§5 Eligibility for incorporation

(1) An association is not eligible for incorporation under this Act if the association--

(a) has less than 7 members; or
(b) is--
   (i) a corporation; or
   (ii) a partnership under the Partnership Act 1891; or
   (iii) an organisation under the Industrial Relations Act 1999 that is incorporated because of the application of section 4236 of that Act; or
   (iv) a school council or parents and citizens association under the Education (General Provisions) Act 1989; or
(c) is formed or carried on for the purpose of providing financial gain for its members; or
(d) is provided for in a special Act that--
   (i) incorporates--
   (ii) provides the association may sue or be sued, or hold property, in the name of the association or an officer of the association; or
   (iii) specially regulates its affairs; or
   (e) has as its main purpose the holding of property--
      (i) in which its members have a disposable interest; or
      (ii) that the members have a right to divide between all or some of them; or
      (iii) for use by some or all of its members or among persons claiming through, or nominated by, some or all of its members; or
      (iv) for distribution of the property, or income from the property, among some or all of its members or among persons claiming through, or nominated by, some or all of its members; or
   (f) has an object of raising a fund by subscription of its members to make loans to them.

(2) However, subsection (1)(e)(iv) does not make an association ineligible for incorporation if the chief executive is satisfied the association has as its main purpose the holding of property for meeting the medical, hospital, nursing and rehabilitation costs (the medical costs), and similar and related costs, of an individual who is suffering from a serious medical condition or injury.