



What if a society is not incorporated?

A society does not have to be incorporated for its members to operate. Before you decide whether to incorporate or not, you should consider the following issues.

- An unincorporated society is based on an agreement (contract) between the members, that changes when people join or leave. The society does not have an existence separate from its members.
- Members of an unincorporated society can be held liable for the debts of the society.
- A society that is not incorporated cannot sue or be sued in Court. Any Court action would either be taken by, or against, the members individually.
- An unincorporated society cannot own property or enter into contracts.
- If a society is not incorporated it is not required to have rules to govern it. This can become a problem if there are disputes about how the society is run.
- There are problems in gifting property (including money) to a society that is not incorporated.
- A society that is not incorporated cannot use the word 'Incorporated' at the end of its name.