

## **CO-OPERATION (AMENDMENT) ACT.**

### **Act No. 5, 1963.**

An Act to make further provisions regulating the operations of credit unions established under the Co-operation, Community Settlement, and Credit Act, 1923, as amended by subsequent Acts; to confer additional powers on the registrar of co-operative societies and inspectors appointed under section 118A of that Act, as so amended, in relation to inquiries into the affairs of such societies and the inspection and winding-up of such societies; for these and other purposes to amend that Act, as so amended; and for purposes connected therewith. [Assented to, 26th March, 1963.]

**Elizabeth II,  
No. 5, 1963**

BE

**Co-operation (Amendment) Act.****No. 5, 1963**

**B**E it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of the same, as follows :—

Short title  
and  
citation.

**1.** (1) This Act may be cited as the "Co-operation (Amendment) Act, 1963".

(2) The Co-operation, Community Settlement, and Credit Act, 1923, as amended by subsequent Acts and by this Act, may be cited as the Co-operation Act, 1923-1963.

Amendment  
of Act No. 1,  
1924.

**2.** The Co-operation, Community Settlement, and Credit Act, 1923, as amended by subsequent Acts, is amended—

Sec. 17A.  
(Treasurer  
may under-  
take to in-  
demnify  
building  
societies  
against loss  
in certain  
circum-  
stances.)

(a) by omitting from subsection (1D) of section 17A the words "Any such direction shall be given in relation to the society specified in the direction and shall not be altered while any agreement with that society under this section has effect" and by inserting in lieu thereof the following paragraph :—

A direction under this subsection shall not be altered in its application to and in respect of any agreement under this section while that agreement has effect.

Sec. 17B.  
(Mortgages  
by minors.)

(b) by omitting from subsection one of section 17B the words "and the consent in writing of the co-operative building advisory committee to the execution of the mortgage by such member has been given before its execution,";

Subst. sec.  
29.

(c) by omitting section twenty-nine and by inserting in lieu thereof the following section :—

Objects of  
credit  
unions.

29. A credit union may be formed for the objects of raising a fund by subscriptions of its members and in any way authorised by this Act,  
and

**Co-operation (Amendment) Act.**

73

and of making loans from such fund to its members in accordance with the provisions made by or under this Act and the rules of the credit union. **No. 5, 1963**

(d) by omitting paragraphs (c) and (d) of section thirty and by inserting in lieu thereof the following paragraph :— **Sec. 30.**  
**(Powers.)**

(c) make and enter into arrangements, approved by the credit union advisory committee constituted under this Act, for the provision of loan protection insurance and life savings insurance.

(e) (i) by omitting from subsection one of section thirty-one the words "or guarantee"; **Sec. 31.**  
**(Loans to members.)**

(ii) by omitting from subsection two of the same section the words "or guaranteed";

(f) (i) by omitting from subsection four of section 31A the words "or the lender"; **Sec. 31A.**  
**(Loans to members.)**

(ii) by omitting subsection five of the same section;

(iii) by omitting from subsection six of the same section the words "or the lender may grant an extension of the time for repayment provided that the credit union shall not be liable if the lender without the board's consent, grants an extension of time in respect of a loan guaranteed by the credit union" and by inserting in lieu thereof the words "may grant an extension of the time for repayment";

(iv) by omitting from subsection eight of the same section the words "or guaranteed";

(v) by omitting subsections nine and ten of the same section;

(g) by omitting from subsection (8A) of section sixty-six the words ", without the authority of a special resolution,"; **Sec. 66.**  
**(Loans and deposits.)**

(h)

**Co-operation (Amendment) Act.**

**No. 5, 1963**  
**Sec. 68.**  
 (Investment.)

- (h) by inserting at the end of subsection one of section sixty-eight the following new paragraph :—

Notwithstanding the foregoing provisions of this subsection, a credit union shall not invest any of its funds by way of deposit in any society other than an association of credit unions of which such credit union is a member.

**Sec. 72.**  
 (Name and address.)

- (i) (i) by omitting subsection one of section seventy-two and by inserting in lieu thereof the following subsections :—

(1) (a) The name of a society that is not a credit union shall include the word “co-operative” or the abbreviation “co-op.” as part of its name.

(b) The name of a society that is a credit union shall include the words “credit union” as part of its name.

(1A) A credit union which was registered immediately before the commencement of the Co-operation (Amendment) Act, 1963, and whose name does not include the words “credit union” shall within a period of twelve months after such commencement alter its name in accordance with the requirements of paragraph (b) of subsection one of this section, and until the expiration of the said period the said paragraph (b) shall not apply to any such credit union.

- (ii) by omitting subsection six of the same section and by inserting in lieu thereof the following subsection :—

(6) A document required or authorised by or under this Act to be served on a society or officer of a society, other than a director thereof, may be served on the society or officer by addressing it to the society or the officer, as the case may be, at the registered office

office of the society and by leaving it at or sending it by registered post to the registered office of the society. No. 5, 1963

A document required or authorised by or under this Act to be served on a director of a society may be served on him by registered post addressed to the last address of the director as disclosed in returns transmitted to the registrar pursuant to this Act.

A document served by registered post in accordance with the provisions of this subsection shall be deemed to be served upon the day upon which a letter similarly addressed and sent by ordinary post at the same time would be delivered in the ordinary course of post.

