



ANNO TRICESIMO

ELIZABETHAE II REGINAE

A.D. 1981

No. 103 of 1981**An Act to amend the Building Societies Act, 1975-1981.***[Assented to 23 December 1981]*

BE IT ENACTED by the Governor of the State of South Australia, with the advice and consent of the Parliament thereof, as follows:

Short titles.

1. (1) This Act may be cited as the "Building Societies Act Amendment Act (No. 2), 1981".

(2) The Building Societies Act, 1975-1981, is in this Act referred to as "the principal Act".

(3) The principal Act, as amended by this Act, may be cited as the "Building Societies Act, 1975-1981".

**Commence-
ment.**

2. This Act shall come into operation on a day to be fixed by proclamation.

**Amendment of
s. 3—
Arrangement
of Act.**

3. Section 3 of the principal Act is amended by inserting after the item:

DIVISION IV—RETURNS

the item:

DIVISION V—MANAGEMENT CONTRACTS.

**Amendment of
s. 33—
Restricted
loans.**

4. Section 33 of the principal Act is amended—

(a) by striking out paragraphs (a), (b) and (c) of subsection (1) and substituting the following paragraphs:

(a) a loan of a sum exceeding seventy thousand dollars or, where some other sum is prescribed, exceeding the prescribed sum;

(b) a loan to a person who, after the loan is made, is indebted to the society in a sum exceeding seventy thousand dollars or, where some other sum is prescribed, exceeding the prescribed sum;

(c) a loan made for a purpose other than—

(i) the acquisition, construction or improvement of a place of residence;

or

(ii) the acquisition of land for residential purposes.;

(b) by striking out from paragraphs (b) and (c) of subsection (5) the passage “ten per centum” wherever it occurs and substituting, in each case, the passage “ten per centum or such greater percentage as may be prescribed”;

and

(c) by inserting in subsection (6) after the passage “a restricted loan” the passage “or restricted loans of a specified class”.

5. Section 36 of the principal Act is amended—

Amendment of
s. 36—
Liquidity.

(a) by striking out paragraphs (c), (d) and (e) of the definitions of “liquid funds” in subsection (2) and substituting the following paragraphs:

(c) the monetary value of any securities issued or guaranteed by—

(i) the Treasurer or the Government of the State;

(ii) the Treasurer or the Government of the Commonwealth;

(iii) an instrumentality of the Crown in right of the State or the Commonwealth;

or

(iv) the South Australian Gas Company;

(d) the monetary value of bills of exchange that have been accepted or endorsed by a prescribed bank;;

(b) by striking out paragraph (g) of the definition of “liquid funds” in subsection (2) and substituting the following paragraph:

(g) the monetary value of any other prescribed securities or prescribed assets,;

and

(c) by inserting after paragraph (g) of the definition of “liquid funds” in subsection (2) the passage “less the amount of any borrowings made by the society by way of bank overdraft.”.

6. Section 40 of the principal Act is amended—

Amendment of
s. 40—
Investments.

(a) by striking out paragraph (b) of subsection (1) and substituting the following paragraph:

(b) in bills of exchange that have been accepted or endorsed by a prescribed bank;;

(b) by inserting at the end of paragraph (e) of subsection (1) the passage “or prescribed assets”;

and

(c) by striking out subsection (3) and substituting the following subsection:

(3) A society shall not invest funds in purchasing shares in a company or body corporate unless—

(a) the Registrar has approved in writing of the proposed investment;

(b) the company or body corporate is engaged in activities incidental or related to those of the society;

and

(c) the total of the funds of the society invested in shares of companies or bodies corporate would not, in consequence of the investment, exceed one per centum or such greater percentage as may be prescribed of the total paid up share capital of the society.

Amendment of
s. 41—
Raising of
funds.

7. Section 41 of the principal Act is amended by striking out subsection (2) and substituting the following subsection:

(2) A society shall not raise funds under this section if, in consequence of so doing, the total amount of—

(a) the funds raised and held by the society;

and

(b) the accumulated interest payable but not yet paid or credited to depositors or others,

would exceed two-thirds of the total amount due to the society by way of the outstanding principal of loans made by the society.

Amendment of
s. 58—
Voting.

8. Section 58 of the principal Act is amended by striking out subsection (2) and substituting the following subsection:

(2) Every member who is present-personally or by proxy shall, subject to this section, have one vote, and, notwithstanding anything to the contrary in the rules of the society, no member shall be entitled to more than one vote, on any question arising for decision at a meeting of the society.

Amendment of
s. 67—
Winding up.

9. Section 67 of the principal Act is amended by striking out from paragraph (d) of subsection (3) the passage "less than five hundred thousand dollars" and substituting the passage "not less than two million dollars".

In the name and on behalf of Her Majesty, I hereby assent to this Bill.

K. D. SEAMAN, Governor