified part of the matter to which the appeal relates.
- (7) In giving any such direction, the court shall—
  - (a) advise the Registrar of its reasons for doing so; and
  - (b) give to the Registrar such directions as it thinks just as to the reconsideration or otherwise of the whole or any part of the matter that is referred back for reconsideration.

- (8) The Registrar shall, in reconsidering any matter so referred back to him, have regard to the court's reasons for giving a direction and to the court's directions under subsection (7).

Compare: 1909 No 12 s 102

## **152 Regulations**

The Governor-General may, from time to time by Order in Council, make regulations for all or any of the following purposes:

- (a) prescribing fees payable in relation to any matter under this Act:
- (b) prescribing the proper allowances to be made by a credit union for contingent liability for loss in respect of any loan made by that credit union:
- (c) prescribing, in respect of any fund or funds held, arranged, or established by any registered society or branch undertaking insurance or by an association of credit unions, the amount or proportion of any such fund to be invested in New Zealand Government securities or local authority securities:
- (d) providing for such matters as are contemplated by or necessary for giving full effect to the provisions of this Act and for its due administration.

## **153 Offences and penalties**

- (1) Every registered society or branch or credit union, or officer or member thereof, commits an offence against this Act who—
  - (a) without reasonable excuse, acts in contravention of or fails to comply in any respect with any provision of this Act or any notice, direction, restriction, requirement, or condition given, made or imposed under this Act or any regulations made under it:
  - (b) with intent to deceive, makes any false or misleading statement or any material omission in any communication or application or return for the purposes of this Act or of any regulations made under it.
- (2) Every person commits an offence against this Act who—
  - (a) without reasonable excuse where a dispute is referred under this Act to the Registrar, that person refuses to attend, or to produce any accounting records or documents, or to give evidence before the Registrar:
  - (b) with intent to deceive, makes, or orders or allows to be made, any false entry or erasure in or omission from any accounting records or documents of a registered society or branch or credit union.
- (3) Every default under this Act constituting an offence shall constitute a new offence in every week during which the default continues.
- (4) Every person who commits an offence against this Act for which no other penalty is prescribed in this Act shall be liable on conviction to a fine not exceed-

ing \$750 and, in the case of a continuing offence, to a further fine not exceeding \$50 for every week or part of a week during which the offence continues.

- (5) Despite anything to the contrary in section 25 of the Criminal Procedure Act 2011, the limitation period in respect of an offence against this Act ends on the date that is 12 months after the date on which the offence was actually brought to the knowledge of the Registrar; but no charging document may be filed after the expiration of 3 years after the date on which the offence was committed.

Section 153(4): amended, on 1 July 2013, by section 413 of the Criminal Procedure Act 2011 (2011 No 81).

Section 153(5): replaced, on 1 July 2013, by section 413 of the Criminal Procedure Act 2011 (2011 No 81).

#### **154 Recovery of fines, etc, imposed on society, branch, or credit union**

When a fine has been imposed upon a registered society or branch, or credit union in any proceedings under this Act for an offence punishable on conviction, or where in any such proceedings any such society, branch, or credit union has been ordered to pay any costs, the payment of such fine or costs may be enforced and recovered in the same manner as if the society, branch, or credit union were a body corporate and as if all property vested in the trustees of the society, branch, or credit union were vested in the society, branch, or credit union itself for the estate or interest of the trustees therein.

Compare: 1909 No 12 s 88

Section 154: amended, on 1 July 2013, by section 413 of the Criminal Procedure Act 2011 (2011 No 81).

#### **155 Status of trustees and officers for purposes of Crimes Act 1961**

- (1) The trustees of a registered society or branch or credit union shall be deemed to be trustees within the meaning of section 229 of the Crimes Act 1961.
- (2) *[Repealed]*

Compare: 1909 No 12 ss 79, 80

Section 155(1): amended, on 1 October 2003, by section 34 of the Crimes Amendment Act 2003 (2003 No 39).

Section 155(2): repealed, on 1 October 2003, by section 34 of the Crimes Amendment Act 2003 (2003 No 39).

