
CO-OPERATIVE AND PROVIDENT SOCIETIES.

No. 2 of 1903.

(Affected by Acts No. 75 of 1957 and No. 113 of 1965.)

[As amended by Acts:

No. 16 of 1926, assented to 25th October, 1926;

No. 48 of 1947, assented to 19th December, 1947;

No. 43 of 1969, assented to 21st May, 1969;

and reprinted pursuant to the Amendments Incorporation Act, 1938.]

AN ACT to provide for the Incorporation and Regulation of Co-operative and Provident Societies.

[Assented to 8th September, 1903.]

BE it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and the Legislative Assembly of Western Australia, in this present Parliament assembled, and by the authority of the same, as follows:—

Preliminary.

1. This Act may be cited as the *Co-operative and Provident Societies Act, 1903-1969*, and shall come into operation on the first day of January, One thousand nine hundred and four.

Short title and commencement.
Amended by No. 43 of 1969, s. 1.

2. In this Act, if not inconsistent with the context, the following terms shall have the meanings hereinafter respectively assigned to them:—

Interpretation.
Amended by No. 43 of 1969, s. 2.

“Amendment of a rule” includes a new rule and a resolution rescinding a rule;

Co-operative and Provident Societies.

“Committee” means the Committee of Management or other directing body of a society;

“Land” includes hereditaments and chattels real;

“Meeting” includes (when the rules of a society so allow) a meeting of delegates appointed by members;

“Office” means the registered office for the time being of a society;

“Officer” extends to any trustee, treasurer, secretary, member of the committee, manager, or servant, other than a servant appointed by the committee, of a society;

“Persons claiming through a member” includes the executors, administrators, and assigns of a member, and also his nominees where nomination is allowed;

“Property” includes all real and personal estate (including books and papers);

“Public Auditor” means a person appointed as such, under the provisions of section sixty-one of this Act;

“Registered society” means a society registered or deemed to be registered under this Act;

“Rules” mean the registered rules for the time being, and shall include any registered amendment of rules;

“The Minister” means the responsible Minister of the Crown administering this Act for the time being;

“The Registrar” means the Registrar of Friendly Societies appointed under the Friendly Societies Act, 1894.

Registration of Societies.

3. (1) A Society which may be registered under this Act as a co-operative and provident society is a society for carrying on any lawful industries, businesses, or trades specified in or authorised by its rules, whether wholesale or retail, and including dealings of any description with land; but no member shall have or claim any interest in the shares of the society exceeding five thousand dollars.

Societies which may be registered. Amended by No. 48 of 1947, s. 3; No. 43 of 1969, s. 3.

(2) No registered society shall carry on the business of banking.

4. With respect to the registry of societies, the following provisions shall have effect:—

Conditions of registration. Amended by No. 43 of 1969, s. 4.

- (1) No society shall be registered which does not consist of seven persons at least.
- (2) For the purpose of registry, an application to register the society, signed by seven members and the secretary, and two copies of the rules, written or printed, or partly written and partly printed, shall be sent to the Registrar.
- (3) No society shall be registered under a name identical with that under which any other existing society is registered, or so nearly resembling such name as to be likely, or in any name likely, in the opinion of the Registrar, to mislead the members or the public as to its nature or its identity; and no society shall change its name without the sanction of the Registrar, as hereinafter provided.
- (4) The words "society, limited" shall be the last words in the name of every society registered under this Act.
- (5) On the lodgment with the Registrar of any application to register any society, there shall be paid to the Registrar the prescribed fee.

Acknowledg-
ment of
registry.

5. The Registrar, on being satisfied that a society has complied with the provisions as to registry in force under this Act, shall issue to such society an acknowledgment of registry.

Appeal from
refusal to
register.

6. (1) If the Registrar refuses to register the society or any rules, or amendments of rules, the society may appeal from such refusal to the Supreme Court.

(2) If the refusal of registry is over-ruled on appeal, an acknowledgment of registry shall thereupon be given to the society by the Registrar.

Evidence of
registration.

7. The acknowledgment of registry shall be conclusive evidence that the society therein mentioned is duly registered, unless it is proved that the registry of the society has been suspended or cancelled.

Cancellation and Suspension of Registry.

Cancelling.

8. (1) The Registrar may, with the approval of the Minister, cancel the registry of a society—

(a) at the request of a society; or

(b) on proof to his satisfaction that

(i) an acknowledgment of registry has been obtained by fraud or mistake;
or

(ii) the society exists for an illegal purpose; or

(iii) the society has, after notice from the Registrar, violated any of the provisions of this Act; or

(iv) the number of the members of the society has been reduced to less than seven; or

(v) the society has ceased to exist.

(2) The Registrar, in any case in which he might, with the approval of the Minister, cancel the registry of a society, may suspend the same by writing under his hand for any term not exceeding three months, and may, with the approval of the Minister, renew such suspension from time to time for the like period.

Suspension.

(3) Not less than two months' previous notice in writing, specifying briefly the ground of any proposed cancelling or suspension of registry, shall be given by the Registrar to a society before the registry of the same can be cancelled (except at its request) or suspended; and notice of every cancelling or suspension shall be published in the *Government Gazette* and in a newspaper circulating in the locality in which the registered office of the society is situated, as soon as practicable after the same takes place.

Notice of cancelling or suspension.

(4) A society may appeal to the Supreme Court from the cancelling of its registry, or from any suspension of the same which is renewed after three months.

Appeal.

(5) A society whose registry has been suspended or cancelled shall, from the date of publication in the *Government Gazette* of notice of such suspension or cancelling (but if suspended only while under such suspension, and subject also to the right of appeal hereby given), absolutely cease to enjoy, as such, the privileges of a registered society, but without prejudice to any liability actually incurred by such society which may be enforced against the same as if suspension or cancelling had not taken place.

Effect of cancelling or suspension.

