

SOUTH AUSTRALIA

FRIENDLY SOCIETIES REGULATIONS 1995

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REGULATIONS UNDER THE FRIENDLY SOCIETIES ACT 1919

Friendly Societies Regulations 1995

being

No. 229 of 1995: *Gaz.* 21 December 1995, p. 1783¹

¹ Came into operation 21 December 1995: reg. 2.

Citation

1. These regulations may be cited as the *Friendly Societies Regulations 1995*.

Commencement

2. These regulations will come into operation on the day on which they are made.

Revocation

3. All regulations previously made under the *Friendly Societies Act 1919* are revoked.

Interpretation

4. In these regulations, unless the contrary intention appears—

"Act" means the *Friendly Societies Act 1919*.

Limits on insurance payments (ss. 7(2) & 9(2))

5. (1) For the purposes of sections 7(2) and 9(2) of the Act, a society may not pay—

(a) to a member an amount that exceeds \$500 000 in aggregate under insurance of any of the following classes (or a combination of any of those classes of insurance):

(i) deferred annuities; or

(ii) superannuation; or

(iii) insurance primarily for investment purposes;

(b) to, or on the death of, a member—an amount that exceeds \$35 000 in aggregate under insurance of any other class (or combination of classes) not referred to in paragraph (a);

(c) to a member in respect of—

(i) a sickness pension; or

(ii) an annuity,

an amount that exceeds \$39 000 per annum.

(2) In determining the amount payable to a member for the purposes of subregulation (1)(a), an amount payable in addition to any amount deposited by the member is to be disregarded.

Limit on loans to members (s. 9A(4))

6. For the purposes of section 9A(4) of the Act, a society may not lend to a member an amount that would result in the member being indebted to the society for an amount exceeding \$20 000.

Limit on transfers to loans fund: s. 9A(9)

7. For the purposes of section 9A(9) of the Act, the amount that a society may, with the consent of the Minister, lend to its loan fund from any other fund maintained by the society must not exceed in aggregate \$160 000.

Supervision levy

8. (1) A society must pay to the Minister a supervision levy—

- (a) within three months after the commencement of these regulations; and
- (b) before 31 October 1996 and each subsequent 31 October.

(2) The amount of the supervision levy payable by a society in any year is to be as determined by the Minister in respect of that society and notified by writing served on the society at least two months before the levy is required to be paid.

(3) The supervision levy may be recovered by the Minister as a debt by action in a court of competent jurisdiction.

(4) The Minister must pay amounts received by way of levy under this regulation into a separate account to be kept at the Treasury and applied towards the costs incurred by the Minister in supervising societies under the Act.

Modifications of Corporations Law (s. 45AA)

9. For the purposes of section 45AA(1) of the Act, the provisions of the *Corporations Law* apply in relation to a society with the following modifications, additions or exclusions (in addition to those contained in section 45AA of the Act):

- (a) a reference in those provisions—
 - (i) to the articles of a company—is to be read as a reference to the general laws or rules of a society;
 - (ii) to a director—is to be read as a reference to a member of a committee of management;
 - (iii) to the *Gazette*—is to be read as a reference to the *South Australian Government Gazette*;
- (b) the provisions referred to below are to be taken to have been excluded:
 - (i) Parts 5.4 and 5.4A;
 - (ii) sections 490, 491 and 494;
 - (iii) subsection (4) of section 495;
 - (iv) section 496;
 - (v) Division 3 of Part 5.5;
 - (vi) sections 502, 504, 507, 510, 513A, 513C and 513D;
 - (vii) Division 2 of Part 5.6;
 - (viii) subsection (7) of 530A;

4.

- (ix) subsection (3) of section 533;
 - (x) sections 537, 539 and 540;
 - (xi) sections 546 to 552;
 - (xii) Part 5.7;
- (c) the provisions referred to below are to be taken to have been modified as indicated below:

- (i) section 493—insert "or the appointment of a liquidator by the Minister" after "resolution";
- (ii) section 495(1)—leave out "The" and insert "Except where the Minister orders the winding up of a society, the";
- (iii) section 495(2)—leave out ", or the company in general meeting with the consent of the liquidator," and insert "or the Minister";
- (iv) section 495(3)—leave out and insert—

(3) If a vacancy occurs in the office of a liquidator, the Minister may fill the vacancy and fix the remuneration to be paid to the liquidator.;

- (v) section 503—leave out "Court may, on cause shown," and insert "Minister may";
- (vi) sections 508 and 509—leave out and insert—

Liquidator to provide Minister with information

508. The liquidator must provide the Minister with such information and do such things as the Minister may from time to time determine.

Liquidator to provide written report to Minister

509. The liquidator must, within one month of the affairs of the society being wound up, provide the Minister with a written report giving details of the winding up and the disposal of the society's property and any other information required by the Minister.;

- (vii) section 511—leave out and insert—

Liquidator may apply to Supreme Court to determine questions

511. The liquidator may apply to the Supreme Court to determine any question arising in the winding up of a society.;

- (viii) section 513B—after its present contents insert—

(2) The winding up of a society by order of the Minister commences on the appointment of a liquidator by the Minister.;

5.

- (ix) section 530A—leave out "the Court orders that a company be wound up or appoints a provisional liquidator of a company, or";
- (x) section 530A(1)—after "resolves that it be wound up," insert "or the Minister appoints a liquidator,";
- (xi) section 531—leave out "any creditor or contributory may, unless the Court otherwise orders," and insert "the Minister may";
- (xii) section 544—leave out and insert—

Unclaimed money

544. If after the dissolution of a society money is unclaimed, the liquidator must pay the money to the Treasurer to be dealt with in accordance with the *Unclaimed Moneys Act 1891*.;

- (d) the provisions of Part 5.4B are to be taken to apply only to the extent required for the operation of the provisions of Part 5.5 and subsequent provisions of the *Corporations Law* that apply in relation to a society.