

6. If the society has funds, debentures, securities, or moneys in the names of trustees, and a trustee is absent from New Zealand, becomes bankrupt, compounds with his creditors, becomes a lunatic, dies, or has been removed from his office of trustee, or if it is unknown whether he is alive or dead, a registered society, instead of having to apply to the Supreme Court, or to take any other proceedings which it would have to take if unregistered, can have such funds, debentures, &c., transferred by direction of the Registrar, on payment of a fee of £1.

7. The documents of the society are, for the most part, free from stamp duty; and no customs duty is chargeable on the regalia, &c., of a registered society.

8. The society can admit members under twenty-one (but above sixteen), and take binding receipts from them, which would otherwise be of no effect.

9. To a registered friendly society a certificate of the birth or death of a member, or of any other person insured or to be insured with it, costs only 1s.

10. If a registered society invests money on mortgage, such mortgages can be discharged by a mere indorsed receipt, without reconveyance.

11. A registered society has the advantage of depositing money to any amount at interest in the Post Office Savings Bank in the names of the trustees as such—a privilege denied to unregistered societies, as deposits by their trustees can only be received as the deposits of the individuals, and are subject to the ordinary limitation as to amounts at interest, the society not being recognized by the authorities.

12. Its officers are legally bound to render account, and give up all money or property in their possession, on demand or notice, and may be compelled by order of a Resident Magistrate's Court to do so.

13. Disputes may be legally settled according to the societies' own rules; or, if no decision is made within forty days after a decision is applied for, by a Resident Magistrate's Court; or, if both parties desire it, and the rules do not forbid, by the Registrar of Friendly Societies.

14. Members of registered friendly societies have the privilege of legally insuring money, on the deaths of their wives and children, for their funeral expenses, without having an insurable interest in their lives. (Such insurances are void by Act of the Imperial Parliament, if effected with an unregistered society.)

15. Members of registered societies may (unless in benevolent societies or working-men's clubs) dispose at death of sums payable by the society not exceeding £50, by written nomination, without a will; and this nomination may be made by youths or girls of sixteen, who cannot make a will until they are twenty-one.

16. Where there is no will and no nomination, the trustees may distribute sums under £50 without letters of administration being taken out. (A person who should do so in any other case would make himself liable for the debts of the deceased.)

17. The society is entitled, without being in anywise compelled to do so, to call in the services of public auditors for the auditing of its accounts, and of public valuers for the valuation of its assets and liabilities, at fixed rates of fees on a much lower scale than the ordinary professional charges.

18. The rules and other important documents relating to it are placed on record in a public office, from whence authentic copies can be obtained, which are evidence in a Court of justice.

SCHEDULE VI.

INTRODUCTORY OBSERVATIONS ON THE TABLE OF RATES OF CONTRIBUTIONS.

THE object of every friendly society being to provide, amongst other things, by periodical contributions from all its members, for the payment of sums of money in sickness, old age, or at death, it is evidently of the utmost importance that these contributions should be of such magnitude that, when improved at interest, they will be sufficient to enable the society to pay the said sums of money as they from time to time become due. The consequence of their being below this standard will evidently be that, although the members who claim on the funds during the earlier stages of the society's existence will receive during these stages the benefits to which they may be entitled, they will, in so doing, prevent the funds of the society from accumulating with sufficient rapidity to meet all its ulterior engagements. During the process of meeting these latter engagements the funds will therefore be exhausted; and a number of claimants will be unable to obtain the benefits for which they have contracted, and in the hope of obtaining which they may have been paying contributions for a long series of years. In other words, those who are healthy and long-lived will be simply paying their contributions to help those who are sickly in the earlier stages of the society's existence, without much prospect of receiving any benefits themselves when at length they want them.

The disaster above referred to is not merely one which abstract reasoning enables us to anticipate, but it is one which has actually occurred in numberless instances, and under the most aggravated circumstances of suffering and distress, in the experience of the mother-country. An instructive passage on this subject is to be found in the "Manual for Patrons and Members of Friendly Societies," by Mr. Charles Hardwick, Past Grand Master of the Manchester Unity of Odd Fellows. Mr. Hardwick writes as follows:—*

"It is notorious that lodges belonging to the affiliated orders or secret societies, as well as ordinary sick-clubs, have been compelled to reduce the amount of their sick-pay and funeral allowance, simply because the demands had augmented to such an extent that the most illiterate of the members could no longer conceal from themselves the gradual but rapid absorption of their reserved capital. Other branches or clubs have broken up, and divided amongst the disappointed members the remnant of their once seemingly-heavy accumulated fund. Many old and deserving men, who through the best portion of their lives subscribed to such societies, have been thrown into the parish workhouse, or compelled to subsist upon the charity of friends or relatives, because the institution which had fed their provident hopes had crumbled beneath their feet at the very moment when they expected to reap the fruits of their commendable forethought. These are by no means uncommon occurrences, but matters of every-day experience."

* "Manual for Patrons and Members of Friendly Societies," p. 49, Second Edition.