#### **156 Liability of officers and of members of committee on commission of offence**

Where a registered society or branch or credit union is guilty of an offence against this Act, every officer of the society or branch or credit union bound to fulfil any duty whereof the offence is a breach or, if there is no such officer, then every member of the committee (unless that member is proved to have been ignorant of or to have attempted to prevent the commission of the offence) shall be liable to the same penalty as if he had committed the offence.

Compare: 1909 No 12 s 82

**157 Institution of legal proceedings by or against society or branch or credit union**

- (1) The trustees of a registered society or branch or credit union, or any other authorised officer, may bring or defend, or cause to be brought or defended, any action or other legal proceeding in any court touching or concerning any property, right, or claim of the society or branch or credit union, and may sue and be sued in their proper names, without other description than the title of their office.
- (2) In legal proceedings brought under this Act by a member, or person claiming through a member, a registered society or branch or credit union may also be sued in the name, as defendant, of any officer or person who receives contributions or issues policies on behalf of the society or branch or credit union, with the addition of the words “on behalf of the (society) or (branch) or (credit union)”.
- (3) No legal proceeding shall abate or be discontinued by the death, resignation, or removal from office of any officer, or by any act of any such officer, after the commencement of the proceedings.
- (4) Any summons, writ, process, or other proceeding to be issued to or against the officer or other person sued on behalf of a registered society or branch or credit union shall be sufficiently served by personally serving that officer or other person, or by leaving a true copy at the registered office of the society or branch or credit union, or at any place of business of the society or branch or credit union.
- (5) Where the said summons, writ, process, or other proceeding is not served by means of such personal service, or by leaving a true copy at the registered office of the society or branch or credit union, a copy shall be sent in a registered letter addressed to the committee at the registered office of the society or branch or credit union, and posted at least 6 days before any further step is taken on the proceeding.
- (6) Where the person against whom the proceedings are to be taken is himself a trustee of a society or branch or credit union, the proceedings may be brought by the other trustees or trustee of the society or branch or credit union.

Compare: 1909 No 12 s 92

**158 Proof of documents**

- (1) Every instrument or document purporting to be sealed with the seal of the Registrar shall be received in evidence without further proof.
- (2) Every instrument or document purporting to be signed by the Registrar, or the revising barrister, or any actuary or auditor under this Act shall be received in evidence without proof of the signature or of the official position of the person appearing to have signed the instrument or document.



- (3) Every instrument or document required by this Act to be sent to the Registrar may be proved by a document purporting to be a copy thereof under the seal of the Registrar.

Compare: 1909 No 12 s 93

Section 158(2): amended, on 1 May 2011, by section 82 of the Financial Markets Authority Act 2011 (2011 No 5).

### **159 Fines imposed under rules recoverable as a debt**

All fines imposed on a member by a registered society or branch pursuant to its rules shall be recoverable in the same manner as a debt owing to that society or branch by that member.

Compare: 1922 No 56 s 6

### **160 Savings and transitional provisions**

- (1) Any society or branch existing at the commencement of this Act and registered or deemed to be registered under the Friendly Societies Act 1909 (not being a society or branch or separate loan fund of a society or branch which, under this Act, would be a credit union), shall be deemed to be registered under Part 2 and shall be subject to this Act accordingly, but shall have 2 years after the commencement of this Act to comply fully with its provisions.
- (2) Any society or branch registered or deemed to be registered under the Friendly Societies Act 1909 as at the commencement of this Act and any separate loan fund of such a society or branch, being in each case a society, branch, or loan fund that would, under this Act, be a credit union (which, in the case of a loan fund, shall have as its first trustees and other officers the trustees and other officers of the society or branch of which it is a loan fund), shall be deemed to be registered under Part 3 and shall—
- (a) comply with all financial limits imposed in respect of credit unions on and from the day of commencement of this Act in relation to any new business entered into on and after that day; and
  - (b) comply with the provisions of section 133 (which provides for credit unions to be insured against fraud or other dishonesty) within 6 months after the commencement of this Act or within such further period as the Registrar may allow in a particular case; and
  - (c) in relation to any interest in land held in contravention of section 113, dispose of that interest within 6 months after the commencement of this Act; and
  - (d) comply with any other relevant provisions of this Act within 2 years after its commencement or within such further period as the Registrar may allow in a particular case.
- (3) Every society or body of persons which, as at the commencement of this Act, is a credit union but which is registered or incorporated under any other enact-

ment, shall, within 2 years after the commencement of this Act, apply for registration as a credit union under this Act.