Rules.

9. (1) The rules of a society registered under this Act shall contain provisions in respect of the several matters mentioned in the First Schedule to this Act.

Rules.
Amended by
No. 43 of
1969, s. 5.
First
Schedule.

Amendment.

(2) No amendment of a rule made by a registered society shall be valid until the same has been registered under this Act, for which purpose two copies of the same, signed by three members and the secretary, shall be sent to the Registrar.

(3) On the lodgment with the Registrar of any amendment of rules for registration, there shall be paid to the Registrar the prescribed fee.

(4) The Registrar shall, on being satisfied that any amendment of a rule is not contrary to the provisions of this Act, issue to the society an acknowledgment of registry of the same, which shall be conclusive evidence that the same is duly registered.

Societies to deliver copies of their rules.

(5) A copy of the rules of a registered society shall be delivered by the society to every person on demand, on payment of a sum not exceeding such as may be approved by the Minister.

Rules may set forth forms.

(6) The rules of a registered society, or any schedule thereto, may set forth the form of any instrument necessary for carrying the purposes of the society into effect.

(7) The rules of every society registered under this Act—

- (a) shall provide for the profits being appropriated to any purpose stated therein or as may be determined in such manner as the rules direct; and
- (b) are deemed to provide that all members qualified to vote on any question affecting the society shall have equal voting power irrespective of the number of shares held by them.

Duties and Obligations.

Duties of Societies.

10. Every registered society—

Registered office.

- (1) Shall have a registered office to which all communications and notices may be addressed, and send to the Registrar notice

of the situation of such office and of every change therein; and

- (2) shall paint or affix, and keep painted or affixed, its registered name on the outside of every office or place in which the business of the society is carried on, in a conspicuous position, in letters easily legible, and have such name engraven in legible characters on its seal, and have such name mentioned in legible characters in all notices, advertisements, and other official publications of the society, and in all bills of exchange, promissory notes, indorsements, cheques, and orders for money or goods, purporting to be signed by or on behalf of such society, and in all bills of parcels, invoices, receipts, and letters of credit to or of the society.

Publication of name.

11. (1) Every registered society shall, once at least in every year, submit its accounts and securities for audit and inspection to a public auditor appointed by the society.

Audit.
Amended by
No. 43 of
1969, s. 6.

(2) The public auditor appointed under subsection (1) of this section shall have access to all the books, papers, deeds, documents, and accounts of the society, and shall examine the balance-sheets, showing the receipts and expenditure, funds, and effects of the society, and verify the same with the books, deeds, documents, accounts, and vouchers relating thereto, and by examining the securities held by the society, and shall either sign the same as found by him to be correct, duly vouched, and in accordance with the law, or specially report to the society in what respects he finds them or any of them incorrect, unvouched, or not in accordance with law.

12. (1) Every registered society shall once in every year, before the first day of September, send to the Registrar a general statement (to be called the annual return) of the receipts and expenditure, funds, and effects of the society, as audited.

Annual returns.
Amended by
No. 16 of
1926, s. 2;
No. 43 of
1969, s. 7.

(2) The annual return—

- (a) Shall be signed by the auditor; and
- (b) shall show separately the expenditure in respect of the several objects of the society; and
- (c) shall be made out from the date of its registration or last annual return to the thirtieth day of June then last inclusive, or to the date of the last published balance-sheet of the society, if such last-named date is not more than one month before or after such thirtieth day of June; and
- (d) shall set out the full name and place of business of the public auditor by whom the audit was conducted.

(3) The society shall, together with the annual return, send copies of all balance-sheets, and such other information as the Registrar, with the approval of the Governor, may prescribe, and a copy of the auditor's report, or if more than one such report has been made during the period included in the return, a copy of each of such reports.

Amended by
No. 43 of
1969, s. 8.
Supplying
copies of
annual
return.

13. Every registered society—

- (1) Shall supply gratuitously every member or person interested in the funds of the society, on his application, with a copy of the last annual return of the society for the time being; and
- (2) shall keep a copy of the last annual balance-sheet for the time being, together with the report of the auditor, always hung up in a conspicuous place at the registered office of the society.

Posting
balance-
sheet and
report.

Returns and
other docu-
ments to be
in form
prescribed by
the
Registrar.

14. (1) Every annual or other return and other document required for the purposes of this Act shall be made in such form and contain such particulars

as the Registrar, with the approval of the Governor, from time to time prescribes; and

(2) All documents required to be sent to the Registrar shall be deposited and registered or recorded by the Registrar in such manner and with such observations thereon (if any) as the Registrar directs.

Recording of documents.

Privileges.

15. The registration of a society shall render it a body corporate by the name described in the acknowledgment of registry, by which it may sue and be sued, with perpetual succession and a common seal, and with limited liability; and shall vest in the society all property for the time being vested in any person in trust for the society; and all legal proceedings pending by or against the trustees of any such society may be prosecuted by or against the society in its registered name without abatement.

Incorporation of society with limited liability.

16. The Rules of a registered society shall bind the society and all members thereof, and all persons claiming through them, respectively to the same extent as if each member had subscribed his name and affixed his seal thereto, and there were contained in such rules a covenant on the part of such member, his heirs, executors, administrators and assigns, to conform thereto, subject to the provisions of this Act.

Rules to bind members.

17. (1) All moneys payable by a member to a registered society shall be a debt due from such member to the society, and shall be recoverable as such, either in the Local Court of the district in which the registered office of the society is situate, or in that of the district in which such member resides, at the option of the society.

Remedy for debts from members.

(2) A registered society shall have a lien on the shares of any member for any debt due to it by him,

and may set off any sum credited to the member thereon in or towards the payment of such debt.

Power of nomination for sums not exceeding one hundred dollars.
Amended by No. 113 of 1965, s. 8.

