



# **THE STATUTES OF THE REPUBLIC OF SINGAPORE**

## **MUTUAL BENEFIT ORGANISATIONS ACT**

### **(CHAPTER 191)**

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# Mutual Benefit Organisations Act

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An Act for the registration and control of mutual benefit organisations.

[1st August 1960]

**Short title**

1. This Act may be cited as the Mutual Benefit Organisations Act.

**Interpretation**

2. In this Act, unless the context otherwise requires —
  - “benefit” means the payment made by a mutual benefit organisation for the relief or maintenance of the members or subscribers or on birth or death in accordance with the rules of the mutual benefit organisation;
  - “mutual benefit organisation” or “organisation” means any organisation which by its objects and rules either as the principal object or as an ancillary object makes provision by voluntary subscriptions of the members thereof or subscribers thereto with or without the aid of donations for —

- (a) the relief or maintenance of the members or subscribers, their husbands, wives, children, fathers, mothers, brothers, sisters, nephews, nieces or wards, during sickness or other infirmity, whether bodily or mental, in old age or in widow-hood or for the relief or maintenance of the orphan children of members or subscribers during minority;
- (b) the payment of money on the birth of a member's or subscriber's child or on the death of a member or subscriber or of the child, husband, wife, parent or grandparent of a member or subscriber or on the death of any other person or for the funeral expenses of the member or subscriber or of the child, husband or wife of a member or subscriber or of the widow of a deceased member or subscriber; or
- (c) the relief or maintenance of the members or subscribers when unemployed or when in distressed circumstances;

“officer” means the president, the secretary and members of a committee of an organisation and includes persons holding positions analogous to those of president, secretary or member of a committee;

“registered organisation” means any organisation for the time being registered under this Act;

“Registrar” means the officer appointed as Registrar of Mutual Benefit Organisations and includes an Assistant Registrar of Mutual Benefit Organisations;

“subscription” means a subscription paid by a member or subscriber to a mutual benefit organisation and, where a mutual benefit organisation carries on activities other than those of a mutual benefit organisation, means the subscription paid by the member or subscriber for the purpose of obtaining the benefits provided by the rules of the organisation.

[8/74]

**Appointment of Registrar and Assistant Registrars**

**3.** The Minister may appoint by name or office an officer to be the Registrar of Mutual Benefit Organisations and officers to be Assistant Registrars of Mutual Benefit Organisations.

**Conditions of registration**

**4.—(1)** Every mutual benefit organisation shall apply for registration under this Act.

(2) The application for registration of the organisation shall be signed by 7 members and the secretary and shall be sent together with a copy of the rules and a list of the names of the secretary and of every trustee or other officer intended to be authorised to sue and be sued on behalf of the organisation to the Registrar.

(3) The rules of the organisation shall contain provisions in respect of the several matters mentioned in the Schedule.

(4) The list referred to in subsection (2) shall be signed by the secretary and every trustee and other officer named therein and shall on the registration of the organisation be evidence that the persons so named have been duly appointed.

**Registration and issue of certificate of registration**

**5.—(1)** Subject to this Act, the Registrar shall, upon an application being made therefor by a mutual benefit organisation and on payment of the prescribed fee, register the organisation with or without conditions.

(2) Upon registering an organisation under subsection (1), the Registrar shall issue to that organisation a certificate of registration.

(3) The certificate of registration referred to in subsection (2) shall be conclusive evidence that the organisation mentioned therein is duly registered, unless it is proved that the registration of the organisation has been suspended or cancelled.

(4) Where the organisation is registered under subsection (1) subject to conditions, the organisation shall comply with those conditions.

(5) The Registrar may at any time vary or revoke any of the conditions imposed under subsection (1) or impose conditions or additional conditions in respect of the registration of an organisation.

[8/74]

### **Refusal to register mutual benefit organisation**

**6.—**(1) The Registrar shall refuse to register a mutual benefit organisation if he is satisfied that —

- (a) the rules of the organisation are insufficient to provide for its proper management and control;
- (b) the organisation is likely to be used for unlawful purposes or for purposes prejudicial to public peace, welfare or good order in Singapore;
- (c) any officer or person managing or assisting in the management of the organisation is not of good character;
- (d) the scheme for the relief or maintenance of the members thereof or subscribers thereto as provided for in the rules and objects of the organisation is undesirable and not in the interest of the members or subscribers;
- (e) the total number of members thereof or subscribers thereto is less than 50;
- (f) the application for registration does not comply with this Act or any rules made thereunder;
- (g) the rules and objects of the organisation are contrary to the provisions of this Act or any regulations made thereunder;  
or
- (h) it would be contrary to the public interest for the organisation to be registered.