- (4) Notwithstanding anything to the contrary in this section, any society or body of persons registered under the Friendly Societies Act 1909 between the day this Act receives the Governor-General's assent and the date of its commencement, being a society or body of persons which would be a credit union under this Act, shall comply fully with the provisions of this Act as from that date of commencement.
- (5) Notwithstanding the revocation of the Friendly Societies Regulations 1910 by section 161(3), any juvenile society registered in accordance with regulations 55 and 56 of those regulations may continue in being as if those regulations had not been revoked.
- (6) Where, in respect of any society, branch, or credit union, subsection (1) or, as the case may be, subsection (2)(d) or subsection (3) would (except for this subsection) apply, the Minister may, if he is satisfied that it would be inequitable or too difficult or too expensive for that society, branch, or credit union to comply fully with the provisions of this Act, exempt the relevant body from compliance with such provisions of this Act as he may specify by notice in the *Gazette*; and the notice shall have effect according to its tenor in respect of the business or activities of the society, branch, or credit union to which it relates.
- (7) Any notice given under subsection (6) may be subject to such conditions as the Minister thinks fit, and may be reviewed from time to time on the application of the Registrar or of the society, branch, or credit union to which it relates, and in like manner may be amended or revoked.

#### **161 Amendments, repeals, and revocations**

- (1) The enactments specified in Schedule 6 are hereby amended in the manner specified.
- (2) The enactments specified in Schedule 7 are hereby repealed.
- (3) The following Orders in Council are hereby revoked:
  - (a) the Order in Council made on 16 May 1911 authorising a special purpose under section 11(1)(d) of the Friendly Societies Act 1909 and published in the *Gazette* on 25 May 1911 at page 1754;
  - (b) the Friendly Societies (Financial Limits) Order 1979.
- (4) The following regulations are hereby revoked:
  - (a) regulations under the Friendly Societies Act 1909 made on 14 March 1910 and published in the *Gazette* on 21 March 1910 at page 873; and
  - (b) regulations amending those regulations made on 2 June 1919 and published in the *Gazette* on 5 June 1919 at page 1750.

## Schedule 1

### Purposes for which friendly societies may be established

s 11

- 1 For the relief or maintenance of the members of the society, their spouses, civil union partners, or de facto partners (in this schedule referred to as a member's **spouse or partner**) (including any former spouse or partner), children (including step-children), fathers, mothers, brothers, sisters, nephews, nieces, or wards being orphans, during sickness or other infirmity (whether bodily or mental) or at any age after 50 or when their spouse or partner has died, or for the relief or maintenance of the orphan children (including step-children) of members during minority or at any later time while they are receiving full-time education.

Schedule 1 clause 1: amended, on 26 April 2005, by section 7 of the Relationships (Statutory References) Act 2005 (2005 No 3).

- 2 For insuring money to be paid—
- (a) on the birth of a member's child; or
  - (b) on the death of a member; or
  - (c) for the funeral expenses of a member, the spouse or partner (including any former spouse or partner), or child of a member, or of the surviving spouse or partner of a member; or
  - (d) with respect to persons of the Jewish persuasion, during the period of confined mourning; or
  - (e) in respect of loan balances or shares in a credit union, where the common bond of members of the credit union is membership of the society.

Schedule 1 clause 2(c): amended, on 26 April 2005, by section 7 of the Relationships (Statutory References) Act 2005 (2005 No 3).

- 3 For the relief or maintenance of members when travelling in search of employment, or when in distressed circumstances.

- 4 For medical or surgical attendance, relief, or requisites for members, their spouses or partners (including any former spouse or partner), children (including step-children), fathers, mothers, brothers, sisters, nephews, nieces, or wards being orphans.

Schedule 1 clause 4: amended, on 26 April 2005, by section 7 of the Relationships (Statutory References) Act 2005 (2005 No 3).

- 5 For the endowment of members or nominees of members at any age or on marriage or entry into civil union.

Schedule 1 clause 5: amended, on 26 April 2005, by section 7 of the Relationships (Statutory References) Act 2005 (2005 No 3).