18. (1) A member of a registered society, not being under the age of sixteen years, may, by a writing under his hand, delivered at or sent to the registered office of the society during the lifetime of such member, or made in any book kept thereat, nominate any person or persons other than an officer or servant of the society (unless such officer or servant is the husband, wife, father, mother, child, brother, sister, nephew, or niece of the nominator) to or among whom his property in the society, whether in shares, loans, or deposits, or so much thereof as is specified in such nomination, if the nomination does not comprise the whole, shall be transferred at his decease, provided the amount credited to him in the books of the society does not then exceed one hundred dollars.

Power to revoke or vary nomination.

(2) A nomination so made may be revoked or varied by any similar document under the hand of the nominator, delivered sent or made as aforesaid, but shall not be revocable or variable by the will of the nominator or any codicil thereto.

Nomination book to be kept.

(3) The society shall keep a book wherein the names of all persons so nominated, and of all revocations or variations, if any, of such nominations shall be entered; and the property comprised in any such nomination shall be payable or transferable to the nominees, although the rules of the society declare the shares to be generally not transferable.

Proceedings on death of a nominator.
Amended by No. 48 of 1947, s. 4; No. 43 of 1969, s. 9.

19. On receiving satisfactory proof of the death of a nominator, the committee of the society shall either transfer the property comprised in the nomination in manner directed by it, or pay to every person entitled thereunder the full value of the property given to him, unless the shares comprised therein, if transferred as directed by the nominator, would raise the share capital of any nominee to a sum exceeding five thousand dollars, in which case they shall pay him the value of such shares.

20. If any member of a registered society entitled to property therein in respect of shares, loans, or deposits, not exceeding in the whole, at his death, one hundred dollars, dies intestate, without having made any nomination thereof then subsisting, the committee may, without letters of administration, distribute the same among such persons as appear to them, on such evidence as they deem satisfactory, to be entitled by law to receive the same.

Provision for intestacy. Amended by No. 113 of 1965, s. 8.

21. Where a member or person claiming through a member of a society is insane, and no committee of his estate or trustee of his property has been duly appointed, the society may, when it is proved to the satisfaction of the committee that it is just and expedient so to do, pay the amount of the shares, loans and deposits, not exceeding one hundred dollars, belonging to such member or person, to any person whom they shall judge proper to receive the same on his behalf, whose receipt shall be a good discharge to the society for any sum so paid.

Payment on behalf of insane members. Amended by No. 113 of 1965, s. 8.

22. All payments or transfers made by the committee of a registered society, under the provisions of this Act with respect to payments or transfers to or on behalf of deceased or insane members, to any person who at the time appears to the committee to be entitled thereunder, shall be valid and effectual against any demand made upon the committee or society by any other person.

Payments to persons apparently entitled valid.

23. A person under the age of twenty-one years, but above the age of sixteen, may be a member of a registered society unless provision be made in the rules thereof to the contrary, and may, subject to the rules thereof, enjoy all the rights of a member except as herein provided, and execute all instruments and give all acquittances necessary to be executed or given under the rules, but shall not be a member of the committee, trustee, manager, or treasurer.

Membership of minors.

Promissory
notes and
bills of
exchange.

24. A promissory note or bill of exchange shall be deemed to have been made, accepted, or indorsed on behalf of any society if made, accepted, or indorsed in the name of the society, or by or on behalf or account of the society, by any person acting under the authority of the society.

Register of
members or
shares.

25. Any register or list of members or shares kept by any society shall be *prima facie* evidence of any of the following particulars entered therein:—

- (a) The names, addresses, and occupations of the members, the number of shares held by them respectively, the numbers of such shares, if they are distinguished by numbers, and the amount paid or agreed to be considered as paid on any such shares;
- (b) The date at which the name of any person, company, or society was entered into such register or list as a member;
- (c) The date at which any such person, company, or society ceased to be a member.

Contracts
how made,
varied or
discharged.

26. Contracts on behalf of any registered society may be made, varied, or discharged, as follows:—

- (a) any contract which, if made between private persons, would be by law required to be in writing under seal, may be made, varied, or discharged in the name and on behalf of the society, in writing, under the seal of the society;
- (b) any contract which, if made between private persons, would be by law required to be in writing and signed by the parties to be charged therewith, may be made, varied, or discharged in the name and on behalf of the society, in writing, signed by any person acting under the expressed or implied authority of the society;

- (c) any contract which if made between private persons, would by law be valid, although made by parole only, and not reduced into writing, may be made, varied, or discharged by parole, in the name and on behalf of the society, by any person acting under the expressed or implied authority of the society;

and all contracts made according to the provisions herein contained shall be effectual in law, and shall be binding upon the society and all other parties thereto, their heirs, executors, or administrators, as the case may be.

Property and Funds.

27. A registered society may invest any part of its capital in or upon any security authorised by its rules, and also, if the rules do not direct otherwise—

Investment
of funds.

- (a) in any bank incorporated by Royal Charter, or by or under the provisions of any Act of Parliament or on deposit with the Treasurer under any law now or hereafter to be in force relating to post office savings banks;
- (b) on Government securities of the State of Western Australia;
- (c) on mortgage of freehold or leasehold property (such leasehold being for a term of years absolute, of which not less than twenty years is unexpired);
- (d) on debentures or other securities of the corporation of any municipality of Western Australia issued under the provisions of any Act of Parliament;
- (e) in the shares or on the security of any other society registered or deemed to be registered under this Act, or of any company

registered under the Companies Act, 1893¹: Provided that no such investment be made in the shares of any society or company other than one with limited liability. A society so investing shall be deemed to be a person within the meaning of the Companies Act, 1893.¹

Holding of land.

