

AUSTRALIAN MUTUAL PROVIDENT SOCIETY BILL 1988

NEW SOUTH WALES



EXPLANATORY NOTE

(This Explanatory Note relates to this Bill as introduced into Parliament)

The Australian Mutual Provident Society was incorporated by a Private Act in 1857. The object of this Bill is to amend and modernise laws applicable to AMP (as it is referred to in the Bill) principally by applying provisions of the Companies (New South Wales) Code to AMP as if it were a company duly registered and incorporated under the Code.

The Bill also repeals provisions of the Australian Mutual Provident Society's Act 1910 (which continues the body corporate established by the 1857 Act) which will now be redundant.

The Bill does not change the status of AMP as a body corporate incorporated by the 1857 Act and continued by the 1910 Act.

PART 1—PRELIMINARY

Clause 1 specifies the short title of the proposed Act.

Clause 2 provides that the Act is to commence on a proclaimed day or days after AMP has lodged its proposed by-laws with the Corporate Affairs Commission.

Clause 3 contains definitions used in the proposed Act.

PART 2—APPLICATION OF CODE

Clause 4 provides that, in general, the Code and Code regulations (and Part 80 of the Supreme Court Rules) apply to AMP and to its members and officers as if AMP were a company duly registered and incorporated under the Code.

Clause 5 excludes sections of the Code specified in Schedule 1 to the Bill from being applied to AMP and its members and officers because they are inappropriate.

Clause 6 makes it clear that nothing in the proposed Act is to be taken as constituting AMP as a company for the purposes of State laws relating to companies.

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Clause 7 provides for AMP to be treated as if it were a company limited by guarantee for the purposes of sections 69 and 226 (9) of the Code (which deal with the conversion of a company of one type into a company of another type and the appointment of directors, respectively).

Clause 8 declares that, for the purposes of section 127 of the Code, a member who has (for example) an AMP insurance policy with terms that differ from another AMP insurance policy shall not be taken to be in a class of members having special rights. This is to prevent section 127 (which deals with the variation or abrogation of special rights) applying so as to disallow AMP to exercise contractual rights to vary the terms of its policies.

Clause 9 provides that, in order to satisfy the Code requirements relating to documents to accompany annual returns, AMP need only lodge copies of the documents which it must lodge with the Life Insurance Commissioner under section 52 of the Life Insurance Act 1945 (Cth.).

Clause 10 deals with the status and function of AMP's by-laws.

PART 3—MEMBERSHIP OF AMP

Clause 11 states that membership of AMP is governed by AMP's by-laws.

Clause 12 declares that members will not be liable to contribute to the property of AMP if it is wound up. In that event, only AMP's property is liable to be applied in the payment of its debts.

PART 4—MISCELLANEOUS

Clause 13 enables regulations to be made under the proposed Act. In particular, regulations may be made excluding provisions of the Code or the Code regulations from being applied to AMP or its members or officers.

Clause 14 amends the Australian Mutual Provident Society's Act 1910 as a consequence of the proposed Act, while retaining the provision of that Act that continues AMP as a body corporate incorporated in 1857.

Clause 15 gives effect to the savings and transitional provisions in Schedule 2.

SCHEDULES

Schedule 1 lists provisions of the Code that do not apply to AMP.

Schedule 2 contains savings and transitional provisions, including a provision that declares the identity of AMP, and its continuation as a body corporate, to be unaffected by the proposed Act.
