



To:
Ministry of Business, Innovation & Employment
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1 June 2016

Submission for changes to the "Incorporated Societies Act 1908"

Proposal LCR 57

46 clause 24 - What constitution must contain

1. The constitution must contain rules regarding the following

(m) the nomination of a not-for-profit entity, or a class or description of not-for-profit entities, to which any surplus assets of the society should be distributed on a liquidation of the society or the removal of the society from the register

Having to name the nominated not-for-profit entity in the constitution before the society gets to this position gives reasons for the following:

- ✚ What if that not for profit entity no longer exists when the society gets to this stage?
- ✚ The society members may have changed their mind on who the nominated not-for-profit entity should be as it may have been over 10 years since the entity was nominated
- ✚ There may be new entities in the societies area that were not there available at the time of the nomination
- ✚ The society may have changed its criteria for why that not for profit entity was nominated

(m) could say

- ✚ A meeting to be held by the society to nominate a not for profit entity who any surplus assets are to be distributed to
- ✚ If the Society is to liquidated or be removed from the register the society will hold a meeting to decide who the not for profit entity will be that the surplus assets be distributed to.

General Comments

Don't agree that the specific not-for-profit entity should be named in the constitution but instead say that the society should decide by a meeting who the nominated entity should be.

Yours sincerely

Withheld