- 6 For insuring money to be paid to a member of the society on the duration for a specified period of the member's life, either with or without provision for the payment of money in the event of his or her death before the expiry of that period.

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- 7 For the insurance against fire of the tools or implements of the trade or calling of the members.
  - 8 For guaranteeing the performance of their duties by officers and employees of the society or of any of its branches.

## Schedule 2

### Matters to be provided for by the rules of societies registered under Part 2

ss 12, 23

- 1 The name of the society.
- 2 The place which is to be the registered office of the society, to which all communications and notices may be addressed.
- 3 The whole of the objects for which the society is to be established, the purposes for which the funds of the society are to be applied, the terms of admission of members, the conditions under which any member may become entitled to any benefit assured by the society, and the fines and forfeitures to be imposed on any member and the consequences of non-payment of any subscription or fine.  
**Note:** The rules of a society need not contain tables in accordance with which obligations to provide benefits to members have been undertaken or policies of assurance have been issued by the society, if the rules of the society provide that no further obligations may be undertaken or (as the case may be) no further policies may be issued in accordance with any such tables.
- 4 The manner of holding meetings (and of giving notice, when required, of the business to be transacted at any meeting), provision for the calling of an annual general meeting, and the right of voting and the manner of making, altering, or rescinding rules.
- 5 The appointment and removal of a committee of management (by whatever name), of a treasurer and other officers and of trustees and, in the case of a society with branches, the composition and powers of the central body and the conditions under which a branch may secede or be expelled from the society.
- 6 The investment of the funds, the keeping of the accounts, and the audit (if any) of the financial statements.
- 7 Annual returns to the Registrar relating to the affairs and numbers of members of the society.
- 8 The inspection of the books and accounts of the society by every person having an interest in the funds of the society.
- 9 The manner in which disputes shall be settled.
- 10 In the case of dividing societies, a provision for meeting all claims upon the society existing at the time of division before any such division takes place.
- 11 The voluntary dissolution of the society by the consent of at least 75% of the number of its members.
- 12 The right of members of the society to apply to the Registrar for an investigation of the affairs of the society or for winding it up.

13 In the case of friendly societies, the keeping of a separate account of the expenses of management and of all contributions and other money which may be applied to those expenses.

14 Such other matters as may be specified by the Registrar.

Schedule 2 item 6: amended, on 1 April 2014, by section 84 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

### Schedule 3

## Matters to be provided for by the rules of or for branches registered under Part 2

ss 14, 23

- 1 The name of the branch.
- 2 The place which is to be the registered office of the branch to which all communications and notices may be addressed.
- 3 The whole of the objects for which the branch is to be established, the purposes for which the funds of the branch are to be applied, the terms of admission of members, the conditions under which any member may become entitled to any benefit assured by the branch, and the fines and forfeitures to be imposed on any member and the consequences of non-payment of any subscription or fine.  
**Note:** The rules of a branch need not contain tables in accordance with which obligations to provide benefits to members have been undertaken or policies of assurance have been issued by the branch if the rules of the branch provide that no further obligations may be undertaken or (as the case may be) no further policies may be issued in accordance with any such tables.
- 4 The manner of holding meetings (and of giving notice, when required, of the business to be transacted at any meeting), provision for the calling of an annual general meeting, and the right of voting and the manner of making, altering, or rescinding rules.
- 5 The appointment and removal of a committee of management (by whatever name), of a treasurer and other officers and of trustees, the contribution to a fund under the control of the central body, the control of the central body over the branch, and the conditions under which the branch may secede from the society.
- 6 The investment of the funds, the keeping of the accounts, and the audit (if any) of the financial statements.
- 7 Annual returns to the Registrar through the society relating to the affairs and numbers of members of the branch.
- 8 The inspection of the books and accounts of the branch by every person having an interest in the funds of the branch.
- 9 The manner in which disputes of a kind referred to in section 78(2) must be settled.
- 10 In the case of dividing societies, a provision for meeting all claims upon the branch existing at the time of division before any such division takes place.
- 11 The voluntary dissolution of the branch by the consent of the central body and of at least 75% of the number of its members.
- 12 The right of members of the branch to apply to the Registrar for an investigation of the affairs of the branch or for winding it up.

