



ANALYSIS

<p>Title</p> <p>1. Short Title and commencement</p> <p>2. Interpretation</p> <p>3. Registration of co-operative company</p> <p>4. Surrender of shares</p> <p>5. Reissue of surrendered shares</p> <p>6. Surrendered shares not to exceed one-fifth of issued shares</p>	<p>7. Shareholder may surrender shares</p> <p>8. Compulsory surrender of shares</p> <p>9. Consideration for surrender of shares</p> <p>10. Limiting application of Companies Act 1955</p> <p>11. Use of word "co-operative" in name of co-operative company</p> <p>12. Repeals and savings Schedule</p>
---	---

1956, No. 18

An Act to consolidate and amend certain enactments relating to co-operative companies [19 October 1956]

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:

1. Short Title and commencement—(1) This Act may be cited as the Co-operative Companies Act 1956.

(2) This Act shall come into force on the first day of January, nineteen hundred and fifty-seven.

2. Interpretation—(1) In this Act, unless the context otherwise requires,—

“Articles” has the same meaning as in the Companies Act 1955:

“Company” means a company incorporated under the Companies Act 1955 or under any former Companies Act:

“Co-operative company” means a co-operative egg marketing company, or a co-operative fertiliser manufacturing company, or a co-operative fish marketing company, or a co-operative milk marketing company, or a co-operative pig marketing company; and includes such other classes of companies as are from time to time declared by the Governor-General by Order in Council to be co-operative companies for the purposes of this Act:

“Co-operative egg marketing company” means a company the principal object of which is the marketing or the treatment and marketing of eggs supplied to the company by its shareholders, and of the shares issued by which not less than three-fifths in nominal value are held by persons engaged in supplying eggs to the company:

“Co-operative fertiliser manufacturing company” means a company the only objects of which are the manufacture of fertilisers for the use of its shareholders, the sale to other persons of fertilisers manufactured by it that are surplus to the requirements of its shareholders, and the carrying on of other activities incidental thereto:

“Co-operative fish marketing company” means a company the principal object of which is the treatment for human consumption, or the marketing, of fish supplied to the company by its shareholders, and of the shares issued by which not less than three-fifths in nominal value are held by persons engaged in supplying fish to the company:

“Co-operative milk marketing company” means a company the principal object of which is the treatment or the marketing of milk supplied to the company by its shareholders, and of the shares issued by which not less than three-fifths in nominal value are held by persons engaged in supplying milk to the company:

“Co-operative pig marketing company” means a company the principal object of which is the treatment for human consumption of pigs supplied to the company by its shareholders and the marketing of the produce, and of the shares issued by which not less than three-fifths in nominal value are held by persons engaged in supplying pigs to the company:

“Fertiliser” has the same meaning as in the Fertilisers Act 1927:

“Minister” means the Minister of Justice:

“Pig” includes any portion of the carcass of a pig:

“Principal object”, in relation to any company, means the principal business that the company for the time being carries on, notwithstanding that it may have authority to carry on any other business:

“Registrar” means the Registrar of Companies under the Companies Act 1955.

(2) The Governor-General may from time to time, by Order in Council, declare any class of companies to be co-operative companies for the purposes of this Act.

Cf. 1933, No. 49, s. 2; 1939, No. 39, s. 13 (3); 1944, No. 30, s. 95 (4); 1950, No. 7, s. 2; 1955, No. 26, s. 2

3. Registration of co-operative company—(1) A co-operative company may at any time, on application to the Registrar, and on payment of a fee of one pound, become registered as such under this Act.

(2) The Registrar shall issue to the company when so registered a certificate of registration under this Act, and that certificate shall be conclusive evidence of the validity of the registration.

(3) No application for registration under this Act shall be made unless registration under this Act is provided for by the articles of the company or by a special resolution of the company.

(4) Every application for the registration of a company under this Act shall be accompanied by a statutory declaration, made by one or more directors of the company, that the company is a co-operative company within the meaning of this Act.

(5) Any registration of a company under this Act may at any time be cancelled by the Registrar if he is of opinion that the company is not or has ceased to be a co-operative company within the meaning of this Act, and upon the cancellation being notified to the company the company shall cease to be registered under this Act.

