

No. 45 of 1973

## AN ORDINANCE

### To amend the *Companies (Life Insurance Holding Companies) Ordinance 1968-1970*.

I, THE GOVERNOR-GENERAL of Australia, acting with the advice of the Executive Council, hereby make the following Ordinance under the *Seat of Government (Administration) Act 1910-1972*.

Dated this sixth day of November, 1973.

PAUL HASLUCK  
Governor-General.

By His Excellency's Command,

FRANK CREAN  
Treasurer.

### COMPANIES (LIFE INSURANCE HOLDING COMPANIES) ORDINANCE 1973

1. (1) This Ordinance may be cited as the *Companies (Life Insurance Holding Companies) Ordinance 1973*.\*

Short title  
and  
citation.

(2) The *Companies (Life Insurance Holding Companies) Ordinance 1968-1970*† is in this Ordinance referred to as the Principal Ordinance.

(3) The Principal Ordinance, as amended by this Ordinance, may be cited as the *Companies (Life Insurance Holding Companies) Ordinance 1968-1973*.

2. This Ordinance shall come into operation on a date to be fixed by the Minister of State for the Capital Territory by notice published in the *Gazette*.

Commence-  
ment.

3. Section 6 of the Principal Ordinance is amended—

Inter-  
pretation.

(a) by omitting from paragraphs (a) and (b) of the definition of "foreign share" in sub-section (1) the words "in the name, or held in any manner for the use or benefit," and substituting the words "in any manner for the use or benefit"; and

(b) by omitting the definition of "the Commissioner" and substituting the following definition:—

"the Commissioner' has the same meaning as in the *Life Insurance Act 1945-1973*."

\* Notified in the *Australian Government Gazette* on 22 November 1973.

† Ordinance No. 23, 1968, as amended by No. 29, 1970.

Control.

**4.** Section 7 of the Principal Ordinance is amended by adding at the end thereof the following sub-section:—

“(4) For the purposes of this Ordinance, the exercise of the right to cast a vote in respect of a share is not subject to control by a person by reason only that the share is held in the name of that person.”.

Reference to transfers to the Commissioner.

**5.** Section 12 of the Principal Ordinance is amended by adding at the end thereof the following sub-section:—

“(2) Where—

(a) an application has been made to a specified company for the registration of a transfer of a share in the specified company; and

(b) the person to whom, or one of the persons to whom the share is to be transferred is or may be—

(i) a person (other than a corporation) who is not ordinarily resident in Australia or New Zealand; or

(ii) a foreign corporation,

the specified company shall, for the purposes of this section, assume that the share will, on the registration of the transfer, be held for the use or benefit of a person who is not ordinarily resident in Australia or New Zealand.”.

Allotment of shares.

**6.** Section 16 of the Principal Ordinance is amended—

(a) by omitting from sub-section (2) the words “A specified company” and substituting the words “Subject to sub-section (3), a specified company”; and

(b) by adding at the end thereof the following sub-section:—

“(3) Sub-section (2) does not apply to and in relation to an allotment of shares made by the specified company as a result of a proposal made by the specified company for the allotment to all persons who held shares in the specified company at a specified time, being a proposal made on the basis that the number of shares to be allotted to each of those persons is to be determined according to the proportion that the number of shares to be allotted bears to the total number of shares held by all persons holding shares in the specified company at the specified time.”.

Determination by the Commissioner that the shares are foreign shares.

**7.** Section 17 of the Principal Ordinance is amended—

(a) by inserting after sub-section (1) the following sub-section:—

“(1A) Where the person in whose name, or one of the persons in whose names, a share in the specified company is held is or may be—

(a) a person (other than a corporation) who is not ordinarily resident in Australia or New Zealand; or

(b) a foreign corporation,  
the specified company shall, for the purposes of this section, assume that the share is held for the use or benefit of a person who is not ordinarily resident in Australia or New Zealand.”; and

- (b) by omitting from sub-section (2) the words “the last preceding sub-section” and substituting the words “sub-section (1) of this section”.

8. Section 19 of the Principal Ordinance is amended by adding at the end thereof the following sub-sections:—

“ (3) Where—

- (a) the Commissioner has certified under section 17 of this Ordinance that shares in a specified company are foreign shares; and  
(b) the Commissioner is, upon application made to him, satisfied that any of the shares to which the certificate relates have ceased to be foreign shares,

Shares to remain foreign shares until Commissioner otherwise determines.

the Commissioner may, by instrument in writing, vary the certificate previously issued by him by excluding from the operation of the certificate the shares that have ceased to be foreign shares.

“ (4) Where, in pursuance of sub-section (3), the Commissioner varies a certificate previously issued by him, the certificate has, on and after the variation, effect as so varied.”.

9. Section 20 of the Principal Ordinance is amended by omitting sub-section (2) and substituting the following sub-section:—

“ (2) Where the Commissioner has certified under section 18 of this Ordinance that shareholders in a specified company are associated with one another, he may, if, upon application made to him, he is satisfied that—

Shareholders to remain associated until the Commissioner otherwise determines.

- (a) a shareholder is no longer associated with another shareholder in the specified company in relation to any foreign shares; or  
(b) a person who was a shareholder associated with another shareholder has ceased to be a shareholder in the specified company,

vary, by instrument in writing, the certificate previously issued by him accordingly and, thereupon—

- (c) if the certificate previously issued by him certified that the shareholder or person was associated with only one other shareholder, the certificate shall be deemed to have been cancelled; or  
(d) in any other case, the certificate has, on and after the variation, effect as so varied.”.

Notice of  
cancellation  
or variation  
of certificate.

**10. Section 21 of the Principal Ordinance is amended—**

- (a) by inserting, after the word “cancelled”, the words “ or varied ”; and
- (b) by omitting the word “given” and substituting the word “varied”.