(2) The Registrar may refuse to register a mutual benefit organisation if —

- (a) it appears to him that the name under which the organisation is to be registered is —

- (i) identical with or so nearly resembles that of any other existing organisation as is likely to deceive the members of the public as to its nature or identity; or
  - (ii) likely to mislead members of the public as to the true character and purpose of the organisation; or
- (b) no satisfactory evidence has been produced of the good character of the officers or persons managing or assisting in the management of the organisation.

[8/74]

### **Appeal from refusal to register**

7. Any person who is aggrieved by a decision of the Registrar under section 5(1) or (5) or section 6 may, within one month of being notified of the decision of the Registrar, appeal against his decision to the Minister whose decision shall be final.

[8/74]

### **Annual registers to be published**

8. The Registrar shall cause to be published in the *Gazette* in July of each year a list of all existing registered organisations.

### **Registration of amendments of rules**

9.—(1) An amendment of the rules of a registered organisation shall not be valid until the amendment has been registered under this Act, for which purpose copies of the amendment signed by 3 members and the secretary shall be sent to the Registrar.

(2) The Registrar, on being satisfied that the amendment is not contrary to the provisions of this Act, shall issue to the registered organisation an acknowledgment of registration of the amendment and that acknowledgment shall be conclusive evidence that the amendment is duly registered.

(3) Any person aggrieved by the refusal of the Registrar to register an amendment may appeal to the Minister whose decision shall be final.

**Registered office**

**10.** Every registered organisation shall have a registered office to which all communications and notices may be addressed, and shall send to the Registrar notice of the address of that office and of every change therein.

**Appointment of trustees**

**11.—(1)** Every registered organisation shall have one or more trustees.

(2) The trustees shall be appointed at a meeting of the registered organisation and by a resolution of a majority of the members present and entitled to vote.

(3) The registered organisation shall send to the Registrar a copy of every resolution appointing a trustee signed by the trustee so appointed and by the secretary of the registered organisation.

(4) The same person shall not be secretary or treasurer of a registered organisation and a trustee of that registered organisation.

**Persons prohibited from acting as officers of an organisation**

**12.—(1)** No person shall act as an officer of a mutual benefit organisation or manage or assist in the management of the organisation if —

- (a) he has been convicted of any offence involving dishonesty or moral turpitude and has not received a free pardon; or
- (b) he has been convicted of any other offence and sentenced to a fine of not less than \$2,000 or to imprisonment for a term of not less than one year and has not received a free pardon, unless the written permission of the Minister so to act is first obtained.

(2) Any person who contravenes or fails to comply with any of the provisions of subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$500 or to imprisonment for a term not exceeding 6 months or to both.

[11A  
[8/74]



**Audit**

**13.**—(1) Every registered organisation shall once at least in every year submit its accounts for audit by an auditor approved generally or for any particular audit by the Registrar.

(2) The auditor shall have access to all the books and accounts of the registered organisation and shall examine the annual return mentioned in this Act and verify the annual return with the accounts and vouchers relating thereto, and shall either sign the annual return as found by him to be correct, duly vouched and in accordance with law, or specially report to the registered organisation in what respects he finds it incorrect, unvouched or not in accordance with law.

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**Annual returns**

**14.**—(1) Every registered organisation shall once in every year, not later than 31st May, send to the Registrar a return (referred to in this Act as the annual return) of the receipts and expenditure, funds and effects of the registered organisation as audited.

(2) The annual return shall —

- (a) show separately the expenditure in respect of the several objects of the registered organisation;
- (b) be made out to 31st December then last inclusively; and
- (c) state the name, address and calling or profession of the auditor and the manner in which and the authority under which he is appointed.

(3) The registered organisation shall send to the Registrar, together with the annual return, a copy of any special report of the auditor.

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**Copy of last balance-sheet**

**15.** Every registered organisation shall keep a copy of the last annual balance-sheet together with any special report of the auditors always displayed in a conspicuous place at the registered office of the organisation.

[14]

**Priority on death, bankruptcy, etc., of officer****16.** In the following cases:

- (a) upon the death or bankruptcy of any officer of a registered organisation having in his possession by virtue of his office any money or property belonging to the organisation; or
- (b) if any execution, attachment or other process is issued or action taken against any such officer or against his property,

his heirs, executors or administrators or the Official Assignee or the Sheriff of the Supreme Court or other person executing the process or the party taking the action, shall upon demand in writing of the trustees of the registered organisation or of any two of them or of any person authorised by the registered organisation to make the demand, pay the money and deliver over the property to the trustees of the registered organisation in preference to any other debt or claim against the estate of the officer.

