

CO-OPERATIVE SOCIETIES.

No. 10 of 1963.

An Ordinance to amend the *Co-operative Societies Ordinance 1939-1962*.

1.—(1.) This Ordinance may be cited as the *Co-operative Societies Ordinance 1963*.^{*} Short title and citation.

(2.) The *Co-operative Societies Ordinance 1939-1962*† is in this Ordinance referred to as the Principal Ordinance.

(3.) The Principal Ordinance, as amended by this Ordinance, may be cited as the *Co-operative Societies Ordinance 1939-1963*.

2. Section three of the Principal Ordinance is amended by omitting the words— Parts.

“ Part IIIA.—Co-operative Building Societies (Sections 14A-14C).”

and inserting in their stead the words—

“ Part IIIA.—Co-operative Building Societies (Sections 14A-14CF).”

3. After section 14C of the Principal Ordinance the following sections are inserted in Part IIIA.:—

“ 14CA.—(1.) A person shall not advertise, circulate or publish, or cause to be advertised, circulated or published, by any means whatsoever any statement— Advertising existence of building societies.

(a) that, or to the effect that, he is able to arrange a loan from a building society for or on behalf of another person; or

(b) that, or to the effect that, a loan may be obtained on a property from a building society.

Penalty: One hundred pounds.

“ (2.) A statement that, or to the effect that, the statement is not an advertisement offering to arrange a loan from a building society does not affect the operation of this section.

“ 14CB.—(1.) A person shall not claim, demand or receive any consideration for obtaining or attempting to obtain a loan from a building society. Penalties and civil remedies.

Penalty: One hundred pounds.

^{*} Made on 25th April, 1963; notified in the *Commonwealth Gazette* and commenced on 9th May, 1963.

[†] Ordinance No. 9, 1939, as amended by No. 1, 1946; No. 14, 1950; No. 14, 1954; No. 10 1956; No. 18, 1958; and Nos. 3 and 7, 1962.

“ (2.) The provisions of the last preceding sub-section do not apply to professional charges made by a solicitor in connexion with work done in obtaining or attempting to obtain a loan from a building society.

“ (3.) Where any consideration is paid or given to a person for obtaining or attempting to obtain a loan from a building society in contravention of sub-section (1.) of this section, the person paying or giving the consideration may recover it, or an amount equal to it, in a court of competent jurisdiction.

Advertising by
building
societies.

“ 14CC.—(1.) Except as provided by section forty of this Ordinance, a building society shall not—

- (a) make or publish, or cause to be made or published, by any means whatsoever, any statement; or
- (b) exhibit, or cause to be exhibited, any form of exhibition,

advertising, or having the effect of advertising, its existence or objects unless the Registrar has approved the advertisement or exhibition, as the case may be, under the next succeeding section.

Penalty: Five hundred pounds.

“ (2.) Where a building society is guilty of an offence against the last preceding sub-section, a person who is a director, manager, secretary or employee of the building society shall, unless he establishes that he did not authorize or permit the doing of the act constituting the offence, be deemed to be guilty of an offence and upon conviction shall be liable to a penalty of Two hundred pounds or imprisonment for three months, or both.

Powers of
the Registrar
concerning
advertisements
and displays.

“ 14CD.—(1.) Subject to the next succeeding sub-section, the Registrar, on receipt of an application by a building society for approval of an advertisement or exhibition referred to in the last preceding section, may—

- (a) approve the publication of the advertisement or the exhibiting of the exhibition in the form submitted;
- (b) prohibit the publication of the advertisement or the exhibiting of the exhibition; or
- (c) direct the building society to amend or alter the advertisement or exhibition.

“ (2.) The Registrar shall not prohibit the publication of an advertisement or the exhibiting of an exhibition unless he has given to the building society not less than seven days notice of his intention to do so.

“(3.) A building society may, during the period of notice given to it by the Registrar, show cause to the Registrar why the Registrar should not prohibit the publication of the advertisement or the exhibiting of the exhibition.

“14CE.—(1.) Where it appears to the Registrar that there is good reason in the interests of persons who have invested or deposited or may invest or deposit moneys with a building society to prohibit any further raising of moneys by, or depositing of moneys with, the building society, the Registrar shall report that fact to the Minister.

Minister may prohibit further borrowing by or depositing with building society.

“(2.) Upon receiving a report from the Registrar, the Minister may, by notice in the *Gazette*, prohibit during a specified period the building society—

- (a) raising moneys on loan;
- (b) receiving moneys on loan;
- (c) accepting payment of moneys owing on any share in the building society, other than the payment of moneys—
 - (i) that fell due before the publication of the notice; or
 - (ii) for the repayment of a loan made to a member that is charged on a share belonging to the member or that is payable in respect of such a share under a mortgage or other security or under the Rules of the building society; or
- (d) disposing of, or otherwise dealing with, any property belonging to the building society,

without the consent of the Registrar.

“(3.) A building society shall not—

- (a) raise moneys on loan;
- (b) receive moneys on loan;
- (c) accept payment of moneys owing on any share in the building society; or
- (d) dispose of, or otherwise deal with, any property belonging to the building society,

in contravention of the last preceding sub-section.

Penalty: Five hundred pounds.

“(4.) Where a building society is guilty of an offence against the last preceding sub-section, a person who is a director, manager, secretary or employee of the building society shall,

unless he establishes that he did not authorize or permit the doing of the act constituting the offence, be deemed to be guilty of an offence.

Penalty: Two hundred pounds or imprisonment for three months, or both.

“ (5.) Where, at the time the Minister causes a notice to be published in the *Gazette*, a member is obliged to pay moneys for the purchase of a share (other than a payment referred to in sub-paragraph (ii) of paragraph (c) of sub-section (2.) of this section) in a building society, payment of the moneys is, subject to the Rules of the building society or to any agreement between the building society and its members, suspended during the currency of the period referred to in the notice.

Registrar to
notify
building
society.

“ 14CF.—(1.) The Registrar shall not furnish to the Minister a report in relation to a building society in accordance with the last preceding section unless he has given to the building society not less than fourteen days notice of his intention to do so.

“ (2.) A building society may, during the period of notice given to it by the Registrar, show cause to the Registrar why the Registrar should not furnish a report to the Minister.”.