13 In the case of a branch of a friendly society, the keeping of a separate account of the expenses of management and of all contributions and other money which may be applied to those expenses.

14 Such other matters as may be specified by the Registrar.

Schedule 3 item 6: amended, on 1 April 2014, by section 85 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

Schedule 3 item 9: replaced, on 15 April 2004, by section 6 of the Friendly Societies and Credit Unions Amendment Act 2004 (2004 No 28).



## Schedule 4

### Matters to be provided for in rules of credit unions

s 104

- 1 The name of the credit union.
- 2 The place which is to be the registered office of the credit union to which all communications and notices to the credit union may be addressed.
- 3 The objects of the credit union.
- 4 The qualifications for, and the terms of, admission to membership of the credit union, including any special provision for the insurance of members in relation to their shares.
- 5 The manner of holding meetings (and of giving notice, when required, of the business to be transacted at any meeting), provision for the calling of an annual general meeting, and the manner of making, altering, or rescinding rules.
- 6 The appointment and removal of a committee of management (by whatever name), of a treasurer and other officers, and of trustees.
- 7 The denomination of share capital and a determination of the minimum and maximum amount of the interest in the shares of the credit union which may be held by any member.
- 8 Provision for the manner of withdrawal of shares and for payment of the balance due thereon on withdrawal from the credit union.
- 9 The mode and circumstances, expressed either generally or specifically, in which loans to members are to be made and repaid, including any special provision for the insurance of members in relation to loans made to them.
- 10 The investment of funds, the keeping of the accounts, and the audit of the accounts at least once a year.
- 11 Annual returns to the Registrar relating to the affairs and numbers of members of the credit union.
- 12 The inspection of the books and accounts of the credit union by every person having an interest in the funds of the credit union.
- 13 The manner in which disputes of a kind referred to in section 78(2) must be settled.  
Schedule 4 clause 13: substituted, on 15 April 2004, by section 7 of the Friendly Societies and Credit Unions Amendment Act 2004 (2004 No 28).
- 14 Provision for the withdrawal of members from the credit union and for the claims of the representatives of deceased members or the trustees of the property of bankrupt members, and for the payment of nominees.
- 15 Provision for terminating the membership of members in order to comply with the limit provided for on the number of non-qualifying members of a credit union and for the repayment of the shares held by, and of any loans made to, a member whose membership is terminated for such a purpose.

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- 16 The right of members of the credit union to apply to the Registrar for an investigation of the affairs of the credit union.
  - 17 Provision for the dissolution of the credit union, including provision requiring any assets remaining after the payment of debts, repayment of share capital, and discharge of other liabilities—
    - (a) to be transferred to another credit union, or association of credit unions;  
or
    - (b) if not so transferred, to be applied for charitable purposes.
  - 18 Such other matters as may be specified by the Registrar.

**Schedule 5**  
**Persons, societies, or bodies of persons exempt from registration as a  
credit union**

s 99(1)(a), (2)

The Public Service Investment Society Limited

The Consumers' Co-operative Society (Manawatu) Limited

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**Schedule 6**  
**Enactments amended**

s 161(1)

**Administration Act 1969 (1969 No 52)***Amendment(s) incorporated in the Act(s).***Income Tax Act 1976 (1976 No 65)***Amendment(s) incorporated in the Act(s).***Labour Department Act 1954 (1954 No 71) (RS Vol 7, p 521)***Amendment(s) incorporated in the Act(s).***Land Tax Act 1976 (1976 No 64)***Amendment(s) incorporated in the Act(s).***Stamp and Cheque Duties Act 1971 (1971 No 51)***Amendment(s) incorporated in the Act(s).***Trade Unions Act 1908 (1908 No 196) (1957 Reprint, Vol 15, p 827)***Amendment(s) incorporated in the Act(s).***Unit Trusts Act 1960 (1960 No 99)***Amendment(s) incorporated in the Act(s).*

## Schedule 7 Enactments repealed

s 161(2)