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**Membership of minors**

**17.—(1)** The rules of a registered organisation may provide for the admission of a person under 21 years of age as a member or subscriber.

(2) Any such member or subscriber may, if he is over 16 years of age, by himself and if he is under that age by his parent or guardian, execute all instruments and give all acquittances necessary to be executed or given under the rules, but shall not be a member of the committee, or a trustee, secretary, manager or treasurer of the registered organisation.

**Restriction on nominees**

**18.** No member or subscriber of a registered organisation may nominate as the person to receive the benefits provided under the rules of the organisation a person other than the wife, children (including adopted children), grandchildren, mother, father, sons-in-

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\*Section 15 in the 1970 Edition was repealed by Act 58/70.

law, daughters-in-law, brothers or sisters of the whole blood, brothers or sisters of the half-blood, children of such brothers and sisters of the whole or half-blood, uncles or aunts of the whole blood, uncles or aunts of the half-blood or children of those uncles or aunts of the whole or half-blood of that member or subscriber:

Provided that a member or subscriber may nominate any other person in writing signed by himself in the presence of and attested by a Justice of the Peace or a Magistrate or the Registrar.

### **Right to supply of copies of rules**

**19.** Every registered organisation shall deliver to any person on demand and on payment of a sum not exceeding one dollar, a copy of the rules of the organisation.

### **Right to supply of copies of annual return**

**20.** Every registered organisation shall supply free of charge to every member or subscriber or person having an interest in its funds on his application either —

- (a) a copy of the last annual return of the organisation; or
- (b) a balance-sheet or other document duly audited containing the same particulars as to the receipt and expenditure, funds and effects of the organisation as are contained in the annual return.

### **Inspection of books by members**

**21.** A member or subscriber or person having an interest in the funds of a registered organisation may inspect the books of the organisation at all reasonable hours at the registered office of the organisation or at any place where the books are kept.

### **Subscriptions and benefits**

**22.—(1)** The amount deducted by a registered organisation for administration or any other expense shall not exceed such percentage of the total receipts from subscriptions as may be prescribed by the Minister by rules made under this Act.

(2) All subscriptions paid by members or subscribers during the period in which, under the rules of any registered organisation, the members or subscribers are qualifying for the benefits provided by the rules of the organisation less a sum not exceeding the prescribed percentage allowed for administration and any other expense shall be placed on deposit with a bank which is a member of the Association of Banks in Singapore in the name of the organisation or be invested in trustee securities and those funds shall constitute the reserve funds of the organisation.

[37/98 wef 16/11/1998]

(3) Subscriptions received from members of or subscribers to a registered organisation who have qualified for benefits under the rules of the organisation less a sum not exceeding the prescribed percentage allowed for administration and any other expense shall be paid into a separate account in the name of the organisation with a bank which is a member of the Association of Banks in Singapore and the organisation may draw upon these funds for the purpose of paying the benefits provided in the rules of the organisation.

[37/98 wef 16/11/1998]

(4) No payment of any sum payable as a result of the death of a person shall be made by the organisation except upon the production of the original death certificate or a certified copy thereof issued by a registrar of deaths or, in the case of a person dying outside Singapore, a death certificate issued by the appropriate authority in the place where the person died:

Provided that payment may be made to the personal representative of a deceased member or subscriber where no nomination has been made upon the production of letters of administration or probate of the will of the deceased member or subscriber.

### **Utilisation of reserve funds**

**23.** The reserve funds of a mutual benefit organisation referred to in section 22(2), or any part thereof, may be utilised for any purpose approved by the Minister.

[22A  
[58/70]

**Power to change name**

**24.**—(1) A registered organisation may, by special resolution, with the approval in writing of the Registrar, change its name and shall not change its name in any other manner.

(2) No change of name shall affect any right or obligation of the registered organisation or of any member thereof, and any legal proceeding may be continued by or against the trustees of the organisation or any officer who may sue or be sued on behalf of the organisation, notwithstanding such change of name.

[23]

**Meaning of special resolution**

**25.** For the purpose of this Act, “a special resolution” means a resolution that is —

- (a) passed by a majority of not less than three-fourths of such members of a registered organisation entitled under the rules to vote as may be present at any general meeting of which notice specifying the intention to propose the resolution has been duly given according to the rules; and
- (b) confirmed by a majority of such members entitled under the rules to vote as may be present at a subsequent general meeting of which notice has been duly given, held not less than 14 days nor more than one month from the day of the meeting at which the resolution was first passed.

At any meeting mentioned in this section, a declaration by the chairman that the resolution has been carried shall be conclusive evidence of the fact.

