

No. 8 of 2022.

Business Groups Incorporation (Amendment) Act 2022.

Certified on : 12 APR 2022



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Business Groups Incorporation (Amendment) Act 2022.

ARRANGEMENT OF SECTIONS.

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13B. RECTIFICATION OF REGISTER.
13C. HOW REGISTRAR MAY GIVE NOTICES.”.**
3. New Sections 15A and 15B.

**“15A. NOTICE OF CHANGE OF COMMITTEE MEMBERS AND COMMITTEE MEMBER ADDRESSES.
15B. NOTICE OF CHANGE OF POSTAL ADDRESS FOR SERVICE.”.**
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“23A. ANNUAL RETURN.”.
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No. 8 of 2022.

AN ACT

entitled

Business Groups Incorporation (Amendment) Act 2022,

Being an Act to amend the ***Business Groups Incorporation Act*** (Chapter 144) -

- (a) to reform the law relating to incorporated business groups to combat money laundering; and
 - (b) to provide for better internal governance; and
 - (c) to facilitate online filing,
- and for other related purposes.

MADE by the National Parliament to come into operation in accordance with a notice in the National Gazette by the Head of State, acting with, and in accordance with, the advice of the Minister.

1. INTERPRETATION (AMENDMENT OF SECTION 2).

Section 2 of the Principal Act is amended -

- (a) by inserting after the definition of “the dispute settlement Authority” the following new definition:

““document” means a document in any form and includes -

- (a) any writing on any material; and
- (b) information created, recorded or stored by means of a tape recorder, computer or other device; and
- (c) a photograph, film, negative, tape or other device in which one or more visual images are embodied so as to be capable (with or without the aid of equipment) of being reproduced;”;

- (b) by inserting after the definition of “the regulations” the following new definition:

““signature” means either the name of a person affixed with their own hand on a document or in the case of a document filed with or sent from the registry by electronic means, the name of the person affixed to the document by a method deemed acceptable by the Registrar;”.

2. NEW SECTIONS 13A, 13B AND 13C.

The Principal Act is amended by inserting immediately after Section 13, the following new sections:

“13A. MAINTENANCE OF THE REGISTER.

- (1) The register of business groups may be kept in such manner as the Registrar thinks fit including, either wholly or partly, by means of a device or facility -
 - (a) that records or stores information electronically or by other means; and

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- (b) that permits the information so recorded or stored to be readily inspected or reproduced in useable form.

(2) A person may file a document with the Registrar in any format permitted by the Registrar, including an electronic format, in accordance with procedures established by the Registrar from time to time.

13B. RECTIFICATION OF REGISTER.

- (1) The Registrar may -
 - (a) rectify the register if the Registrar is satisfied that any information has been wrongly entered in, or omitted from the register; or
 - (b) correct any particulars that appear to the Registrar to have been incorrectly entered in the register.

(2) Unless the rectification or correction relates solely to the person who provided it, the Registrar must not rectify or correct the register without first -

- (a) giving notice of the rectification or correction to the business group and to persons whom the Registrar considers will be materially affected by it; and
- (b) allowing a person to whom notice is given a reasonable opportunity to object.

13C. HOW REGISTRAR MAY GIVE NOTICES.

(1) The Registrar may give a notice under this Act to a person in the manner that the Registrar considers appropriate under the circumstances.

(2) Without limiting Subsection (1), the Registrar may give a notice to the person by -

- (a) delivering it to the person; or
- (b) delivering or posting it to the person's address for service in Papua New Guinea notified to the Registrar under this Act or the Regulations; or
- (c) posting or delivering it to the person's last known address; or
- (d) sending it by facsimile to a facsimile number used by the person for transmission of documents; or
- (e) sending it to the person's email address notified to the Registrar under this Act or the Regulations.

(3) A document admissible in legal proceedings as a copy of a notice given by the Registrar includes a document that -

- (a) appears to be a copy of a notice given by the Registrar; and
- (b) is certified by the Registrar as having been derived from a device or facility that records or stores information electronically or by other means.”.

3. NEW SECTIONS 15A AND 15B.

The Principal Act is amended by inserting immediately after Section 15, the following new sections:

“15A. NOTICE OF CHANGE OF COMMITTEE MEMBERS AND COMMITTEE MEMBER ADDRESSES.