Cf. 1933, No. 49, s. 3; 1939, No. 39, s. 13 (4); 1944, No. 30, s. 95 (1); 1950, No. 7, s. 3; 1955, No. 26, s. 3

4. Surrender of shares—It shall be lawful for any company registered under this Act to require or accept from any of its shareholders, in accordance with the provisions hereinafter contained, a surrender of any shares held by them in the company, and to pay for the shares so surrendered out of the assets of the company in manner hereinafter provided.

Cf. 1933, No. 49, s. 4; 1939, No. 39, s. 13 (4); 1944, No. 30, s. 95 (1); 1950, No. 7, s. 3; 1955, No. 26, s. 3

5. Reissue of surrendered shares—Any shares so surrendered may be reissued by the company to any person in the same manner as if they had not been previously issued.

Cf. 1933, No. 49, s. 5; 1939, No. 39, s. 13 (4); 1944, No. 30, s. 95 (1); 1950, No. 7, s. 3; 1955, No. 26, s. 3

6. Surrendered shares not to exceed one-fifth of issued shares—(1) The number of shares so surrendered to the company and not reissued shall not at any time exceed one-fifth of the total number of shares issued by the company exclusive of the said shares so surrendered and not reissued.

(2) Every director of the company who accepts, authorises, or consents to the surrender of any share in breach of the provisions of this section commits an offence, and shall be liable on summary conviction to a fine not exceeding fifty pounds in respect of every share so unlawfully surrendered.

Cf. 1933, No. 49, s. 6; 1939, No. 39, s. 13 (4); 1944, No. 30, s. 95 (1); 1950, No. 7, s. 3; 1955, No. 26, s. 3

7. Shareholder may surrender shares—(1) In any case not provided for in the following provisions of this section a company registered under this Act may in its discretion, subject to the provisions of section six of this Act, accept the surrender of any shares from any shareholder who agrees to surrender the shares to the company.

(2) The personal representative of a deceased shareholder of a company registered under this Act may surrender to the company any shares held by the deceased shareholder in the company, and, subject to the provisions of section six of this Act, the company shall accept that surrender.

(3) Where any shareholder of a company which is registered under this Act, and of which the principal object includes the treatment or marketing of any goods supplied to the company by its shareholders,—

- (a) Has not supplied any such goods to the company during the immediately preceding period of five years; or
- (b) In a case where the goods are produced on farm land, has disposed of all farm land owned by him (whether in fee simple or as lessor or licensee) situated within the area of supply of the company,—

he may surrender to the company any shares held by him in the company, and, subject to the provisions of section six of this Act, the company shall accept that surrender.

(4) Where any shareholder of a company which is registered under this Act, and of which the principal object includes the sale of any goods to the shareholders of the company,—

- (a) Has not purchased any such goods from the company during the immediately preceding period of five years; or
- (b) In a case where those goods are for use on or in connection with farm land, has disposed of all farm land owned by him (whether in fee simple or as lessee or licensee) situated within the area of supply of the company,—

he may surrender to the company any shares held by him in the company, and, subject to the provisions of section six of this Act, the company shall accept that surrender.

(5) In subsections three and four of this section the term “area of supply”, in relation to any company, means the area from time to time declared by the Minister, by notice in the *Gazette*, to be the area of supply of that company for the purposes of this section.

Cf. 1933, No. 49, s. 7; 1939, No. 39, s. 13 (4); 1944, No. 30, s. 95 (1); 1950, No. 7, s. 3; 1955, No. 26, s. 4

8. Compulsory surrender of shares—(1) Any company registered under this Act (not being a co-operative fertiliser manufacturing company) may at any time (subject to any restrictions or conditions imposed by its articles and to section six of this Act) require any shareholder to surrender to the company the shares held by him in the company, or so many of them as the company thinks fit.

(2) Any co-operative fertiliser manufacturing company registered under this Act may at any time (subject to any restrictions or conditions imposed by its articles and to section six of this Act) require any shareholder who has not purchased fertiliser from the company during the period of two years immediately preceding the passing of the resolution referred

to in subsection three of this section to surrender to the company the shares held by him in the company, or so many of them as the company thinks fit.