28. A registered society may (if its rules do not direct otherwise), hold, purchase, or take on lease in its own name any land, and may sell, exchange, mortgage, lease, or build upon the same (with power to alter and pull down buildings and again re-build), and no purchaser, assignee, mortgagee, or tenant shall be bound to inquire as to the authority for any such sale, exchange, mortgage, or lease by the society, and the receipt of the society shall be a discharge for all moneys arising from or in connection with such sale, exchange, mortgage, or lease.

Advances to members.

29. The rules of a registered society may provide for advances of money to members on the security of real or personal property.

Societies members of other bodies corporate may vote by proxy.

30. A registered society which has invested any part of its capital in the shares or on the security of any other body corporate may appoint as proxy any one of its members, although such member is not personally a shareholder of such other body corporate. The proxy shall, during the continuance of his appointment, be taken in virtue thereof as holding the number of shares held by the society by whom he is appointed for all purposes except the transfer of any such shares, or the giving receipts for any dividends thereon.

Any body corporate may hold shares in a society.

31. Any other body corporate may, if its rules, articles, or regulations permit, hold shares by its corporate name in a registered society.

¹ Now Companies Act, 1961.

Discharge of Mortgages.

32. (1) A receipt in full, signed by two members of the committee, and countersigned by the secretary, of a registered society, for all moneys secured to the society on the security of any property to which such receipt relates, and being in the form contained in the Second Schedule to this Act, or in any other form specified in the rules of the society or any schedule thereto, if indorsed on or annexed to any mortgage or assurance, shall vacate the same and vest the property therein comprised in the person entitled to the equity of redemption thereof without any formal reconveyance or surrender.

Discharge of mortgages by receipt indorsed.

Second Schedule.

(2) If such mortgage or other assurance has been registered under any Act for the registration or record of deeds or titles, the Registrar under such Act, or keeper of the register, shall, on production of such receipt, and on being satisfied that the persons signing such receipt are, at the date thereof, members of the committee and secretary respectively of the society, enter satisfaction on the register of such mortgage or of the charge made by such assurance, and shall grant a certificate, either upon such mortgage or assurance, or separately, to the like effect, which certificate shall be received in evidence in all courts and proceedings without further proof.

Officers in receipt or charge of Money.

33. Every officer of a registered society having receipt or charge of money shall, before taking upon himself the execution of his office, become bound, either with or without a surety as the committee may require, in a bond according to the form in the Third Schedule, or such other form as the committee approve, or give the security of a guarantee society in such sum as the committee may direct, conditioned for his rendering a just and true account of all moneys received and paid by him on account of the society at such times as its rules appoint, or as the society or committee thereof require him to do, and for the payment by him of all sums due from him to the society.

Security by officers.

Third Schedule.

Accounts of
officers.
Amended by
No. 113 of
1965, s. 3.

34. (1) Every officer of a registered society having the receipt or charge of money shall, at such times as by the rules of the society he should render account, or upon demand made, or upon notice in writing given or left at his last or usual place of residence, give in his account as required by the society or by the committee thereof, to be examined and allowed or disallowed by them, and shall, on the like demand or notice, pay over all moneys and deliver all property for the time being in his hands or custody to such person as the society or the committee appoint; and in case of any neglect or refusal to deliver such account, or to pay over such moneys or to deliver such property in manner aforesaid, the society may sue upon the bond or security before mentioned, and every such officer so neglecting or refusing as aforesaid shall be guilty of an offence under this Act, and be liable to a penalty of not less than two dollars and not more than twenty dollars.

Servant of
society.

(2) This section shall apply to every servant of a registered society in receipt or charge of money in every case where he is not engaged under a special agreement to account.

Disputes.

Decision of
disputes.

35. (1) Every dispute between a member of a registered society, or any person aggrieved who has for not more than six months ceased to be a member of a registered society, or any person claiming through such member or person aggrieved, or claiming under the rules of a registered society, and the society or an officer thereof, shall be decided in manner directed by the rules of the society, if they contain any such direction, and the decision so made shall be binding and conclusive on all parties without appeal, and shall not be removable into any court of law or restrainable by injunction; and application for the enforcement thereof may be made to the Local Court of the district in which the registered office of the society is situated.

(2) The parties to a dispute in a society may, by consent (unless the rules of such society expressly forbid it), refer such dispute to the Registrar, who shall, with the consent of the Minister, hear and determine such dispute, and shall have power to order the expenses of determining the same to be paid either out of the funds of the society or by such parties to the dispute as he thinks fit, and such determination and order shall have the same effect and be enforceable in like manner as a decision made in the manner directed by the rules of the society.

Power to refer disputes to the Registrar.

(3) The Registrar, when any dispute is referred to him, may administer oaths, and may require the attendance of all parties concerned and of witnesses, and the production of all books and documents relating to the matter in question, and any person refusing to attend or to produce any documents or to give evidence before such Registrar shall be guilty of an offence under this Act.

Powers of Registrar as to evidence.

(4) When the rules of a society direct that disputes shall be referred to Justices of the Peace, the dispute shall be determined by a court of summary jurisdiction consisting of two or more Justices of the Peace.

When rules refer disputes to Justices.

Provided that in every case of a dispute cognisable under the rules of a society by Justices of the Peace, the parties thereto may consent to refer such dispute to the Local Court of the district wherein the parties to such dispute or any of them reside, which may hear and determine the matter in dispute.

(5) When the rules contain no direction as to disputes or no direction applicable to any particular dispute, or when no decision is made on a dispute within forty days after application to the society for a reference under its rules, the member or person aggrieved may apply either to the Local Court of the district wherein the parties to such dispute or any of them reside, or to a court of summary jurisdiction consisting of two or more Justices of the Peace, which may hear and determine the matter in dispute.

Decision of disputes in default of provision in or determination under the rules.

Power to
Local Court,
Justices, and
Registrar to
state case
and compel
discovery.

(6) The Local Court, Justices, or Registrar may, at the request of either party, state a case for the opinion of the Supreme Court on any question of law, and also may grant to either party such discovery as to documents and otherwise, or such inspection of documents as might be granted by the Supreme Court; such discovery to be made on behalf of the society by such officer of the same as such Local Court, Justices, or Registrar determine.