(j) (i) by omitting paragraph (a) of subsection one of section eighty-two and by inserting in lieu thereof the following paragraph :—

(a) the name of the society;

(ii) by omitting from paragraph (e) of the same subsection the words "not exceeding the limits prescribed by this Act" and by inserting in lieu thereof the words "it proposes to exercise those powers";

(k) (i) by inserting in subsection (12B) of section eighty-four after the words "terminating building society" the words "or of a credit union";

(ii) by inserting in the same subsection after the words "the society" the words "or credit union, as the case may be,";

(1)

**Co-operation (Amendment) Act.****No. 5, 1963**Sec. 88.  
(Officers.)

- (l) by omitting from subsection one of section eighty-eight the words “by special resolution of the society” and by inserting in lieu thereof the words “, in the case of a society other than a credit union, by special resolution of the society or, in the case of a credit union, with the approval of all directors present and voting (such directors not being less in number than the number that constitutes a quorum of the board of directors of the credit union) at any meeting of such directors”;

Sec. 92.  
(Winding  
up.)

- (m) (i) by omitting from subsection three of section ninety-two the words “that any of the following events has occurred, that is to say”;
- (ii) by inserting next after paragraph (j) of the same subsection the following new paragraphs :—
- (k) that there are, and have been for a period of one month immediately before the date of the registrar’s certificate, insufficient directors of the society to constitute a quorum as provided by the rules of the society;
- (l) following an inquiry pursuant to the provisions of the Act into the affairs of a society or the working and financial condition of a society, that in the interests of members or creditors of the society the society should be wound up.
- (iii) by omitting from subsection four of the same section the word, symbols and letter “and (g)” and by inserting in lieu thereof the symbols, letters and word “(g) (k) and (l)”.

Sec. 114.  
(Advisory  
Council.)

- (n) by omitting from paragraph (a) of subsection four of section one hundred and fourteen the words “and model rules”;

(o)

(o) (i) by omitting from subsection one of section **No. 5, 1963** one hundred and seventeen the words "may inspect, or may authorise in writing any public servant or any accountant or actuary to inspect any minutes or books, or to" and by inserting in lieu thereof the words "and any inspector appointed under section 118A of this Act and authorised in writing by the registrar either generally or specially to do so, may inspect any minutes or books or";

Sec. 117.  
(Inspection  
by regis-  
trar.)

(ii) by omitting subsection two of the same section;

(p) (i) by omitting subsection seven of section one hundred and eighteen;

Sec. 118.  
(Special  
meeting  
and  
inquiry.)

(ii) by omitting from subsection nine of the same section the words "may appoint an inspector to examine into and report to him upon the affairs of the society" and by inserting in lieu thereof the words "an inspector appointed under section 118A of this Act and authorised in writing by the registrar to do so may examine into and shall report to the registrar upon the affairs of the society";

(iii) by omitting subsection ten of the same section;

(q) by inserting next after section one hundred and eighteen the following new section:—

New  
sec. 118A.

118A. (1) The Governor may appoint inspectors for the purposes of this Act.

(2) The provisions of the Public Service Act, 1902, or of any Act amending that Act, shall not apply to the appointment of any such inspector who is not a public servant and any such inspector who is not a public servant shall not in his capacity as such an inspector be subject to the provisions of any such Act.

(r)

No. 5, 1963  
Subst. sec.  
121.

Powers of  
registrar  
and in-  
spectors.

(r) by omitting section one hundred and twenty-one and by inserting in lieu thereof the following section :—

121. (1) The registrar and any inspector appointed under section 118A of this Act may, for the purpose of any inquiry or inspection under this Act—

- (a) administer an oath;
- (b) by notice in writing require the attendance of any person at the time, and at any place, specified in the notice and require such person then and there to answer any question put to him by the registrar or such inspector, as the case may be, in relation to the matter of any such inquiry or inspection; and to produce all or any of the books or documents of the society;
- (c) require any director or other officer of a society to furnish to the registrar or such inspector, as the case may be, any information relating to the affairs of the society or the matter of any inquiry into the working and financial condition of the society, and to produce to the registrar or such inspector all or any of the books or documents of the society.

A notice referred to in paragraph (b) of this subsection may be served, where it is addressed—

- (i) to a society or a director or other officer of a society, in the appropriate manner specified in subsection six of section seventy-two of this Act; or
- (ii) to any other person, by registered post sent to the last known address of such person.

A notice served by registered post in accordance with the provisions of this subsection shall be deemed to be served upon the day upon which a  
letter



letter similarly addressed and sent by ordinary post at the same time would be delivered in the ordinary course of post. No. 5, 1963

(2) Any person, who—

- (a) when required by the registrar or an inspector pursuant to paragraph (b) of subsection one of this section refuses or fails, without lawful excuse, to attend at any time and place specified in a notice served on such person in accordance with the provisions of that subsection and then and there to answer any question put to him by the registrar or inspector, as the case may be, in relation to the matter of any inquiry or inspection under this Act or to produce any books or documents as required by the notice; or
- (b) being a director or other officer of a society refuses or fails, without lawful excuse, to furnish any information required of him pursuant to paragraph (c) of the said subsection one, or to produce any books or documents required to be produced pursuant to that paragraph,

shall be guilty of an offence and liable to a penalty not exceeding three hundred pounds or to imprisonment for a period not exceeding six months or to both such penalty and imprisonment.

- (s) by omitting from the Second Schedule the words "Maitland Permanent Building, Investment, and Loan Society, Limited, and Savings Bank" and by inserting in lieu thereof the words "Maitland Permanent Building, Investment and Loan Society". Second Schedule.