(3) No demand for the surrender of any shares shall be made under the authority of this section except pursuant to a resolution of the shareholders of the company.

(4) On the expiration of one month after a written notice of any such resolution has been received by the shareholder, the shares so to be surrendered by him shall be deemed to have been duly surrendered.

Cf. 1933, No. 49, s. 8; 1939, No. 39, s. 13 (4); 1944, No. 30, s. 95 (1); 1950, No. 7, s. 3; 1955, No. 26, s. 5

9. Consideration for surrender of shares—There shall be payable to every shareholder whose shares are surrendered under this Act out of the assets of the company by way of consideration for that surrender—

(a) Where the surrender is under subsection one of section eight of this Act, the amount paid up or deemed to be paid up on the shares so surrendered, together with interest on that amount at the rate of five per cent per annum, calculated from the end of the preceding financial year of the company to the date of the surrender:

(b) In any other case, the value of the shares so surrendered, to be agreed upon by the company and the shareholder, or in default of agreement to be fixed by arbitration under the Arbitration Act 1908, and this section shall be deemed to be a submission within the meaning of that Act.

Cf. 1933, No. 49, ss. 7, 8 (1); 1939, No. 39, s. 13 (4); 1944, No. 30, s. 95 (1); 1950, No. 7, s. 3; 1955, No. 26, s. 6

10. Limiting application of Companies Act 1955—

(1) Except where this Act expressly provides to the contrary, the foregoing provisions of this Act shall take effect notwithstanding anything in the Companies Act 1955 or in any rule of law or in the memorandum or articles of any company.

(2) The following provisions of the Companies Act 1955 shall not apply to a co-operative company which is registered under this Act or the articles of which provide for its registration under this Act, namely:

- (a) Section ninety, which relates to the duties of companies with respect to the issue of share certificates:
- (b) Section one hundred and eighty-four, which relates to restrictions on the appointment or advertisement of directors:
- (c) Section one hundred and eighty-five, which relates to the share qualifications of directors.

Cf. 1933, No. 49, ss. 4, 9; 1939, No. 39, s. 13 (4); 1944, No. 30, s. 95 (1); 1950, No. 7, s. 3; 1955, No. 26, s. 8

11. Use of word "co-operative" in name of co-operative company—(1) Any company entitled to be registered under this Act as a co-operative company may be registered under the Companies Act 1955 by a name which includes the word "co-operative".

(2) If at any time after a company is so registered under the Companies Act 1955 or under any former Companies Act it ceases to be entitled to be registered under this Act, or its registration under this Act is cancelled, subsection one of this section shall cease to apply to the company, and sections thirty-one and thirty-two of the Companies Act 1955 shall apply accordingly.

Cf. 1933, No. 49, s. 10; 1939, No. 39, s. 13 (5), (6); 1944, No. 30, s. 95 (2), (3); 1950, No. 7, s. 4; 1955, No. 26, s. 7

12. Repeals and savings—(1) The enactments specified in the Schedule to this Act are hereby repealed.

(2) Without limiting the provisions of the Acts Interpretation Act 1924, it is hereby declared that the repeal of any provision by this Act shall not affect any document made or any thing whatsoever done under the provision so repealed or under any corresponding former provision, and every such document or thing, so far as it is subsisting or in force at the time of the repeal and could have been made or done under this Act, shall continue and have effect as if it had been made or done under the corresponding provision of this Act and as if that provision had been in force when the document was made or the thing was done.

SCHEDULE**ENACTMENTS REPEALED**

1933, No. 49—

The Co-operative Companies Act 1933.

1939, No. 39—

The Statutes Amendment Act 1939: Section 13.

1944, No. 30—

The Milk Act 1944: Section 95.

1950, No. 7—

The Co-operative Egg Marketing Companies Act 1950.

1955, No. 26—

The Co-operative Fertiliser Manufacturing Companies Act 1955.

1955, No. 63—

The Companies Act 1955: So much of the Fifteenth Schedule as relates to the Co-operative Fertiliser Manufacturing Companies Act 1955.