Decisions,
how
enforced.
Amended by
No. 113 of
1965, s. 8.

36. Every decision of a dispute made under the rules of a registered society, or by a Local Court or court of summary jurisdiction under the provisions of this Act, may be enforced with costs by an order of the Local Court or court of summary jurisdiction (as the case may be), and on non-compliance with any such order, every person in default shall be deemed guilty of an offence under this Act, and shall be liable to a penalty not exceeding one hundred dollars, or to be imprisoned for any term not exceeding three months, with or without hard labour:

Provided also, that in all cases when the order of the Local Court or court of summary jurisdiction shall be for the payment of money, the same may be enforced in the same manner as the ordinary judgments and orders of such Local Court or court of summary jurisdiction (as the case may be) are enforced.

Inspection.

Inspection
of books.

37. (1) Save as provided by this Act, no member or person shall have any right to inspect the books of a registered society, notwithstanding anything in the existing rules relating to such inspection.

(2) Any member or person having any interest in the funds of a registered society shall be allowed to inspect his own account and the books containing the names of the members, at all reasonable hours, at the registered office of the society, or at any place where the same are kept, subject to such regulations as to the time and manner of such inspection

as may be made from time to time by the general meetings of the society.

(3) A registered society may, by its rules, authorise the inspection of any of its books therein mentioned, in addition to the said books containing the names of members, under such conditions as are thereby imposed, so that no person, unless he be an officer of the society, or be specially authorised by a resolution thereof, shall have the right to inspect the loan or deposit account of any other member without his written consent.

38. (1) Upon the application of one-tenth of the whole number of members of a registered society, or of one hundred members in the case of a society exceeding one thousand members, the Registrar, with the consent of the Minister in every case, may—

Power to appoint inspectors, and call special meeting.

(a) appoint an inspector or inspectors to examine into and report on the affairs of such society; or

(b) call a special meeting of the society.

(2) The application under this section shall be supported by such evidence, for the purpose of showing that the applicants have good reason for requiring such inspection to be made or meeting to be called, and that they are not actuated by malicious motives in their application, and such notice thereof shall be given to the society as the Registrar shall direct.

Evidence to support and notice of application.

(3) The Registrar may, if he think fit, require the applicants to give security for the costs of the proposed inspection or meeting before appointing any inspector or calling such meeting.

Security for costs.

(4) All expenses of and incidental to any such inspection or meeting shall be defrayed by the members applying for same, or out of the funds of the society, or by the members or officers, or former

Expenses.

members, or officers, of the society in such proportions as the Registrar shall direct.

Production
of books, etc.

(5) An inspector appointed under this section may require the production of all or any of the books, accounts, securities, and documents of the society, and may examine on oath its officers, members, agents, and servants in relation to its business, and may administer an oath accordingly.

Registrar
may convene
special
meeting.

(6) The Registrar may direct at what time and place a special meeting under this section is to be held, and what matters are to be discussed and determined at the meeting, and the meeting shall have all the powers of a meeting called according to the rules of the society, and shall in all cases have power to appoint its own chairman, any rule of the society to the contrary notwithstanding.

Change of Name—Amalgamation—Conversion.

Special
resolutions.

39. For the purposes of this Act a special resolution shall mean a resolution which is —

- (a) passed by a majority of not less than three-fourths of such members of a society for the time being entitled under the rules to vote as are present in person, or by proxy where the rules allow proxies, at any general meeting of which notice, specifying the intention to propose such resolution, has been duly given according to the rules; and
- (b) confirmed by a majority of such members for the time being entitled under the rules to vote as are present in person, or by proxy where the rules allow proxies, at a subsequent general meeting of which notice has been duly given, held not less than fourteen days nor more than one month from the day of the meeting at which such resolution was first passed.

At any meeting mentioned in this section a declaration by the chairman that the resolution has been carried shall be deemed conclusive evidence of the fact.

40. A registered society may, by special resolution, with the approval in writing of the Registrar, change its name, but no such change shall affect any right or obligation of the society or of any member thereof, and any pending legal proceedings may be continued by or against the society, notwithstanding its new name.

Power to change name.

41. (1) Any two or more registered societies may, by special resolution of both or all such societies, become amalgamated together as one society, with or without any dissolution or division of the funds of such societies or either of them, and the property of such societies shall become vested in the amalgamated society without any form of conveyance other than that contained in the special resolution amalgamating the societies.

Power of amalgamation.

(2) And any registered society may, by special resolution, transfer its engagements to any other registered society, which may undertake to fulfil the engagements of such society.

42. (1) A registered society may, by special resolution, determine to convert itself into a company under any Act for the time being in force relating to the incorporation of companies, or to amalgamate with, or transfer its engagements to, any such company.

Power of conversion into a company, etc.

(2) If a special resolution for converting a registered society into a company contains the particulars by the said Act required to be contained in the memorandum of association of a company and a copy thereof has been registered with the Registrar, a copy of such resolution under the hand of the Registrar shall have the same effect as a memorandum

of association duly signed and attested under the said Act.

Effect of conversion of a society into or transfer to or amalgamation with a company.

(3) If a society is registered as, or amalgamated with, or transfers all its engagements to a company, the registry of such a society under this Act shall thereupon become void, and the same shall be cancelled by the Registrar, but the registration of a society as a company shall not affect any right or claim for the time being subsisting against such society or any penalty for the time being incurred by such society, and 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 been registered as a company, and every such right or claim, or the liability to such penalty, shall have priority as against the property of such company over all other rights or claims against or liabilities of such company.

Conversion of company into society. Amended by No. 48 of 1947, s. 5; No. 43 of 1969, s. 10.