[24]

**Registration of special resolutions**

**26.** A copy of every special resolution signed by the chairman of the meeting and countersigned by the secretary shall be sent to the Registrar and registered and until that copy is registered the special resolution shall not take effect.

[25]

**Inspectors and special meetings**

**27.—**(1) Upon the application of one-fifth of the total number of members of a registered organisation, the Registrar may —

- (a) appoint an inspector or inspectors to examine into and report on the affairs of the organisation; or
- (b) call a special meeting of the organisation.

(2) An application under this section shall be supported by such evidence for the purpose of showing that the applicants have good reason for requiring an inspection to be made or meeting to be called, and that they are not actuated by malicious motives in their application and such notice thereof shall be given to the registered organisation as the Registrar may direct.

(3) The Registrar may, if he thinks fit, require the applicants to give security for the costs of the proposed inspection or meeting before appointing any inspector or calling a meeting.

(4) All expenses of and incidental or preliminary to any such inspection or meeting shall be defrayed by the members applying therefor or out of the funds of the organisation or by the members or officers or former members or officers of the organisation in such proportions as the Registrar may direct.

(5) An inspector appointed under this section may require the production of all or any of the books and documents of the organisation and may examine on oath its officers, members, agents and employees in relation to its business and may administer such oath accordingly.

(6) The Registrar may direct at what time and place a special meeting under this section is to be held and what matters are to be discussed and determined at the meeting, and the meeting shall be deemed to be a meeting called according to the rules of the organisation and those present and entitled to vote shall in all cases have power to appoint the chairman, notwithstanding any rule of the organisation to the contrary.

[26

**Cancellation and suspension of registration**

**28.—**(1) The Registrar may cancel the registration of a mutual benefit organisation —

(a) if he is satisfied that —

- (i) any misrepresentation, whether innocent or otherwise, has been made or there has been a failure to disclose any fact, at the time of the application for registration of the organisation, and such misrepresentation or non-disclosure would have influenced the decision of the Registrar to register or refuse to register the organisation;
- (ii) the organisation is being used for unlawful purposes or for purposes prejudicial to public peace, welfare or good order in Singapore;
- (iii) the organisation is being used for purposes incompatible with its objects or rules;
- (iv) the rules of the organisation are or have been inadequate for its proper management and control and the registered organisation has failed without reasonable excuse to amend its rules within 3 months of, and in accordance with, a direction from the Registrar to amend its rules for those purposes;
- (v) any officer or person managing or assisting in the management of the organisation is not of good character and the organisation has failed without reasonable excuse to remove the officer or person within 3 months of, and in accordance with, a direction from the Registrar to remove the officer or person from the organisation;
- (vi) the number of members of the organisation is less than 50; or
- (vii) the organisation is contravening or has contravened any of the provisions of this Act or any rules made thereunder;

- (b) at the request of the organisation; or
- (c) if he considers it in the public interest to do so.

(2) The Registrar, in any case in which he might cancel the registration of a registered organisation, may by writing under his hand suspend the registration for any term not exceeding 3 months, and may renew the suspension for the like period.

(3) Unless the Registrar has given to a registered organisation not less than two months previous notice in writing specifying briefly the ground of any proposed cancellation or suspension, the registration of the organisation shall not be cancelled (except at its request) or suspended.

(4) Where the registration of a registered organisation has been cancelled or suspended, a notification thereof shall be published in the *Gazette*.

(5) Where the registration of an organisation has been suspended or cancelled, the organisation shall from the time of the suspension or cancellation (but if suspended only while the suspension lasts, and subject also to the right of appeal given by this section) cease to be a registered organisation but without prejudice to any liability actually incurred by the organisation and any such liability may be enforced against the organisation as if the suspension or cancellation had not taken place.

(6) A registered organisation may appeal from the cancellation of its registration or from any suspension thereof to the Minister whose decision shall be final.

[27  
[8/74]

### **Power to freeze bank accounts**

**29.**—(1) Where a notice has been given by the Registrar to a mutual benefit organisation under section 28(3), the Minister may, where he is satisfied that it is likely that the funds of the mutual benefit organisation may be misused, by order, direct any bank in Singapore not to pay any money out and not to pay cheques drawn on the account of that organisation for a specified period not exceeding 3 months.



(2) A bank and any officer thereof which complies with an order of the Minister under subsection (1) shall be relieved of any liability to any other person in respect of the payment prohibited by the order.

(3) The manager of any bank which fails to comply with an order of the Minister under subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$3,000 or to imprisonment for a term not exceeding 3 years or to both.