(1) A business group must ensure that the following notices in the prescribed form are filed with the Registrar for registration:

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- (a) notice of a change in the committee members, whether as the result of a committee member ceasing to hold office or the appointment of a new committee member or both; and
 - (b) notice of a change in the name of a committee member; and
 - (c) notice of a change in the residential address or postal address of a committee member.
- (2) A notice under Subsection (1) must -
- (a) specify the date of the change; and
 - (b) include the full name, residential address, and postal address of every person who is a committee member of the business group from the date of the notice (including continuing committee members); and
 - (c) be filed with the Registrar within 20 days after -
 - (i) the change occurring, in the case of the appointment or resignation of a committee member; or
 - (ii) the business group first becoming aware of the change, in the case of the death of a committee member or a change in the name or residential address or postal address of a committee member.
- (3) If a business group fails to comply with this section -
- (a) the business group must pay the prescribed late filing fee to the Registrar; and
 - (b) the business group commits an offence and is liable on conviction to a fine not exceeding K1,000.00; and
 - (c) every committee member of the business group commits an offence and is liable on conviction to a fine not exceeding K1,000.00”.

15B. NOTICE OF CHANGE OF POSTAL ADDRESS FOR SERVICE.

(1) Subject to the business group’s constitution and Subsection (3), a business group may change its postal address for service of process at any time.

(2) The business group must file a notice of the change in the prescribed form with the Registrar for registration.

(3) A change in the postal address for service takes effect on a date stated in the notice which must not be earlier than 10 days after the notice is registered.”.

4. MEETINGS OF MEMBERS (AMENDMENT OF SECTION 19).

Section 19 of the Principal Act is amended in Subsection (2) in the penalty provision by deleting “K200.00” and replacing it with the following:

“K5,000.00”.

5. NEW SECTION 23A.

The Principal Act is amended by inserting immediately after Section 23, the following new section:

“23A. ANNUAL RETURN.

- (1) Each year a business group must file with the Registrar for registration, an annual return that -
- (a) is in the prescribed form; and

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- (b) contains the prescribed information; and
- (c) is signed by a committee member of the business group or by a legal practitioner or chartered accountant who is authorised to sign it; and
- (d) is accompanied by the prescribed fee.

(2) The Registrar may send or otherwise provide to a business group an annual return form pre-filled with the prescribed information as it appears on the register.

(3) The form complies with this section if the pre-filled form, as amended as necessary by the business group, is current as of the date it is filed with the Registrar.

(4) The annual return shall be filed together with the statement of assets and liabilities required by Section 23(b).

(5) Where the committee of a business group fails to comply with Subsection (1), every member of the committee commits an offence.

Penalty: A fine not exceeding K2,000.00.”.

6. REPEAL OF SECTION 27.

Section 27 of the Principal Act is repealed.

7. MANNER OF WINDING-UP BY THE REGISTRAR (AMENDMENT OF SECTION 28).

Section 28 of the Principal Act is amended in Subsection (2) by repealing Paragraph (f) and replacing it with the following:

“(f) a business group has failed to lodge the statement of assets and liabilities in accordance with Section 23 or the annual report in accordance with Section 23A; or”.

8. MANNER OF WINDING-UP BY THE COURT (AMENDMENT OF SECTION 29).

Section 29 of the Principal Act is amended by inserting immediately after Subsection (2) the following new subsection:

“(2A) The creditor must file a copy of the court order with the Registrar within 10 days of its issuance.”.

9. POWER TO STAY WINDING-UP (AMENDMENT OF SECTION 30).

Section 30 of the Principal Act is amended by inserting immediately after Subsection (1) the following new subsection:

“(1A) The applicant for the court order must file a copy of the court order with the Registrar within 10 days of its issuance.”.

10. PAYMENT OF DEBTS (AMENDMENT OF SECTION 32).

Section 32 of the Principal Act is amended by repealing Paragraph (a) and replacing it with the following new paragraph:

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- “(a) all debts secured by charges (other than debts of members) registered under the ***Personal Property Security Act 2011*** have first priority to the extent of the debts secured and as between themselves, rank for priority in accordance with the ***Personal Property Security Act 2011***; and”.

I hereby certify that the above is a fair print of the ***Business Groups Incorporation (Amendment) Act 2022***, which has been made by the National Parliament.


Clerk of the National Parliament.

12 APR 2022

I hereby certify that the ***Business Groups Incorporation (Amendment) Act 2022***, was made by the National Parliament on 20 January 2022.


Speaker of the National Parliament.

12 APR 2022