43. (1) A company registered under any Act for the time being in force relating to the incorporation of companies may, by a special resolution, determine to convert itself into a registered society, and, for this purpose, in any case where the nominal value of its shares held by any member other than a registered society exceeds five thousand dollars, may, by such resolution, provide for the conversion of the excess of such share capital over five thousand dollars into a transferable loan stock bearing such rate of interest as may thereby be fixed, and repayable on such conditions only as are in such resolution determined.

(2) A resolution for the conversion of a company into a registered society shall be accompanied by a copy of the rules of the society therein referred to, and shall appoint seven persons, members of the company, who, together with the secretary, shall sign the rules, and who may either be authorised to accept any alterations made by the Registrar therein, without further consulting the company, or may be required to lay all such alterations before the

company in general meeting for acceptance as the resolution may direct.

(3) With the rules, a copy of the special resolution for conversion of the company into a registered society shall be sent to the Registrar, who, upon the registration of the society, shall give to it, in addition to the acknowledgement of registry, a certificate similarly sealed or signed that the rules of the society referred to in the resolution have been registered; but in the registered name of the company as a society the word "company" shall not be used.

(4) A copy of the resolution for the conversion of the company into a registered society under the seal of the company, together with the certificate so issued by the Registrar, shall be sent for registration to the office of the Registrar of Companies, and, upon the registration of such resolution and certificate, the conversion shall take effect.

(5) Upon the conversion of a company into a registered society, the registry of the company shall become void, and shall be cancelled by the Registrar of Companies; but the registration of a company as a registered society shall not affect any right or claim for the time being subsisting against the company, or any penalty for the time being incurred by such company, and, for the purpose of enforcing any such right, claim, or penalty, the company may be sued and proceeded against in the same manner as if it had not been registered as a society: And every such right or claim, and the liability to such penalty, shall have priority as against the property of such society over all other rights or claims against or liabilities of the society.

44. A copy of every special resolution for any of the purposes mentioned in this Act, signed by the chairman of the meeting, and countersigned by the secretary, shall be sent to the Registrar and registered by him, and until such copy is so registered, such special resolution shall not take effect.

Registration
of special
resolution.

Creditors not
prejudiced.

45. No amalgamation or transfer of engagements shall prejudice any right of a creditor of either or any society party thereto.

Dissolution.

Dissolution
of societies.

46. A registered society may be dissolved—

By order to
wind up.

(1) By order to wind up the society, or a resolution for the winding up thereof, made as is directed in regard to companies by the Companies Act, 1893¹, the provisions whereof shall apply to any such order or resolution, except that the term "Registrar" shall, for the purpose of such winding up, have the meaning given to it by this Act; or

By consent
of the
members.

(2) by the consent of three-fourths of the members, testified by their signatures to an instrument of dissolution.

Liability of
members in
winding up.

47. Where a registered society is wound up in pursuance of an order or resolution, the liability of a present or past member of the society to contribute for payment of the debts and liabilities of the society, the expenses of winding up, and the adjustment of the rights of contributories amongst themselves shall be qualified as follows:—

- (a) No individual, society, or company who or which has ceased to be a member for one year or upwards prior to the commencement of the winding up shall be liable to contribute;
- (b) No individual, society, or company shall be liable to contribute in respect of any debt or liability contracted after he or it ceased to be a member;
- (c) No individual, society, or company, not a member, shall be liable to contribute, unless it appears to the Court that the contribu-

¹ Now Companies Act, 1961.

tions of the existing members are insufficient to satisfy the just demands on the society;

- (d) No contribution shall be required from any individual, society, or company, exceeding the amount, if any, unpaid on the shares in respect of which he or it is liable as a past or present member;
- (e) An individual, society, or company shall be taken to have ceased to be a member, in respect of any withdrawable share withdrawn, from the date of the notice or application for withdrawal.

48. When a society is terminated by an instrument of dissolution—

Contents of instrument of dissolution.

(1) The instrument of dissolution shall set forth—

- (a) the liabilities and assets of the society in detail;
- (b) the number of members and the nature of their interests in the society respectively;
- (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, unless the same be stated in the instrument of dissolution, to be left to the award of the Registrar.

(2) Alterations in the instrument of dissolution may be made with the like consents as hereinbefore provided, testified in the same manner.

Alterations in instrument of dissolution.

(3) A statutory declaration shall be made by three members and the secretary of the society that the provisions of this Act have been complied with, and

Declaration of compliance with this Act.

Co-operative and Provident Societies.

shall be sent to the Registrar with the instrument of dissolution, and any person knowingly making a false or fraudulent declaration in the matter shall be guilty of a misdemeanour.

Registry of instrument of dissolution.

(4) The instrument of dissolution, and all alterations therein, shall be registered in manner herein provided for the registry of rules, and shall be binding upon all members of the society.

Dissolution to be conclusive unless impeached within three months after *Gazette* notice thereof by the Registrar.

(5) The Registrar shall cause a notice of the dissolution to be advertised, at the expense of the society, in the *Government Gazette* and in some newspaper circulating in the locality in which the registered office of the society is situated; and unless, within three months from the date of the *Government Gazette* in which such advertisement appears, a member or other person interested in or having any claim on the funds of the society commences proceedings to set aside the dissolution of the society, and such dissolution is set aside accordingly, the society shall be legally dissolved from the date of such advertisement, and the requisite consents to the instrument of dissolution shall be considered to have been duly obtained without proof of the signatures thereto.

Notice of proceedings to set aside dissolution.

(6) Notice shall be sent to the Registrar of any proceeding to set aside the dissolution of a society not less than seven days before it is commenced by the person taking such proceeding, and of any order setting a dissolution aside by the society seven days after such order is made.

Offences, Penalties, and Legal Proceedings.

Offences by societies.