**Age of Majority Act 1970 (1970 No 137)**

*Amendment(s) incorporated in the Act(s).*

**Crown Proceedings Act 1950 (1950 No 54) (RS Vol 2, p 51)**

*Amendment(s) incorporated in the Act(s).*

**Friendly Societies Act 1909 (1909 No 12) (RS Vol 6, p 417)**

**Friendly Societies Amendment Act 1911 (1911 No 5) (RS Vol 6, p 474)**

**Friendly Societies Amendment Act 1915 (1915 No 64) (RS Vol 6, p 475)**

**Friendly Societies Amendment Act 1922 (1922 No 56) (RS Vol 6, p 476)**

**Friendly Societies Amendment Act 1948 (1948 No 23) (RS Vol 6, p 479)**

**Friendly Societies Amendment Act 1949 (1949 No 30) (RS Vol 6, p 479)**

**Friendly Societies Amendment Act 1953 (1953 No 62) (RS Vol 6, p 480)**

**Friendly Societies Amendment Act 1959 (1959 No 64) (RS Vol 6, p 481)**

**Friendly Societies Amendment Act 1961 (1961 No 112) (RS Vol 6, p 481)**

**Friendly Societies Amendment Act 1962 (1962 No 70) (RS Vol 6, p 482)**

**Friendly Societies Amendment Act 1963 (1963 No 89) (RS Vol 6, p 482)**

**Friendly Societies Amendment Act 1968 (1968 No 83) (RS Vol 6, p 482)**

**Friendly Societies Amendment Act 1970 (1970 No 63) (RS Vol 6, p 483)**

**Friendly Societies Amendment Act 1972 (1972 No 61) (RS Vol 6, p 483)**

**Friendly Societies Amendment Act 1975 (1975 No 21) (RS Vol 6, p 484)**

**Friendly Societies Amendment Act 1977 (1977 No 152) (RS Vol 6, p 485)**

**Statutes Amendment Act 1942 (1942 No 18) (RS Vol 6, p 478)**

*Amendment(s) incorporated in the Act(s).*

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## Friendly Societies and Credit Unions Amendment Act 2006

Public Act    2006 No 65  
Date of assent    21 November 2006  
Commencement    see section 2

### **1    Title**

This Act is the Friendly Societies and Credit Unions Amendment Act 2006.

### **2    Commencement**

This Act comes into force on the day after the date on which it receives the Royal assent.

#### *Transitional provision*

### **13    Proceedings in relation to section 135(4)(b), 138(c), or 140(1)(c)(ii)**

Every application, investigation, proceeding, action, or other matter concerning a common bond that was commenced under section 135(4)(b), 138(c), or 140(1)(c)(ii) before the commencement of this Act may continue as if this Act had not been passed.

## Financial Reporting (Amendments to Other Enactments) Act 2013

Public Act	2013 No 102
Date of assent	3 December 2013
Commencement	see section 2

### 1 Title

This Act is the Financial Reporting (Amendments to Other Enactments) Act 2013.

### 2 Commencement

- (1) This Act comes into force on a date appointed by the Governor-General by Order in Council; and 1 or more orders may be made appointing different dates for different provisions and for different purposes.
- (2) To the extent that it is not previously brought into force under subsection (1), the rest of this Act comes into force on 1 April 2017.
- (3) In this section, **provision** includes any item, or any part of an item, in any of the schedules.

Section 2(1): this Act (other than sections 18–22) brought into force, on 1 April 2014, by the Financial Reporting Legislation Commencement Order 2014 (LI 2014/52).

*Amendments to Friendly Societies and Credit Unions Act 1982*

### 63 Principal Act

Sections 64 to 85 amend the Friendly Societies and Credit Unions Act 1982 (the principal Act).

### 86 Transitional provision for registered societies and branches

- (1) The Friendly Societies and Credit Unions Act 1982, as amended by sections 64 to 85, applies to a registered society or branch in relation to financial years that commence on or after the commencement of this section.
- (2) The Friendly Societies and Credit Unions Act 1982, as in force before the commencement of this section, continues to apply to a registered society or branch in relation to financial years that commenced before the commencement of this section as if this Act and the Financial Reporting Act 2013 had not been enacted.
- (3) This section is subject to sections 55 and 56 of the Financial Reporting Act 2013 (which require issuers, on a transitional basis, to continue complying with the Financial Reporting Act 1993 and provide transitional rules for FMC reporting entities).