[27A  
[58/70]

### **Power to seize documents**

**30.**—(1) Where a notice has been given by the Registrar to a mutual benefit organisation under section 28(3), the Registrar or a police officer authorised in writing by the Registrar may at any time enter any place which the Registrar has reason to believe is kept or used by any mutual benefit organisation or any of its members as a place of meeting or business and seize any account book, document or record of the mutual benefit organisation.

(2) Any person who obstructs or prevents the Registrar or a police officer authorised in writing in that behalf by the Registrar from seizing the account books, documents or records of a mutual benefit organisation shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$2,000 or to imprisonment for a term not exceeding 3 years or to both.

[27B  
[58/70]

### **Consequences upon cancellation of registration of organisation**

**31.**—(1) Upon the cancellation of the registration of any organisation —

- (a) the property of the organisation within Singapore shall forthwith vest either in the Official Receiver or in such other officer as may be appointed for the purpose of winding up by the Minister;
- (b) the Official Receiver or that other officer shall proceed to wind up the affairs of the organisation and after satisfying and providing for all debts and liabilities of the

organisation and the costs of winding up, shall divide the surplus assets, if any, of the organisation amongst the members of the organisation according to the rules of the organisation, if any, or if there are no such rules applicable to such a case, then equally, but if by reason of the great number of members, or the difficulty of ascertaining the persons entitled to the assets or if from any other cause such a division is, in the opinion of the Official Receiver or that other officer, impracticable, he shall prepare and submit to a Judge of the High Court for his approval a scheme for the application of the surplus assets to purposes for the benefit of that portion of the public to which the members of the organisation more particularly belonged or of the public generally;

*[16/93 wef 01/07/1993]*

*[9/2003 wef 16/05/2003]*

- (c) such a scheme, when submitted for approval, may be amended by the Judge in such a way as he thinks proper under the circumstances of the case;
- (d) the approval of the Judge of such a scheme or amended scheme shall be denoted by the endorsement thereon of a memorandum of the approval signed by the Registrar of the Supreme Court and by the memorandum being sealed with the seal of the Court and upon this being done, the surplus assets, the subject of the scheme, shall be held and applied by the Official Receiver or that other officer upon the terms and to the purposes thereby prescribed; and
- (e) for the purpose of winding up the affairs of an organisation the Official Receiver or such other officer shall have all the powers vested in the Official Receiver under the Companies Act [Cap. 50] for the purpose of discovery of the property of a debtor, the realisation thereof and the winding up of a company, and the provisions of those Acts shall apply mutatis mutandis to the winding up of the affairs of a mutual benefit organisation under this Act.

*[9/2003 wef 16/05/2003]*

*[9/2003 wef 16/05/2003]*

(2) For the purpose of enabling an organisation to wind up its own affairs, the Minister may by notification in the *Gazette* suspend the operation of subsection (1) for such period as to him seems expedient. [28]

### **Dissolution of registered organisations**

**32.** A registered organisation may terminate or be dissolved in any of the following ways:

- (a) upon the happening of any event declared by the rules to amount to termination of the organisation;
- (b) by the consent of three-fourths of the members of the organisation testified by their signatures to an instrument of dissolution; or
- (c) by the Registrar in the cases specified in this Act.

[29]

### **Instrument of dissolution**

**33.** Where a registered organisation is terminated by an instrument of dissolution —

- (a) the instrument shall set forth —
  - (i) the liabilities and assets of the registered organisation in detail;
  - (ii) the number of members and subscribers and the nature of their interests in the organisation;
  - (iii) the intended appropriation or division of the funds and property of the organisation, unless the appropriation or division is stated in the instrument of dissolution to be left to the award of the Registrar;
- (b) a statutory declaration made by one of the trustees or by 3 members and the secretary of the organisation that the provisions of this Act have been complied with shall be sent to the Registrar with the instrument of dissolution;
- (c) the instrument shall not direct or contain any provision for a division or appropriation of the funds of the organisation

or any part thereof, otherwise than for the purpose of carrying into effect the objects of the organisation as declared in the rules thereof, unless the claim of every member or person claiming any relief, annuity or other benefit from the funds thereof is first duly satisfied or adequate provision is made for satisfying those claims;

- (d) the instrument of dissolution shall be registered in the manner provided in this Act for the registration of amendments of rules, and shall be binding upon all members of the organisation; and
- (e) the Registrar shall cause a notification of the dissolution to be published in the *Gazette* and unless within 3 months from the date of the publication of the notification, a member or subscriber or other person interested in or having any claim on the funds of the organisation commences proceedings to set aside the dissolution of the organisation, and the dissolution is set aside accordingly, the organisation shall be dissolved from the date of the publication of the notification in the *Gazette* and the requisite consents in the instrument of dissolution shall be considered to have been duly obtained without proof of the signatures thereto.