49. It shall be an offence under this Act if any registered society—

- (1) fails to give any notice, send any return or document, or do or allow to be done any act or thing which the society or such officer or member, as the case may be, is by this Act required to give, send, do, or allow to be done;

- (2) wilfully neglects or refuses to do any act, or to furnish any information required for the purposes of this Act by the Registrar or other person authorised under this Act, or does any act or thing forbidden by this Act;
- (3) makes a return or wilfully furnishes information in any respect false or insufficient.

50. Every offence by a society under this Act shall be deemed to have been also committed by every officer of the same bound by the rules thereof to fulfil any duty whereof such offence is a breach, or if there be no such officer, then by every member of the committee of the same, unless such member be proved to have been ignorant of, or to have attempted to prevent the commission of, such offence, and every act or default under this Act constituting an offence, if continued, shall constitute an offence in every week during which the same continues.

Responsibility of officers for offences of society.

51. If any person obtains possession by false representation or imposition of any property of a society, or, having the same in his possession, withholds or misapplies the same, or wilfully applies any part thereof to purposes other than those expressed or directed in the rules of the society and authorised by this Act, he shall on the complaint of the society or of any member authorised thereby, or the committee of the same, or of the Registrar or any person authorised by the Registrar, be liable on summary conviction before any two or more Justices to a penalty not exceeding forty dollars and costs, and to be ordered to deliver up all such property or to repay all moneys applied improperly, and in default of such delivery or repayment, or of the payment of such penalty and costs aforesaid, to be imprisoned with or without hard labour for any time not exceeding three months.

Punishment for fraudulently obtaining, withholding, or misappropriating the property of a society. Amended by No. 113 of 1965, s. 8.

But nothing herein contained shall prevent any such person from being proceeded against by way of indictment if not previously convicted of the same offence under the provisions of this Act.

Falsification
of
documents.
Amended by
No. 113 of
1965, s. 8.

52. If any person wilfully makes, orders, or allows to be made any entry, erasure in, or omission from any balance-sheet of a registered society, or any contribution or collecting book, or any return or document required to be sent, produced, or delivered for the purposes of this Act, with intent to falsify the same or to evade any of the provisions of this Act, he shall be liable to a penalty not exceeding one hundred dollars.

Penalty for
not using
name of
society.
Amended by
No. 113 of
1965, s. 8.

53. If any officer of a registered society, or any person on its behalf, using any seal purporting to be a seal of the society, whereon its name is not engraved as herein provided, or issues or authorises the issue of any notice, advertisement, or other official publication of the society, or signs or authorises to be signed, on behalf of the society, any bill of exchange, promissory note, indorsement, cheque, order for money or goods, or issues or authorises to be issued any bills of parcels, invoice, receipt, or letters of credit of the society, wherein its name is not mentioned in manner provided herein, he shall be liable to a fine not exceeding one hundred dollars, and shall further be personally liable to the holder of any such bill of exchange, promissory note, cheque, or order for money or goods for the amount thereof unless the same is duly paid by the society.

Delivery of
false rules.

54. If any person, with intent to mislead or defraud, gives to any other person a copy of any rules, laws, regulations, by-laws, or other documents, other than the rules for the time being registered under this Act, on the pretence that the same are existing rules of a registered society, or that there are no other rules of such society, or gives to any person a copy of any rules on the pretence that such rules are the rules of a registered society, when the society is not registered, the person so offending shall be deemed guilty of an offence under this Act.

Illegal
dissolution.
Amended by
No. 113 of
1965, s. 8.

55. Any officer or person aiding or abetting in the dissolution of a society, otherwise than as in this Act provided, shall be liable to a penalty not exceeding twenty dollars, or to imprisonment, with or without hard labour, not exceeding three months.

56. A registered society may, by its rules, impose penalties on its officers and members for acts or defaults contrary to such rules not exceeding, for any such act or default, twenty dollars; and such penalties shall be recoverable in like manner as penalties imposed by this Act, and shall be payable to such society, and shall be applicable in the manner directed by its rules.

Power to societies to impose penalties on officers and members. Amended by No. 113 of 1965, s. 8.

57. Every society, officer, or member of a society, or other person guilty of an offence under this Act for which no penalty is expressly provided herein, shall be liable to a penalty of not less than two dollars and not more than forty dollars.

When no other penalty provided. Amended by No. 113 of 1965, s. 8.

58. All offences under this Act or any regulations under the same shall be summarily punishable, before two or more Justices of the Peace in petty sessions, on the information of the Registrar or any other person, and all informations and proceedings in respect of such offences shall be heard and determined, and the penalties and forfeitures in respect of the same enforced and appropriated (if not otherwise appropriated under this Act or the regulations) according to the provisions of the Justices Act, 1902.

Prosecution of offences and recovery of penalties.

59. In any information or complaint under this Act, it shall be sufficient to describe the offence in the words of this Act, and no exception, exemption, proviso, excuse, or qualification accompanying the description of the offence in this Act need be specified or negatived.

Description of offences.

Supplemental.

60. The acknowledgment of registry of a society and of any amendment of the rules thereof respectively shall be in the forms provided in the Fourth Schedule to this Act.

Forms of acknowledgment of registry. Fourth Schedule.

61. The Governor may, from time to time, by Order in Council, appoint persons to be public

Appointment of public auditors. Substituted by No. 43 of 1969, s. 11.

auditors, for the purposes of this Act, and may, in like manner, terminate any such appointment.

Evidence.

62. All Courts, Judges, and persons acting judicially shall take judicial notice of the seal of the Registrar, and every instrument or document bearing such seal shall be received in evidence without further proof; and every document purporting to be signed by the Registrar or any inspector or public auditor under this Act, shall, in the absence of any evidence to the contrary, be received in evidence without proof of the signature.

Printed
copies of
rules in use
to be
evidence.

