

## REGISTRAR'S INTERPRETATION NO. 3 OF 2016

### SOCIETIES CANNOT HOLD SHARES OF A COMPANY

#### Summary

1. This Registrar's Interpretation serves to clarify that societies registered under the Societies Act may hold a company's shares in either the name of its trustee or a member of its governing body, but not in its own name.

#### Explanation

2. Section 35(1)(a) of the Societies Act provides that "the movable property of a society, if not vested in trustees, shall be deemed to be vested for the time being in the governing body of the society".

3. A registered society may hold movable property in either the name of its trustees or its governing body, but not in its own name. As shares are movable property, ACRA's Bizfile<sup>+</sup> system requires the share of a company to be held in the name of a trustee of the registered society (where the trustee may be an individual or corporation), or a member of the governing body, but not the name of the society itself.

4. The society may also wish to refer to its own constitution or bye-laws on whether there are any applicable provisions prescribing the manner in which it may hold movable property.

#### Further clarification

5. If you have any clarifications, you may contact ACRA's Helpdesk at 62486028.

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#### **Kenneth Yap Yew Choh (Mr)**

Chief Executive, Accounting and Corporate Regulatory Authority and  
Registrar of Companies, Business Names, Public Accountants, Limited Liability  
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