[30]

### **Dissolution by Registrar**

**34.—**(1) Upon the application made in writing under their hands of one-fifth of the total number of members of a registered organisation, the Registrar may, by himself or by any Assistant Registrar or by any auditor whom the Registrar appoints in writing, investigate the affairs of the organisation, but the Registrar shall give not less than one month's previous notice in writing to the organisation whose affairs are to be investigated.

(2) The application shall —

- (a) state that the funds of the organisation are insufficient to meet the existing claims thereon or that the rates of

contribution fixed in the rules of the organisation are insufficient to cover the benefits assured;

- (b) set forth the grounds on which the insufficiency is alleged; and
- (c) request an investigation into the affairs of the organisation with a view to its dissolution.

(3) If upon investigation it appears that the funds of the organisation are insufficient to meet the existing claims thereon or that the rates of contribution fixed in the rules of the organisation are insufficient to cover the benefits assured to be given by the organisation, the Registrar may, if he considers it expedient to do so, order that the organisation shall be dissolved and its affairs wound up and shall direct in what manner the assets of the organisation shall be divided or appropriated:

Provided that the Registrar may suspend his order for such period as he may consider necessary to enable the organisation to make such alteration and adjustment of contributions and benefits as will in his judgment remove the necessity for the making of the order of dissolution.

(4) The Registrar proceeding under this section shall have all the powers and authorities enforceable by the same penalties as in the case of a dispute referred to him under this Act.

(5) Every order under this section, whether for dissolution or distribution of funds, shall be final and conclusive on the organisation in respect of which the order is made and on all members and subscribers of the organisation and on all persons having any claim on the funds of the organisation without appeal and shall be enforced in the same manner as a decision in a dispute under this Act.

(6) The expenses of every investigation and of publishing every notification of dissolution shall be paid out of the funds of the organisation before any other appropriation thereof is made.

(7) A notification of every order for dissolution shall, within 21 days after the order has been made, be published in the *Gazette* and unless, within 3 months from the date of the publication of the notification, a member or subscriber or person interested in or having

any claim on the funds of the organisation commences proceedings to set aside the dissolution of the organisation consequent upon the order, and the dissolution is set aside accordingly, the organisation shall be dissolved from the date of the publication of the notification and the requisite signatures to the application to the Registrar shall be considered to have been duly obtained without proof of the signatures thereto.

[31]

### **Notice of proceedings to set aside dissolution**

**35.—**(1) Where a person takes any proceeding to set aside the dissolution of an organisation, he shall give notice of the proceeding to the Registrar not less than 7 days before the proceeding is commenced.

(2) Where an order is made setting aside the dissolution of an organisation, the organisation shall give notice of the order to the Registrar within 7 days after the order has been made.

[32]

### **Decision on disputes**

**36.—**(1) Every dispute between —

- (a) a member or subscriber or person claiming through a member or a subscriber or under the rules of a registered organisation and the organisation or an officer thereof; and
- (b) any person aggrieved who has ceased to be a member of a registered organisation or any person claiming through such an aggrieved person, and the organisation or an officer thereof,

shall be decided in the manner directed by the rules of the registered organisation and the decision so given shall be binding and conclusive on all parties without appeal, and shall not be removable to any court or restrainable by injunction; and application for the enforcement thereof may be made to a District Court.

(2) The parties to a dispute involving a registered organisation may by consent (unless the rules of the organisation expressly forbid it) refer the dispute to the Registrar.

(3) The Registrar to whom a dispute is referred shall, either by himself or by any Assistant Registrar, hear and determine the dispute and shall have power to order the expenses of determining the dispute to be paid either out of funds of the organisation or by such parties to the dispute as he may think fit, and his determination or order shall have the same effect and be enforceable in like manner as a decision made in the manner directed by the rules of the organisation.

(4) The Registrar or Assistant Registrar to whom a dispute is referred may administer oaths and may require the attendance of all parties concerned and of witnesses, and the production of all books and documents relating to the matter in question.

[33]

### **Unlawful organisations**

**37.** Every mutual benefit organisation, not being a registered organisation, shall be deemed to be an unlawful organisation.

[34]

### **Penalties on office-bearer, etc., of an unlawful organisation**

**38.** Any office-bearer and any person managing or assisting in the management of any unlawful organisation shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$3,000 or to imprisonment for a term not exceeding 3 years or to both.

[35]

### **Penalties on member of an unlawful organisation**

**39.** Any person who is or acts as a member of an unlawful organisation or attends a meeting of an unlawful organisation shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$1,000 or to imprisonment for a term not exceeding one year or to both.