63. A printed copy of rules in use in any society, purporting to be the rules of such society registered under this Act, or to be a consolidation of such rules registered at different times, shall be *prima facie* evidence of the registration of such society as from the date on which such rules or any of them purport to have been registered and of the rules thereof.

And a printed copy of rules which have been in use in any society purporting as aforesaid shall be *prima facie* evidence of the registration of such society as from the date on which such rules or any of them purport to have been registered, and of the rules thereof, and of any repealed rules thereof.

The books containing the minutes of the meeting of any society, duly confirmed by the presiding officer at such meeting, shall be *prima facie* evidence of the business transacted thereat, and that the meeting of which such minutes are a record was duly and regularly convened, held, and constituted.

Governor
may make
regulations.
Amended by
No. 113 of
1965, s. 8.

64. (1) The Governor may from time to time make, alter, and revoke regulations for the following purposes, or any of them:—

- (a) Providing for registry and procedure under this Act, and the forms to be used for such registry;

- (b) Prescribing the duties and functions of the Registrar;
- (c) Prescribing the conditions under which, and the manner in which inspection of documents kept by the Registrar may be made;
- (d) Determining a scale of fees to be paid for matters transacted, and the inspection of documents under this Act, including the fees to be paid to the Registrar for any certificate;
- (e) Providing for all other matters and things necessary for carrying out the objects of this Act.

(2) Such regulations may impose penalties for acts or defaults contrary thereto, not exceeding forty dollars for any such act or default.

65. The Registrar shall, in every year, make to the Minister a report of his proceedings, and of the principal matters transacted by him during the year ending the 31st day of December preceding, and the Minister shall lay such report before Parliament.

Report by Registrar.

66. Nothing contained in this Act shall in any way be deemed or construed to impose any liability on Her Majesty's Government.

Saving liability of Her Majesty's Government.

SCHEDULES.

FIRST SCHEDULE.

Matters to be Provided for by the Rules of Societies Registered under this Act.

Section 9. Amended by No. 48 of 1947, s. 6; No. 45 of 1969, s. 12.

1. Name, objects, and registered office of the society.
2. Terms of admission of the members, including any society or company investing funds in the society under the provisions of this Act.
3. Mode of holding meetings, right of voting, and of making, altering, or rescinding rules.

Co-operative and Provident Societies.

4. The appointment and removal of a committee of management, by whatever name, of managers or other officers, and their respective powers and remuneration.

5. Determination of the amount of interest, not exceeding five thousand dollars, in the shares of the society which any member or body other than a registered society may hold.

6. Determination whether the society may contract loans or receive money on deposit subject to the provisions of this Act from members or others; and, if so, under what conditions, on what security, and to what limits of amount.

7. Determination whether the shares or any of them shall be transferable, and provision for the form of transfer and registration of the shares, and for the consent of the committee thereto; determination whether the shares or any of them shall be withdrawable, and provision for the mode of withdrawal and for payment of the balance due thereon on withdrawing from the society.

8. Provision for the audit of accounts, and for the appointment of auditors or a public auditor.

9. Determination whether and how members may withdraw from the society, and provision for the claims of the representatives of deceased members, or the trustees of the property of bankrupt members, and for the payment of nominees.

10. Mode of application of profits.

11. Provisions for the device, custody, and use of the seal of the society.

12. Determination whether, and by what authority, and in what manner, any part of the capital may be invested.

Section 32.

SECOND SCHEDULE.

Form of Receipt to be Indorsed on Mortgage or
Further Charge.

THE _____ Society, Limited, hereby acknowledges to have received all moneys intended to be secured by the within (or above) written deed.

Given under our hand this _____ day of _____ 19 _____ .

Signatures of two or more Members of { Members of the
the Committee { Committee.

Countersigned [*Signature of Secretary.*]
Secretary.

THIRD SCHEDULE.

Section 33.
Amended by
No. 113 of
1965, s. 8.

Form of Bond.

KNOW all men by these presents that we, A.B., of
 one of the officers of the Society,
 Limited, hereinafter referred to as "the Society" whose
 registered office is at and C.D., of
 (as surety on behalf of the said A.B.), are jointly and
 severally held and firmly bound to the said society in
 the sum of dollars, to be paid to the said
 society, or their certain attorney, for which payment well
 and truly to be made we jointly and severally bind
 ourselves, and each of us by himself, our and each of our
 heirs, executors, and administrators, firmly by these
 presents. Sealed with our seals. Dated the
 day of in the year of our Lord one thousand
 nine hundred and

WHEREAS the above-bounden A.B. has been duly appointed
 to the office of of the Society, Limited,
 and he, together with the above-bounden C.D. as his
 surety, have entered into the above-written bond, subject
 to the condition hereinafter contained: Now therefore
 the condition of the above-written bond is such, that if
 the said A.B. do render a just and true account of all
 moneys received and paid by him on account of the
 society, at such times as the rules thereof appoint, and do
 pay over all the moneys remaining in his hands, and
 assign and transfer or deliver all property (including books
 and papers) belonging to the society in his hands or
 custody to such person or persons as the society or the
 committee thereof appoint, according to the rules of the
 society, together with the proper and legal receipt or
 vouchers for such payments, then the above-written bond
 shall be void, but otherwise shall remain in full force.

Sealed and delivered in the presence of [*two witnesses*].

FOURTH SCHEDULE.

Section 60.

Acknowledgment of Registry of Society.

The Society, Limited, is registered under
 the Co-operative and Provident Societies Act, 1903.

Given under my hand this day of , 19 .

Registrar of Friendly Societies.

Friendly Societies' Office, Perth.

Co-operative and Provident Societies.

Acknowledgment of Registry of Amendment of Rules.

The foregoing [*or annexed*] amendment of the rules of the _____ Society, Limited, is registered under the Co-operative and Provident Societies Act, 1903.

Given under my hand this _____ day of _____, 19 _____.

Registrar of Friendly Societies.

Friendly Societies' Office, Perth.