**87 Transitional provision for credit unions**

- (1) The Friendly Societies and Credit Unions Act 1982, as amended by sections 64 to 85, applies to a credit union in relation to financial years that commence on or after the commencement of this section.
- (2) The Friendly Societies and Credit Unions Act 1982, as in force before the commencement of this section, continues to apply to a credit union in relation to financial years that commenced before the commencement of this section as if this Act and the Financial Reporting Act 2013 had not been enacted.
- (3) This section is subject to sections 55 and 56 of the Financial Reporting Act 2013 (which require issuers, on a transitional basis, to continue complying with the Financial Reporting Act 1993 and provide transitional rules for FMC reporting entities).



## Reprints notes

### 1 *General*

This is a reprint of the Friendly Societies and Credit Unions Act 1982 that incorporates all the amendments to that Act as at the date of the last amendment to it.

### 2 *Legal status*

Reprints are presumed to correctly state, as at the date of the reprint, the law enacted by the principal enactment and by any amendments to that enactment. Section 18 of the Legislation Act 2012 provides that this reprint, published in electronic form, has the status of an official version under section 17 of that Act. A printed version of the reprint produced directly from this official electronic version also has official status.

### 3 *Editorial and format changes*

Editorial and format changes to reprints are made using the powers under sections 24 to 26 of the Legislation Act 2012. See also <http://www.pco.parliament.govt.nz/editorial-conventions/>.

### 4 *Amendments incorporated in this reprint*

Regulatory Systems (Commercial Matters) Amendment Act 2017 (2017 No 12): Part 1 subpart 9  
District Court Act 2016 (2016 No 49): section 261  
Friendly Societies and Credit Unions Amendment Act 2015 (2015 No 13)  
Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102): sections 64–85  
Companies Amendment Act 2013 (2013 No 111): section 14  
Financial Markets (Repeals and Amendments) Act 2013 (2013 No 70): section 150  
Friendly Societies and Credit Unions Amendment Act 2012 (2012 No 64)  
Criminal Procedure Act 2011 (2011 No 81): section 413  
Financial Markets Authority Act 2011 (2011 No 5): section 82  
Insurance (Prudential Supervision) Act 2010 (2010 No 111): section 241(2)  
Friendly Societies and Credit Unions (Maximum Gross Sum) Order 2008 (SR 2008/353)  
Births, Deaths, Marriages, and Relationships Registration Amendment Act 2008 (2008 No 48): section 47  
Friendly Societies and Credit Unions Amendment Act 2007 (2007 No 59)  
Friendly Societies and Credit Unions Amendment Act 2006 (2006 No 65)  
Coroners Act 2006 (2006 No 38): section 146  
Relationships (Statutory References) Act 2005 (2005 No 3): section 7  
Friendly Societies and Credit Unions (Maximum Annuity) Order 2004 (SR 2004/210)  
Friendly Societies and Credit Unions Amendment Act 2004 (2004 No 28)  
Crimes Amendment Act 2003 (2003 No 39): section 34  
Public Trust Act 2001 (2001 No 100): section 170(1)

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Arbitration Act 1996 (1996 No 99): section 17  
Co-operative Companies Act 1996 (1996 No 24): section 51  
Banking Act Repeal Act 1995 (1995 No 32): section 2(2)  
Company Law Reform (Transitional Provisions) Act 1994 (1994 No 16): section 2  
Companies Act Repeal Act 1993 (1993 No 126): section 2(1)  
Private Savings Banks (Transfer of Undertakings) Act 1992 (1992 No 21): sections 20, 23(1)  
Trustee Amendment Act 1988 (1988 No 119): section 14(1)  
Disputes Tribunals Act 1988 (1988 No 110): section 82(2)  
State Sector Act 1988 (1988 No 20): section 88(2)  
Protection of Personal and Property Rights Act 1988 (1988 No 4): section 117(3)  
Friendly Societies and Credit Unions Amendment Act 1987 (1987 No 142)  
State-Owned Enterprises Amendment Act 1987 (1987 No 117): section 11(1)  
Official Information Amendment Act 1987 (1987 No 8): section 25(1)  
Friendly Societies and Credit Unions Amendment Act (No 2) 1985 (1985 No 177)  
Friendly Societies and Credit Unions Amendment Act 1985 (1985 No 118)