[36]

**Persons allowing unlawful organisation on premises**

**40.** Any person who knowingly allows a meeting of an unlawful organisation or of members of an unlawful organisation to be held in any house, building or place belonging to or occupied by him or over which he has control, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$1,000 or to imprisonment for a term not exceeding one year or to both.

[37]

**Presumptions**

**41.** In any proceedings under this Act —

- (a) it shall not be necessary for the prosecution to prove that a mutual benefit organisation possesses a name or that it has been constituted or is usually known under a particular name; and
- (b) where it is alleged that an organisation is an unlawful organisation, the burden of proving that it is a registered organisation shall lie on the person charged.

[38]

**Offences**

**42.—(1)** It shall be an offence if —

- (a) a registered organisation or an officer or member thereof or subscriber thereto fails to give any notice, send any return or document, do or allow to be done anything which the organisation, officer or person is by this Act required to give, send, do or allow to be done;
- (b) a registered organisation or an officer or member thereof or subscriber thereto wilfully neglects or refuses to do any act or to furnish any information required for the purposes of this Act by the Registrar or by any person authorised under this Act, or does anything forbidden by this Act;
- (c) a registered organisation or an officer or member thereof or subscriber thereto makes a return or wilfully furnishes information which is in any respect false or insufficient; or



- (d) where a dispute is referred under this Act to the Registrar, a person refuses to attend or to produce any document or to give evidence before the Registrar or Assistant Registrar.

(2) A registered organisation and an officer or member of or subscriber to a registered organisation or other person guilty of an offence under this section shall be liable on conviction to a fine not exceeding \$200.

[39

[58/70]

### **Offences by organisation to be also offences by officers, etc.**

**43.** Where a registered organisation is guilty of an offence, every officer of the organisation bound by the rules thereof to fulfil any duty whereof the offence is a breach, or if there is no such officer then every member of the committee, unless that member is proved to have been ignorant of or to have attempted to prevent the commission of the offence, shall be liable to the same penalty as if he had committed the offence.

[40]

### **Continuing offence**

**44.** Every default under this Act constituting an offence, if continued, shall constitute a new offence in every week during which the default continues.

[41]

### **Punishment of fraud, false declaration and misappropriation**

**45.—(1)** Any person who with intent to mislead or defraud gives to any person a copy of any rules, laws, regulations or other documents, other than the rules of a registered organisation, on the pretence that they are the existing rules of that organisation or that there are no other rules of the organisation or gives to any person a copy of any rules on the pretence that those rules are the rules of a registered organisation when the organisation is not registered, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$500 or to imprisonment for a term not exceeding 6 months or to both.

(2) Any person who obtains possession by false representation of any property of a registered organisation or withholds or misapplies any such property in his possession or wilfully applies any part thereof to purposes other than those expressed or directed in the rules of the organisation and authorised by this Act, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$500 or to imprisonment for a term not exceeding 6 months or to both and to be ordered to deliver up all such property or to repay all sums of money applied improperly.

[42]

### **Falsification**

**46.** Any person who wilfully makes, orders or allows to be made any entry, erasure in or omission from a balance-sheet of a registered organisation or a return or document required to be sent, produced or delivered for the purposes of this Act, with intent to falsify it or to evade the provisions of this Act, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$500 or to imprisonment for a term not exceeding 6 months or to both.

[43]

### **Legal proceedings**

**47.—(1)** Every registered organisation may sue and be sued in the name in which it is registered under this Act.

(2) A writ of summons or other legal process may be served on a registered organisation by serving it on an officer of the organisation or by leaving it at, or sending it by registered post to, the registered address of the organisation.

(3) The judgment in any suit against a registered organisation shall not be executed against the person or property of any officer or member of the organisation but only against the property of the organisation.

[44]

### **Exemption**

**48.—(1)** Nothing in this Act shall apply to any person, body or organisation to which the Insurance Act [Cap. 142] applies or which

is registered under the Co-operative Societies Act [Cap. 62] or the Trade Unions Act [Cap. 333].

(2) The Minister may exempt any organisation, person or class of persons from all or any of the provisions of this Act.

[45  
[8/74]

## **Rules**

**49.—**(1) The Minister may make rules for any of the following purposes:

- (a) prescribing the manner of registration of mutual benefit organisations under this Act;
- (b) regulating or restricting changes of the name or objects of registered organisations;
- (c) regulating or restricting changes of the place of business or place of meetings of registered organisations;
- (d) prescribing the forms which may be used for carrying out the provisions of this Act;
- (e) prescribing the information to be furnished to the Registrar;
- (f) prescribing the fees which may be levied under this Act;
- (g) prescribing the percentage of the total receipts from subscriptions that may be deducted by a registered organisation for administration and other expenses; and
- (h) generally for carrying into effect the provisions of this Act in relation to any matters, whether similar or not to those in this subsection mentioned, as to which he may consider it expedient to make rules.

(2) The Minister in making a rule under this section may direct that a person guilty of a contravention of any rule shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$500 and where the contravention is a continuing one to a fine not exceeding \$50 for every day after the first day during which the contravention continues.

(3) All rules made under this section shall be published in the *Gazette* and shall be presented to Parliament as soon as possible after publication and if a resolution is passed pursuant to a motion notice whereof has been given for a sitting day not later than the first available sitting day of Parliament next after the expiry of 3 months from the date when the rules are so presented annulling the rules or any part thereof as from a specified date, the rules or such part thereof, as the case may be, shall thereupon become void as from that date but without prejudice to the validity of anything previously done thereunder or to the making of new rules.

[47]

## THE SCHEDULE

Section 4(3).

### MATTERS FOR WHICH PROVISION MUST BE MADE IN THE RULES OF EVERY MUTUAL BENEFIT ORGANISATION

1. The name of the organisation and the place of office of the organisation.
2. All the objects of the organisation and the conditions under which any member or subscriber may become entitled to any benefit.
3. The manner of making, altering, amending and rescinding the rules:  
Provided that no alteration may take place which would reduce benefits provided by the rules without the approval of three-fourths of the total of the members or subscribers obtained by means of a ballot vote.
4. The election and removal of office bearers, including the secretary, treasurer, trustees and other officers of the organisation.
5. The supplying of a copy of the rules of the organisation to every member or subscriber.
6. The custody and investment of the funds of the organisation and the designation of the officers responsible therefor and the annual or periodical audit of the organisation's accounts.
7. Inspection of the books and register of names of members of or subscribers to the organisation by any person having an interest in the funds of the organisation.
8. The keeping of a register with particulars of the age, name and address of any member or subscriber and the nominee (if any) of the member or subscriber to the organisation.

THE SCHEDULE — *continued*

9. The minimum number for a quorum for general meetings and committee meetings, such minimum number to be not less than 3 times the total number of the members of the committee in the case of general meetings and not less than one-half of the total number of the members of the committee in the case of committee meetings.

10. The manner of deciding a dispute between —

- (a) a member or subscriber or person claiming through a member or a subscriber or under the rules of a registered organisation and the organisation or an officer thereof; and
- (b) any person aggrieved who has ceased to be a member of a registered organisation or any person claiming through such aggrieved person and the organisation or an officer thereof.

LEGISLATIVE HISTORY  
MUTUAL BENEFIT ORGANISATIONS ACT  
(CHAPTER 191)

This Legislative History is provided for the convenience of users of the Mutual Benefit Organisations Act. It is not part of the Act.

**1. Act 42 of 1960 — Mutual Benefit Organisations Act 1960**

Date of First, Second and Third Readings : Date not available

Date of commencement : 1 August 1960

**2. 1970 Revised Edition (Cap. 254) — Mutual Benefit Organisations Act (Chapter 254)**

Date of operation : 31 July 1971

**3. Act 58 of 1970 — Mutual Benefit Organisations (Amendment) Act 1970**

Date of First, Second and Third Readings : Date not available.

Date of commencement : 1 February 1971

**4. Act 8 of 1974 — Mutual Benefit Organisations (Amendment) Act 1974**

Date of First, Second and Third Readings : Date not available.

Date of commencement : 8 July 1974

**5. 1985 Revised Edition — Mutual Benefit Organisations Act**

Date of operation : 30 March 1987

**6. Act 16 of 1993 — Supreme Court of Judicature (Amendment) Act 1993**  
(Consequential amendments made to Act by)

Date of First Reading : 26 February 1993  
(Bill No. 12/1993 published on 27 February 1993)

Date of Second and Third Readings : 12 April 1993

Date of commencement : 1 July 1993

**7. Act 37 of 1998 — Post Office Savings Bank of Singapore (Transfer of Undertakings and Dissolution) Act 1998**

(Consequential amendments made to Act by)

Date of First Reading : 31 July 1998  
(Bill No. 34/1998 published on  
1 August 1998)

Date of Second and Third Readings : 12 October 1998

Dates of commencement : 16 November 1998

**8. Act 9 of 2003 — Statutes (Miscellaneous Amendments) Act 2003**

Date of First Reading : 20 March 2003  
(Bill No. 7/2003 published on  
21 March 2003)

Date of Second and Third Readings : 24 April 2003

Date of commencement : 16 May 2003